

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

REVIEWED REPORT AND INTERIM FINANCIAL INFORMATION

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021

INDEPENDENT AUDITOR’S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To The Shareholders and Board of Directors of
TRC Construction Public Company Limited

I have reviewed the accompanying consolidated statements of financial position of TRC Construction Public Company Limited and its subsidiaries (the Group) as at March 31, 2021 and the related consolidated statements of comprehensive income, consolidated statement changes in shareholders’ equity and cash flows for the three-month period then ended, and the condensed notes to consolidated financial statements and have also reviewed the accompanying statement of financial position of TRC Construction Public Company Limited (the Company) as at March 31, 2021 and the related statement of comprehensive income, changes in shareholders’ equity and cash flows for the three-month period then ended and the condensed notes to financial statements. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 “Interim Financial Reporting”. My responsibility is to express a conclusion on this interim financial information based on my review.

SCOPE OF REVIEW

I conducted my review in accordance with Thai Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity.” A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

CONCLUSION

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 “Interim Financial Reporting”.

(Mr. Peradate Pongsathiansak)
Certified Public Accountant
Registration No. 4752

Dharmniti Auditing Company Limited
Bangkok, Thailand
May 14, 2021

"UNAUDITED"

"REVIEWED"

- 2 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2021

		<u>ASSETS</u>				
		In Thousand Baht				
		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
		<u>As at March</u>	<u>As at December</u>	<u>As at March</u>	<u>As at December</u>	
Notes		<u>31, 2021</u>	<u>31, 2020</u>	<u>31, 2021</u>	<u>31, 2020</u>	
CURRENT ASSETS						
	Cash and cash equivalents	5	57,480	89,785	35,434	2,248
	Trade and other current receivables	4, 6	345,039	283,298	186,415	138,010
	Unbilled receivables	7, 22	1,491,297	1,117,635	514,754	314,182
	Accounts receivable - retention under construction contracts	4, 7	310,132	271,170	142,398	125,197
	Advances paid to subcontractors under construction contracts	4	379,288	498,303	46,574	175,760
	Construction in progress	22	293,095	329,386	106,542	182,858
	Inventories	8	22,029	1,676	1,608	1,608
	Short-term loans to related parties	4	-	-	50	50
	Withholding tax deducted at source		184,677	173,259	134,929	123,410
	Other current assets		52,711	44,558	19,060	14,326
	Total current assets		<u>3,135,748</u>	<u>2,809,070</u>	<u>1,187,764</u>	<u>1,077,649</u>
NON-CURRENT ASSETS						
	Restricted deposits at banks	9	3,202	32,198	354	29,350
	Long-term loans to related parties	4	-	-	-	-
	Investments in subsidiaries	10	-	-	476,498	476,198
	Investments in associates	11	-	-	-	-
	Investments in joint ventures	12	122,348	123,584	102,376	102,376
	Property, plant and equipment	13	626,765	618,357	587,770	578,351
	Right-of-use assets	14	29,201	29,622	16,728	14,485
	Intangible assets		12,789	13,273	12,549	13,067
	Deferred tax assets		46,118	49,703	19,733	15,144
	Other non-current assets		4,120	3,430	1,673	1,681
	Total non-current assets		<u>844,543</u>	<u>870,167</u>	<u>1,217,681</u>	<u>1,230,652</u>
	TOTAL ASSETS		<u><u>3,980,291</u></u>	<u><u>3,679,237</u></u>	<u><u>2,405,445</u></u>	<u><u>2,308,301</u></u>

Notes to interim financial statements form an integral part of these statements.

"UNAUDITED"

"REVIEWED"

- 3 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION (CONT.)
AS AT MARCH 31, 2021

LIABILITIES AND SHAREHOLDERS' EQUITY

		In Thousand Baht			
		Consolidated financial statements		Separate financial statements	
		As at March	As at December	As at March	As at December
Notes		31, 2021	31, 2020	31, 2021	31, 2020
CURRENT LIABILITIES					
	Bank overdrafts and short-term loans				
	from financial institutions	15	805,811	709,460	457,362
	Trade and other current payables	4, 16	863,476	718,490	455,386
	Unbilled payable		640,828	454,391	75,201
	Unearned construction - revenue	7	75	10,055	75
	Accounts payable - retention under construction contracts		178,275	158,959	16,467
	Advances received from customers under construction contracts	7, 22	887,171	913,865	187,989
	Short-term loans from related parties	4	-	-	728,000
	Provision for liabilities under construction projects	17	175,851	166,974	67,324
	Current portion of lease liabilities	18	17,420	16,709	9,521
	Income tax payable		16	-	-
	Other current liabilities		11,612	15,851	5,504
	Total current liabilities		3,580,535	3,164,754	2,002,829
NON-CURRENT LIABILITIES					
	Lease liabilities	18	16,693	15,673	11,551
	Non-current provisions for employee benefits	19	55,259	82,107	31,994
	Provision for litigation	25.1	20,000	20,000	20,000
	Total non-current liabilities		91,952	117,780	63,545
	TOTAL LIABILITIES		3,672,487	3,282,534	2,066,374

Notes to interim financial statements form an integral part of these statements.

"UNAUDITED"

"REVIEWED"

- 4 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION (CONT.)
AS AT MARCH 31, 2021

LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

		In Thousand Baht			
		Consolidated financial statements		Separate financial statements	
		As at March	As at December	As at March	As at December
Notes		31, 2021	31, 2020	31, 2021	31, 2020
Share capital					
	Registered				
	9,587,146,838 ordinary shares of Baht 0.125 each	1,198,393	1,198,393	1,198,393	1,198,393
	Issued and paid-up				
	9,587,146,838 ordinary shares of Baht 0.125 each	1,198,393	1,198,393	1,198,393	1,198,393
	Share premium	-	-	-	-
	Other deficit	(2,956)	(2,956)	-	-
	Retained earnings (deficit)				
	Appropriated - statutory reserve				
	The Company	-	-	-	-
	Subsidiary	4,108	4,108	-	-
	Unappropriated	(878,698)	(791,218)	(859,322)	(771,499)
	Other components of shareholders' equity	15,554	17,393	-	-
	Equity attributable to owners of the Company	336,401	425,720	339,071	426,894
	Non-controlling interests of the subsidiaries	(28,597)	(29,017)	-	-
	Total shareholders' equity	307,804	396,703	339,071	426,894
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	3,980,291	3,679,237	2,405,445	2,308,301

Notes to interim financial statements form an integral part of these statements.

"UNAUDITED"

"REVIEWED"

- 5 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021

		In Thousand Baht				
		Consolidated financial statements		Separate financial statements		
Notes		2021	2020	2021	2020	
	REVENUES					
		4				
	Construction services income	1,185,022	951,326	640,740	474,714	
	Other service income	6,566	4,237	-	-	
	Sales income	235	-	-	-	
	Interest income	-	227	-	227	
	Other income	8,157	7,576	10,529	9,053	
	Total revenues	1,199,980	963,366	651,269	483,994	
	EXPENSES					
	Cost of construction services	4	1,237,883	854,983	725,013	406,836
	Cost of other services		3,204	2,643	-	-
	Cost of sales		131	-	-	-
	Administrative expenses		61,838	80,862	47,910	74,310
	Total expenses		1,303,056	938,488	772,923	481,146
	Profit (loss) before share of profit (loss) from investments in associates and joint ventures, finance cost and income tax expenses		(103,076)	24,878	(121,654)	2,848
	Share of profit (loss) from investments in associates	11.2	-	-	-	-
	Share of profit (loss) from investments in joint ventures	12.2	(1,309)	(1,855)	-	-
	Profit (loss) before finance cost and income tax expenses		(104,385)	23,023	(121,654)	2,848
	Finance cost	4	7,454	5,710	9,419	7,549
	Profit (loss) before income tax expenses		(111,839)	17,313	(131,073)	(4,701)
	Income tax income (expenses)	20	1,892	(6,119)	12,321	35
	PROFIT (LOSS) FOR THE PERIOD		(109,947)	11,194	(118,752)	(4,666)

Notes to interim financial statements form an integral part of these statements.

"UNAUDITED"

"REVIEWED"

- 6 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME (CONT.)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021

		In Thousand Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2021	2020	2021	2020
Other comprehensive income:					
Components of other comprehensive income that will be reclassified to profit or loss					
Exchange differences on translation of financial statements in foreign currency					
		(977)	(2,891)	-	-
Components of other comprehensive income that will not be reclassified to profit or loss					
Actuarial gains					
		22,025	-	30,929	-
Other comprehensive income for the period - net of income tax		21,048	(2,891)	30,929	-
Total comprehensive income for the period		<u>(88,899)</u>	<u>8,303</u>	<u>(87,823)</u>	<u>(4,666)</u>
Profit (loss) attributable to:					
Equity holders of the Company					
		(109,505)	11,644	(118,752)	(4,666)
Non-controlling interests of the subsidiaries					
		(442)	(450)	-	-
		<u>(109,947)</u>	<u>11,194</u>	<u>(118,752)</u>	<u>(4,666)</u>
Total comprehensive income attributable to:					
Equity holders of the Company					
		(89,319)	9,873	(87,823)	(4,666)
Non-controlling interests of the subsidiaries					
		420	(1,570)	-	-
		<u>(88,899)</u>	<u>8,303</u>	<u>(87,823)</u>	<u>(4,666)</u>
Earnings per share					
	21				
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company					
		<u>(0.0114)</u>	<u>0.0012</u>	<u>(0.0124)</u>	<u>(0.0005)</u>

Notes to interim financial statements form an integral part of these statements.

"UNAUDITED"

"REVIEWED"

- 7 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021

In Thousand Baht

Consolidated financial statements												
Equity attributable to the parent's shareholders										Equity attributable	Total	
Issued and	Other deficit		Retained earnings (deficit)			Other components of equity			Total equity	to non-controlling	Total	
paid-up	Deficit on	Total	Appropriated - Statutory reserve		Unappropriated	Other comprehensive		Total other	attributable to	interests of	shareholders'	
share capital	revaluation	other deficit	The Company	Subsidiary		income	Share of other	components of	shareholders of	the subsidiaries	equity	
	of investment					Exchange differences	comprehensive income	shareholders'	the Company			
	in subsidiaries					on translation	from associate	equity				
						of financial statements	in foreign currency					
Balance as at January 1, 2020	1,198,393	(2,956)	(2,956)	-	4,108	(347,048)	14,716	900	15,616	868,113	(28,526)	839,587
Profit (loss) for the period	-	-	-	-	-	11,644	-	-	-	11,644	(450)	11,194
Other comprehensive income for the period	-	-	-	-	-	-	(1,771)	-	(1,771)	(1,771)	(1,120)	(2,891)
Total comprehensive income for the period	-	-	-	-	-	11,644	(1,771)	-	(1,771)	9,873	(1,570)	8,303
Balance as at March 31, 2020	1,198,393	(2,956)	(2,956)	-	4,108	(335,404)	12,945	900	13,845	877,986	(30,096)	847,890
Balance as at January 1, 2021	1,198,393	(2,956)	(2,956)	-	4,108	(791,218)	16,493	900	17,393	425,720	(29,017)	396,703
Profit (loss) for the period	-	-	-	-	-	(109,505)	-	-	-	(109,505)	(442)	(109,947)
Other comprehensive income for the period	-	-	-	-	-	22,025	(1,839)	-	(1,839)	20,186	862	21,048
Total comprehensive income for the period	-	-	-	-	-	(87,480)	(1,839)	-	(1,839)	(89,319)	420	(88,899)
Balance as at March 31, 2021	1,198,393	(2,956)	(2,956)	-	4,108	(878,698)	14,654	900	15,554	336,401	(28,597)	307,804

Notes to interim financial statements form an integral part of these statements.

"UNAUDITED"

"REVIEWED"

- 8 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021

	In Thousand Baht			Total shareholders' equity
	Issued and paid-up share capital	Separate financial statements		
		Retained earnings (deficit) Appropriated - Statutory reserve	Unappropriated	
Balance as at January 1, 2020	1,198,393	-	(551,368)	647,025
Profit (loss) for the period	-	-	(4,666)	(4,666)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	(4,666)	(4,666)
Balance as at March 31, 2020	1,198,393	-	(556,034)	642,359
Balance as at January 1, 2021	1,198,393	-	(771,499)	426,894
Profit (loss) for the period	-	-	(118,752)	(118,752)
Other comprehensive income for the period	-	-	30,929	30,929
Total comprehensive income for the period	-	-	(87,823)	(87,823)
Balance as at March 31, 2021	1,198,393	-	(859,322)	339,071

Notes to interim financial statements form an integral part of these statements.

"UNAUDITED"

"REVIEWED"

- 9 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE THREE-MONTH PERIOD MARCH 31, 2021

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from operating activities				
Profit (loss) before tax	(111,839)	17,313	(131,073)	(4,701)
Adjustments to reconcile profit (loss) before tax				
to net cash provided by (paid from) operating activities				
Depreciation and amortisation	18,540	29,460	15,087	25,865
Allowance for doubtful debt	-	-	-	3,688
Unrealised (gain) loss on exchange rate	(21)	(356)	(21)	(355)
(Gain) loss on disposal of equipment	(94)	(237)	(93)	-
Loss on write-off of equipment	12	10	12	8
(Gain) loss from cancellation of lease agreement	(52)	-	(66)	-
Share of (profit) loss from investments in joint venture	1,236	1,855	-	-
Provision for liabilities under construction projects	138,466	1,000	138,466	-
Non-current provisions for employee benefits	3,284	3,687	2,317	3,035
Interest income	-	(227)	-	(227)
Interest expenses	7,454	5,710	9,419	7,549
Profit (loss) from operating activities before changes in				
operating assets and liabilities	56,986	58,215	34,048	34,862
(Increase) decrease in operating assets				
Trade and other current receivables	(61,741)	546,139	(48,405)	384,902
Unbilled receivables	(373,662)	(301,478)	(200,572)	(332,971)
Accounts receivable - retention under construction contracts	(38,962)	(36,499)	(17,201)	(4,621)
Advance paid to subcontractors under construction contracts	119,015	54,489	129,186	24,588
Construction in progress	36,291	(129,989)	76,316	25,788
Inventories	(20,353)	(2)	-	-
Other current assets	(8,153)	(1,627)	(4,734)	4,074
Other non-current assets	(690)	(688)	8	1

Notes to interim financial statements form an integral part of these statements.

"UNAUDITED"

"REVIEWED"

- 10 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS (CONT.)

FOR THE THREE-MONTH PERIOD MARCH 31, 2021

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Increase (decrease) in operating liabilities				
Trade and other current payables	152,220	(88,972)	48,619	(33,517)
Unbilled payables	186,437	85,554	62,318	105,112
Unearned construction revenue	(9,980)	-	(9,980)	-
Accounts payable - retention under construction contracts	19,316	11,620	6,880	(6,747)
Advances received from customers under construction contracts	(26,694)	(45,707)	(73,321)	(13,123)
Other current liabilities	(4,239)	(23,102)	(5,567)	(24,651)
Cash flows from provide by (used in) operating activities	25,791	127,953	(2,405)	163,697
Cash paid for provision for liabilities under construction projects	(129,589)	(32,909)	(78,994)	(880)
Cash paid for non-current provision for employee benefits	(2,600)	(3,695)	-	(3,367)
Cash paid for income tax	(17,952)	(23,145)	(11,519)	(15,358)
Received from withholding tax refund	6,522	20,999	-	20,999
Net cash flows provided by (used in) operating activities	(117,828)	89,203	(92,918)	165,091
Cash flows from investing activities				
Decrease in restricted deposits at banks	28,996	-	28,996	-
Decrease in short-term loans to related parties	-	-	-	(3,688)
Cash paid for investing in subsidiaries	-	-	(300)	-
Cash paid for investing in joint venture	-	(74,625)	-	(74,625)
Interest income	-	227	-	227
Cash received from disposal of equipment	96	336	93	-
Cash paid for purchase of property, plant and equipment	(27,771)	(4,331)	(25,518)	(3,853)
Cash paid for purchase of intangible assets	(79)	-	(30)	-
Net cash flows provided by (used in) investing activities	1,242	(78,393)	3,241	(81,939)
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	96,351	23,787	42,702	72,787
Cash receive from short-term loans from related parties	-	-	114,000	208,000
Cash paid for short-term loans from related parties	-	-	(28,000)	(331,000)

Notes to interim financial statements form an integral part of these statements.

"UNAUDITED"

"REVIEWED"

- 11 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS (CONT.)

FOR THE THREE-MONTH PERIOD MARCH 31, 2021

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Repayment of debentures	-	(30,000)	-	(30,000)
Interest expenses	(7,009)	(5,777)	(3,303)	(8,175)
Decrease in lease liabilities	(4,084)	(3,189)	(2,536)	(1,361)
Net cash flows provided by (used in) financing activities	85,258	(15,179)	122,863	(89,749)
Increase (decrease) in translation adjustment	(977)	(2,891)	-	-
Net increase (decrease) in cash and cash equivalents	(32,305)	(7,260)	33,186	(6,597)
Cash and cash equivalents at the beginning of the period	89,785	182,190	2,248	94,272
Cash and cash equivalents at the end of the period	57,480	174,930	35,434	87,675
Supplemental cash flows information				
Non-cash items consist of				
Increase (decrease) in purchase of fixed assets and intangible assets				
that have yet to be paid	(7,180)	(2,533)	(5,497)	(2,123)
Accrued payables the investment in subsidiaries	-	-	-	125
Lease liabilities	7,877	25,814	7,877	12,275

Notes to interim financial statements form an integral part of these statements.

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS
MARCH 31, 2021

1. CORPORATE INFORMATION

TRC Construction Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in construction service and its registered address is No. 8, Soi Sukhapiban 5 Soi 32, Kwang Tha Raeng, Khet Bang Khen, Bangkok.

2. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

2.1 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 “Interim Financial Reporting”, and the requirements of the Securities and Exchange Commission (SEC). The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events, and situations and not intended to re-emphasis on the information previously reported. The interim financial statements should therefore, be read in conjunction with the financial statements for the year ended December 31, 2020.

The interim financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the financial statements in Thai language version.

2.2 Financial reporting standards that became effective in the current period

During the period, the Company and its subsidiaries have adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after January 1, 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the financial statements in the current period.

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS
MARCH 31, 2021

2.3 Financial reporting standards that will become effective in the future

The Federation of Accounting Professions has revised TFRS 16 leases and published in the Government Gazette on January 27, 2021. There is added the requirements for the temporary exception arising from interest rate benchmark reform, which an entity shall apply these amendments for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted.

The management of the Company and its subsidiaries are currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

3. BASIS OF CONSOLIDATION

These consolidated interim financial statements are prepared on the same basis as that applied for the preparation of the consolidated financial statements for the year ended December 31, 2020, with there being changes in the structure of shareholding in subsidiaries during the current period. (see note 10)

4. RELATED PARTY TRANSACTIONS

During the periods, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company, its subsidiaries and those related parties.

“UNAUDITED”

“REVIEWED”

- 14 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2021

Detail of relation between the Company and its related parties and companies are summarized as follows:

<u>Company's name</u>	<u>Country of incorporation</u>	<u>Type of relation</u>
Sahakarn Wisavakorn Company Limited	Thailand	Subsidiary company
TRC Investment Limited	The Republic of Mauritius	Subsidiary company
TRC Utility Company Limited	Thailand	Subsidiary company
Hydrotek Sahakarn Joint Venture	Thailand	Subsidiary company
TRC International Limited	Hong Kong	Subsidiary company
TRC Middle East LLC	Sultanate of Oman	Subsidiary company
TRC Engineering LLC	Sultanate of Oman	Subsidiary company
Olive Technology Company Limited	Thailand	Subsidiary company
Mahat Company Limited	Thailand	Subsidiary company
Saha Hydro Pattaya Joint Venture	Thailand	Subsidiary company
ASEAN Potash Chaiyaphum Public Company Limited	Thailand	Associated company
SH Crossing Company Limited	Thailand	Joint venture
AT Energy Solution Company Limited	Thailand	Joint venture
Sahakarn Underground Joint Venture	Thailand	Joint venture

Significant transactions with related companies for the three-month periods ended March 31, 2021 and 2020 are as follows:

	<u>In Million Baht</u>				<u>Transfer Pricing Policy</u>	
	<u>For the three-month periods ended March 31,</u>					
	<u>Consolidated financial</u>		<u>Separate financial</u>			
	<u>statements</u>		<u>statements</u>			
<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>			
<u>Transactions with subsidiary companies</u>						
(eliminated from the consolidated financial statements)						
Cost of construction services	-	-	2	1	Cost plus margin	
Interest expenses	-	-	6	5	At rate of 2.5% - 6.25% p.a.	
Other income	-	-	4	4	Cost plus margin	
<u>Transactions with related parties</u>						
Other income	-	3	-	2	Cost plus margin	

“UNAUDITED”

“REVIEWED”

- 15 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2021

The significant outstanding balances with related parties and companies as at March 31, 2021 and December 31, 2020, are as follows:

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at March	As at December	As at March	As at December
	31, 2021	31, 2020	31, 2021	31, 2020
<u>Trade and other current receivables - related parties</u>				
Subsidiary companies	-	-	422,071	410,417
Associated company	383,420	383,420	383,420	383,420
Joint venture	18,789	18,361	8,002	7,961
Total	402,209	401,781	813,493	801,798
<u>Less</u> Allowance for doubtful debts	(383,420)	(383,420)	(751,470)	(734,347)
Trade and other current receivables - related parties - net	<u>18,789</u>	<u>18,361</u>	<u>62,023</u>	<u>67,451</u>
<u>Account receivable - retention under construction contracts - related parties</u>				
Associated company	7,854	7,854	7,854	7,854
Joint venture	42,626	42,626	42,626	42,626
Total	50,480	50,480	50,480	50,480
<u>Less</u> : Allowance for doubtful debts	(7,854)	(7,854)	(7,854)	(7,854)
Total account receivable - retention under construction contracts - related parties - net	<u>42,626</u>	<u>42,626</u>	<u>42,626</u>	<u>42,626</u>
<u>Advances paid to subcontractor under construction contract - related party</u>				
Joint venture	45,056	47,666	-	-
Total	<u>45,056</u>	<u>47,666</u>	<u>-</u>	<u>-</u>
<u>Short-term loans to related parties</u>				
Subsidiary companies	-	-	64,325	64,309
Total	-	-	64,325	64,309
<u>Less</u> Allowance for doubtful debts	-	-	(64,275)	(64,259)
Total short-term loans to related parties - net	<u>-</u>	<u>-</u>	<u>50</u>	<u>50</u>

“UNAUDITED”

“REVIEWED”

- 16 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

MARCH 31, 2021

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
<u>Long-term loans to related parties</u>				
Subsidiary companies	-	-	1,306,517	1,306,517
Total	-	-	1,306,517	1,306,517
<u>Less</u> Allowance for doubtful debts	-	-	(1,306,517)	(1,306,517)
Total long-term loans to related parties - net	-	-	-	-
<u>Trade and other current payables - related parties</u>				
Subsidiary companies	-	-	14,489	9,594
Joint ventures	7,711	7,996	-	-
Total	7,711	7,996	14,489	9,594
<u>Short-term loans from related parties</u>				
Subsidiary companies	-	-	728,000	642,000
Total	-	-	728,000	642,000

As at March 31, 2021 and December 31, 2020, the balance of loans and short-term loans between the Company and related companies and the movements are as follows:

Loans to	Related by	In Thousand Baht				
		Separate Financial Statements				
		Balance as at December 31, 2020	Increase	Decrease	Exchange rate adjustment	Balance as at March 31, 2021
<u>Short-term loans</u>						
TRC Investment Limited	Subsidiary company	3,615	-	-	16	3,631
TRC Engineering LLC	Subsidiary company	56,704	-	-	-	56,704
TRC Middle East LLC	Subsidiary company	3,940	-	-	-	3,940
Olive Technology Company Limited	Subsidiary company	50	-	-	-	50
Total		64,309	-	-	16	64,325
Less : Allowance for doubtful debts		(64,259)	-	-	(16)	(64,275)
Short-term loans - net		50	-	-	-	50
<u>Long-term loans</u>						
TRC Investment Limited	Subsidiary company	1,260,508	-	-	-	1,260,508
TRC International Limited	Subsidiary company	46,009	-	-	-	46,009
Total		1,306,517	-	-	-	1,306,517
Less: Allowance for doubtful debts		(1,306,517)	-	-	-	(1,306,517)
Long-term loans - net		-	-	-	-	-

“UNAUDITED”

“REVIEWED”

- 17 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

MARCH 31, 2021

Loans to related parties carried interest at rate of 3.5% - 7.0% per annum due for repayment on demand and no security to guarantee.

		In Thousand Baht			
		Separate Financial Statements			
		Balance as at	Increase	Decrease	Balance as at
		December			March
Loans from	Related by	31, 2020			31, 2021
Sahakam Wisavakorn Company Limited	Subsidiary company	642,000	90,000	(28,000)	704,000
Saha Hydro Pattaya Joint Venture	Subsidiary company	-	24,000	-	24,000
Total		642,000	114,000	(28,000)	728,000

Short-term loans from related parties carried interest at rate of 2.5% - 6.25% per annum (December 31, 2020 : 2.5% - 6.25% per annum) and due for repayment on demand and no security to guarantee.

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 24.5

Management benefit expenses

During the three-month periods ended March 31, 2021 and 2020, the Company and its subsidiaries had employee benefit expenses of their management as below.

		In Million Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		2021	2020	2021	2020
Short-term employee benefits		6	7	3	4
Post-employment benefits		1	1	1	1
Total		7	8	4	5

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are as follows:

		In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		As at March	As at December	As at March	As at December
		31, 2021	31, 2020	31, 2021	31, 2020
Cash		1,759	1,611	446	437
Deposits at banks (saving and current account)		55,721	88,174	34,988	1,811
Total		57,480	89,785	35,434	2,248

Saving accounts carry interest at the floating rates which are set by the bank.

“UNAUDITED”

“REVIEWED”

- 18 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

MARCH 31, 2021

6. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
<u>Trade accounts receivable - related parties</u>				
Aged on the basis of due dates				
Not yet due	-	-	-	-
Past due				
Up to 3 months	-	-	-	-
3 - 6 months	-	-	-	-
6 - 12 months	-	-	-	-
Over 12 months	383,420	383,420	383,420	383,420
Total trade accounts receivable - related parties	383,420	383,420	383,420	383,420
Less : Allowance for doubtful debts	(383,420)	(383,420)	(383,420)	(383,420)
Total trade accounts receivable - related parties - net	-	-	-	-
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	281,701	241,509	121,904	53,797
Past due				
Up to 3 months	30,321	16,033	-	14,707
3 - 6 months	198	2,159	-	-
6 - 12 months	3,702	2,925	-	-
Over 12 months	13,580	11,726	-	-
Total trade accounts receivable - unrelated parties	329,502	274,352	121,904	68,504
Less : Allowance for doubtful debts	(11,966)	(11,966)	-	-
Translation adjustment	(237)	269	-	-
Total trade accounts receivable - unrelated parties - net	317,299	262,655	121,904	68,504
Total trade accounts receivable - net	317,299	262,655	121,904	68,504
<u>Other current receivables</u>				
Advance to related parties	18,789	18,361	64,041	69,468
Interest receivable from related parties	-	-	366,033	348,910
Others	8,951	2,282	2,487	2,055
Total other current receivables	27,740	20,643	432,561	420,433
Less : Allowance for doubtful debt	-	-	(368,050)	(350,927)
Total other current receivables - net	27,740	20,643	64,511	69,506
Total trade and other current receivables - net	345,039	283,298	186,415	138,010

“UNAUDITED”

“REVIEWED”

- 19 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2021

The Company and the subsidiary transferred rights to receive payment from accounts receivable under construction contracts to secure the credit facilities with banks. Pledged trade accounts receivable amounting to Baht 296 million included in the trade accounts receivable balance as at March 31, 2021 (the Company only: Baht 110 million) (December 31, 2020 : Baht 243 million, (the Company only: Baht 52 million)).

7. UNBILLED RECEIVABLES/ADVANCES RECEIVED FROM CUSTOMERS UNDER CONSTRUCTION CONTRACTS

	In Thousand Baht			
	Consolidated Financial		Separate Financial	
	Statements		Statements	
As at March	As at December	As at March	As at December	
31, 2021	31, 2020	31, 2021	31, 2020	
Unbilled receivables and advances received from customers under construction contracts				
Project value as per contracts	15,624,182	15,649,957	4,457,245	4,525,296
Accumulated amount recognised as revenue on percentage of completion basis	7,397,623	7,314,169	2,853,586	2,633,475
Less : Bad debt	-	-	-	-
Less : Value of total billed	(6,793,497)	(7,110,399)	(2,526,821)	(2,580,603)
Net	604,126	203,770	326,765	52,872
Unbilled receivables - net	1,491,297	1,117,635	514,754	314,182
Advances received from customers	(887,171)	(913,865)	(187,989)	(261,310)
Total	604,126	203,770	326,765	52,872
Accounts receivables - retention under construction contract	317,986	279,024	150,252	133,051
Less : Allowance for doubtful debt	(7,854)	(7,854)	(7,854)	(7,854)
Accounts receivable - retention under construction contract - net	310,132	271,170	142,398	125,197
Unearned construction revenue				
Project value as per contracts	7,500	261,500	7,500	261,500
Value of total billed	7,500	32,900	7,500	32,900
Less : Accumulated amount recognised as revenue on percentage of completion basis	(7,425)	(22,845)	(7,425)	(22,845)
Unearned construction revenue	75	10,055	75	10,055

“UNAUDITED”

“REVIEWED”

- 20 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2021

8. INVENTORIES

Inventories are as follows:

	In Thousand Baht			
	Consolidated Financial		Separate Financial	
	Statements		Statements	
	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
Raw materials and construction supplies	22,715	2,362	2,302	2,302
Finished goods	8	8	-	-
Total	22,723	2,370	2,302	2,302
<u>Less Allowance for decline in value of</u> inventories	(694)	(694)	(694)	(694)
Inventories - net	<u>22,029</u>	<u>1,676</u>	<u>1,608</u>	<u>1,608</u>

9. RESTRICTED DEPOSITS AT BANKS

These balances represent saving deposit and fixed deposits that the Company and its subsidiaries pledged with banks to secure credit facilities and bank guarantee facilities issued by the banks on behalf of the subsidiaries, as described in Note 24.4 including the collateral lawsuits as described in Note 25.3.

“UNAUDITED”

“REVIEWED”

- 21 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2021

10. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries in the separate financial statements which use the cost method are as follows:

Company's name	Nature of business	Country of incorporation	Paid-up capital		Shareholding percentage (%)		Cost method (In Baht)	
			As at March	As at December	As at March	As at December	As at March	As at December
			31, 2021	31, 2020	31, 2021	31, 2020	31, 2021	31, 2020
Sahakarn Wisavakorn Company Limited	Construction services - basic infrastructure	Thailand	500,000,000	500,000,000	99.99	99.99	620,894,691	620,894,691
TRC Investment Limited*	Holding company	The Republic of Mauritius	1 USD	1 USD	100.00	100.00	32	32
TRC Utility Company Limited	To produce and distribute tap water	Thailand	250,000	250,000	99.97	99.97	249,925	249,925
Olive Technology Company Limited	Data management and processing	Thailand	850,000	250,000	49.97	49.97	424,745	124,925
Total							621,569,393	621,269,573
Less : Allowance for loss on impairment of investment							(145,071,416)	(145,071,416)
Total investments in subsidiaries - net							476,497,977	476,198,157

* The financial statements of the subsidiary were prepared by the management of the subsidiary and not reviewed by other auditors.

On August 14, 2019 the Board of Directors' Meeting No.8/2019 had a resolution to approve the company to establish a new subsidiary in order to operate an automatic warehouse.

As at March 31,2021, The Company is under negotiation process with the business partner.

Olive Technology Company Limited

On December 11, 2019, the Board of Directors' Meeting No. 10/2019 had a resolution to approve the Company entering into a joint venture agreement with Xsense Information Service Company Limited. to conduct the business in providing research and development of inspection systems to government agencies, state enterprises and public education controlled through IOT system at the shareholding 50%. The registered date was on March 9, 2020 with the registered capital of Baht 1 million and the paid-up capital of Baht 0.25 million. The Company invested Baht 0.13 million.

According to the agreement in the joint venture agreement, the Board of Directors of Olive Technology Company Limited. consists of 5 directors - 3 from TRC Construction Public Company Limited. and 2 from Xsense Information Service Company Limited. The meeting resolution on various matters has to receive majority votes of all directors. This means TRC Construction Public Company Limited have influent over the operation of Olive Technology Company Limited. Therefore, the Company considered the investments in Olive Technology Company Limited. as a subsidiary.

“UNAUDITED”

“REVIEWED”

- 22 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2021

On August 14, 2020, the Board of Directors' Meeting of the Company No. 4/2020 had a resolution for Olive Technology Company Limited. to enter into the investment agreement with 2 partner companies to establish MAHAT Company Limited. to operate the business of providing research services, development of audit systems to government agencies, state enterprises and the private sectors in education controlled through IOT system with a registered capital of Baht 1 million and paid-up the shares in full amount. The subsidiary had invested at the total amount of Baht 0.60 million, or 60% in accordance with the agreement in the joint venture agreement of the Board of Directors' of MAHAT Company Limited. that consisted of 3 directors, from 2 subsidiaries and from 1 joint venture appointment. The resolution of the Board of Directors' meeting on various matters required the majority vote of all directors. This means the subsidiary will have power to control the operations of MAHAT Company Limited. Therefore, the subsidiary had decided to invest in MAHAT Company Limited. as a subsidiary.

During January 14-18, 2021, Olive Technology Company Limited. had received the capital increase fund from the shareholders amounted Baht 0.60 million, or 60%.

Details of investments in subsidiaries which are held by the Company's subsidiaries are as follows:

Company's name	Nature of business	Country of incorporation	Paid-up capital		Shareholding percentage (%)		Cost method (Baht)	
			As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
<u>Held by Sahakarn Wisavakorn Company Limited</u>								
Hydrotek Sahakarn Joint Venture	Construction services	Thailand	1,000,000 Baht	1,000,000 Baht	49.00	49.00	490,000	490,000
Saha Hydro Pattaya Joint Venture	Construction services	Thailand	200,000 Baht	-	100.00	-	200,000	-
<u>Held by TRC Investment Limited</u>								
TRC International Limited*	Holding company	Hong Kong	10 HKD	10 HKD	100.00	100.00	33	33
<u>Held by TRC International Limited</u>								
TRC Middle East LLC*	Construction services	Sultanate of Oman	150,000 Omani Rial	150,000 Omani Rial	70.00	70.00	12,322,330	12,322,330
TRC Engineering LLC*	Construction services	Sultanate of Oman	250,000 Omani Rial	250,000 Omani Rial	70.00	70.00	13,654,506	13,654,506
<u>Held by Olive Technology Company Limited</u>								
Mahat Company Limited	Data management and processing	Thailand	1,000,000 Baht	1,000,000 Baht	59.98	59.98	599,800	599,800
Total							27,266,669	27,066,669
Less: Allowance for loss on impairment of investment							(25,976,836)	(25,976,836)
Total investments in subsidiaries which are held by the Company's subsidiaries - net							1,289,833	1,089,833

* The financial statements of the subsidiary were prepared by the management of the subsidiary and not reviewed by other auditors.

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2021

Hydrotek Sahakarn Joint Venture

Sahakarn Wisavakorn Company Limited, which is the Company’s subsidiary, and Hydrotek Public Company Limited agree that the subsidiary will be responsible for project execution of Hydrotek Sahakarn Joint Venture whereas Hydrotek Public Company Limited will not share any gain and loss as well as damage maybe arisen from this project. Later, on October 31, 2019, the Board of Directors’ Meeting No.2/2019 approve to cease the business operation.

As at March 31, 2021 such subsidiary is under liquidation process.

TRC Middle East LLC and TRC Engineering LLC

On March 10, 2016, the Meeting No. 3/2016 of the Company’s Board of Directors passed a resolution to approve the closure of TRC Middle East LLC and TRC Engineering LLC.

As at March 31, 2021, these subsidiaries have been in the liquidation process.

Saha Hydro Pattaya Joint Venture

On April 29, 2020, the subsidiary had entered into joint venture agreement with 2 partner companies on behalf of Saha Hydro Pattaya Joint Venture to participate in the bidding and work together on the East Railway Road Drainage Project, Phase 1 at Pattaya City. After the joint venture had been awarded the project, the three joint venture members had signed a memorandum of understanding to assign a subsidiary (Sahakarn Wisavakorn), which had a 50% investment shareholding in the joint venture, was solely responsible for all projects operation and receiving the outcome of the project operation (investment-profit-loss). Both partner companies will not invest in project working capital, Also, they will not share any gain and Loss as well as damage may be arisen from this project. Therefore, the subsidiary considers Saha Hydro Pattaya Joint Venture as a subsidiary.

On March 10, 2021, the capital increase fund from the subsidiary had been received amounted Baht 0.2 million, or 100%.

“UNAUDITED”

“REVIEWED”

- 24 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2021

11. INVESTMENTS IN ASSOCIATE

11.1 Details of associate

Investments in associate in the consolidated financial statements which use the equity method are as follows:

Company's name	Nature of business	Country of incorporation	Consolidated Financial Statements						
			Shareholding percentage (%)		Cost (In Thousand Baht)		Carrying amounts based on equity method (In Thousand Baht)		
			As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020	
<u>Held by TRC Investment Limited</u>									
ASEAN Potash Chaiyaphum Public Company Limited	Mining Industries	Thailand	22.46	22.46	1,261,274	1,261,274	1,126,742	1,126,742	
<u>Held by TRC International Limited</u>									
ASEAN Potash Chaiyaphum Public Company Limited	Mining Industries	Thailand	2.67	2.67	100,000	100,000	85,989	85,989	
Total					1,361,274	1,361,274	1,212,731	1,212,731	
<u>Less: Allowance for loss on impairment of investment</u>					<u>(1,361,274)</u>	<u>(1,361,274)</u>	<u>(1,212,731)</u>	<u>(1,212,731)</u>	
Total investment in associate - net					-	-	-	-	

ASEAN Potash Chaiyaphum Public Company Limited

In accordance with the concession agreements with the Department of Primary Industries and Mines, Ministry of Industry, in January 2015, the associate has an obligations to pay a special state benefits for concession in 8 equal installments, each of Baht 433 million plus interest at the rate of 6.5% per annum, or a total of Baht 569 million, commencing from 2018. The associate is also committed to pay various funds each year throughout the concession period. The associate received a demand letter from Chaiyaphum Provincial Industry Office to pay the first installment of special state benefits of Baht 569 million, together with a fine at 15% per annum, within 90 days from the receipt date of the letter which is due in August 2018. Otherwise the license may be revoked in accordance with Section 128 of the Minerals Act B.E. 2560.

In April 2018, the associate approved the first increase of paid up capital for not exceeding 29 million ordinary shares which will be allocated to the existing shareholders at the offering price of Baht 68.43 per share. The period for subscription and settlement was by the end of July 2018. Upon the ending of the period for new shares subscription and settlement, none of the shareholders subscribed for the new shares.

“UNAUDITED”

“REVIEWED”

- 25 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2021

Such associate is still unable to pay the special state benefit No.1 under the special benefit agreement as it is in the process to secure the funding from the capital increase from the shareholders and/or applying for credit approval from commercial banks. In November 2018, an associate was informed to make the payment of the 2nd installment of special state benefit of Baht 569 million within January 15, 2019. In case of overdue, the Company has to pay the fine at 15% per annum of the special state benefit. Presently, the Company still cannot comply with the agreement to pay special state benefits.

On April 26, 2019, the Annual General Shareholders' Meeting 2019 of the associate company approved for the amendment of a share offering price from Baht 68.43 per share to Baht 15.00 per share and offer approval for called up ordinary share No.1 in the amount by allotment not over 35 million by sale offering to the existing shareholders at a ratio of 4 existing shares to 5 new shares at the offering price of Baht 15.00 per share or totaling Baht 526 million and period for subscription and settlement during May 27 - 31 and June 3 - 7, 2019.

On June 4, 2019, Board of Directors' Meeting No. 2/2019 of the associate company had a resolution to extend the subscription period and payment of the capital increase shares from May 27 - 31 and June 3 - 7, 2019 to May 27 - 31 and June 4 - August 5, 2019.

Upon the ending of the period for new shares subscribing and settlement during May 27 - 31 and June 4 - August 5, 2019, it appears that five shareholders have paid for the share capital increase in the amount of Baht 18.38 million. However, the amount of payment for the ordinary share capital increase from the allocation of this ordinary share capital increase did not follow the operation plan set forth. As a result, the Company cannot continue its operation in accordance with the plan. The Company has refunded the payment amount for the ordinary share capital increase back to the shareholders on September 9, 2019.

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2021

On February 12, 2019, the meeting No. 3/2019 of the Company’s Executive Committee passed its resolution not to involve in any further investment in the associate, including not to be awarded any construction services from the associate unless there will be the promising source of funds for its project development. The Committee also approved the subsidiaries’ recording of a full allowance for impairment of its investment, amounting to Baht 1,361 million, since the associate situation contains various uncertainties, such as the obligation to pay two installments of the special state benefits for concession which may cause the revocation of the concession. There is also the uncertainty to acquire the source of funds for potash project development both in the aspect of the capital investment which there is no progress made in finding new investors, both government and private sector, and in the aspect of credit facilities approval from the commercial banks. Consequently, causing the or financial liquidity problem to the associate which delay the progress of its project. In addition, the Company has had to recognise substantial losses of the associate under the equity method for several consecutive years. Moreover, the amounts of the losses recognised will increase in the future because of the recognition of fines imposed due to the associate’s inability to make payment of the special state benefits that it is required to pay each year. Even though the Company’s management has set up a full provision for loss on assets related to Potash Mining Project, it still has a duty and responsibility to use its best efforts to recover the value of those assets. If, in the future, the value of the assets is recovered, the Company may be able to reverse excess provision and recognise profit in the future to compensate the losses from such provisions.

As at March 31, 2021, the associated company was still unable to settle payment for the special state benefits installment 1 - 4 of Baht 2,274 million, including the penalty fee at the rate of 15% per annum as the associated company is in the the process of procuring additional funding sources in term of both calling for capital increase from the existing shareholders of the associated company and recruiting the new potential investors and the assoicated company has suspended the mine construction project temporary

11.2 Share of Profit (loss)

During the three-month periods ended March 31, 2021 and 2020, the Company has stop recognised its share of loss from investments in ASEAN Potash Chaiyaphum Public Company Limited in the consolidated financial statements as the share of loss in that ASEAN Potash Chaiyaphum Public Company Limited has the value equal or over the value of the interest of the ASEAN Potash Chaiyaphum Public Company Limited.

“UNAUDITED”

“REVIEWED”

- 27 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2021

12. INVESTMENTS IN JOINT VENTURES

12.1 Details of joint ventures

Investments in joint ventures in the consolidated financial statements which use the equity method are as follows:

Company's name	Nature of business	In Thousand Baht					
		Consolidated financial statements					
		Shareholding percentage(%)		Cost		Carrying amounts based on equity method	
		As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
<u>Held by the Company</u>							
Sinopec-TRC Joint Venture	Construction service	30	30	2,376	2,376	2,376	2,376
AT Energy Solution Company Limited	Energy production and distribution	50	50	100,000	100,000	97,495	97,266
<u>Held by Sahakarn Wisavakorn Company Limited</u>							
SH Crossing Company Limited	Construction service	51	51	20,400	20,400	22,331	23,741
Sahakarn Underground Joint Venture	Construction service	50	50	200	200	146	201
Total				<u>122,976</u>	<u>122,976</u>	<u>122,348</u>	<u>123,584</u>

Investments in joint ventures in the separate financial statements which use the cost method are as follows:

Company's name	Nature of business	In Thousand Baht			
		Separate financial statements			
		Shareholding percentage (%)		Cost	
		As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
Sinopec-TRC Joint Venture	Construction service	30	30	2,376	2,376
AT Energy Solution Company Limited	Energy production and distribution	50	50	100,000	100,000
Total				<u>102,376</u>	<u>102,376</u>

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2021

SH Crossings Company Limited

On August 7, 2017, the Board of Directors had a resolution to approve the Subsidiary to establish of SH Crossings Company Limited (SHC) with a registered capital of 40 million baht (400,000 common shares with a par value of 100 baht per share) for the construction of underground manhole and electrical conduit construction project. The Subsidiary's share proportion was at 51%, totaling 203,998 shares with a par value of 100 baht per share. Since the Subsidiary and partner jointly participated in the financial and operating policies therefore the Subsidiary classified SHC as a joint venture and recognize as equity method.

AT Energy Solution Company Limited

On August 14, 2019, the Board of Directors' Meeting No.8/2019 had a resolution for the company to sign the joint venture agreement with Asia Green Energy Public Company Limited. and Appliance Technology Supply Company Limited. to operate the energy production and distribution business at the shareholding 45%, 45%, 10%, respectively. The registered date was on August 14, 2019 with the registered capital of Baht 1 million. The Company invested Baht 449,900.

On October 27, 2019, Appliance Technology Supply Company Limited intended to sell all of the shares to the former joint investor : TRC Construction Public Company Limited and Asia Green Energy Public Company Limited.

On November 27, 2019, AT Energy Solution Company Limited had increased its registered capital from Baht 1 million to Baht 200 million with the paid-up capital Baht 50.75 million. The Company invested in the amount of Baht 25.38 million.

On January 14, 2020, AT Energy Solution Company Limited had called for the payment of the remaining capital increase shares, resulting in an investment AT Energy Solution Company Limited for 99,999 shares at Baht 99,999,900 or shareholding of 50%.

According to the agreement in the joint venture agreement, the Board of Directors of AT Energy Solution Company Limited consists of 4 directors appointed 2 from TRC Construction Public Company Limited. and 2 from Asia Green Energy Public Company Limited. The meeting resolution requires to receive the majority votes of all directors. At least, consent votes must be received from the directors of TRC Construction Public Company Limited. and directors of Asia Green Public Company Limited. at least 1 director from each side. Therefore, the Company considered the investments in AT Energy Solution Company Limited as an joint venture.

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2021

Sahakarn Underground Joint Venture

On April 20, 2020, the subsidiary had entered into the joint venture agreement under the name of Sahakarn Underground of Sahakarn Underground Joint Venture. This is to join the tender and co-operate in the Underground manhole and electrical conduit construction project under the investment proportion of the subsidiary at 50%. The subsidiary had applied the equity method in account recording of the investment in Sahakarn Underground Joint Venture in the consolidated financial statements of the Company.

12.2 Share of profit (loss)

During the periods, the Company has recognised its share of profit (loss) from investments in joint ventures in the consolidated financial statements as follows:

Company's name	In Thousand Baht			
	Share of profit (loss) from investments in joint ventures		Share of other comprehensive income from investments in joint ventures	
	For the three-month periods ended March 31,			
	2021	2020	2021	2020
SH Crossings Company Limited	(1,410)	(259)	-	-
AT Energy Solution Company Limited	156	(1,596)	73	-
Sahakarn Underground Joint Venture	(55)	-	-	-
Total	(1,309)	(1,855)	73	-

“UNAUDITED”

“REVIEWED”

- 30 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2021

13. PROPERTY, PLANT AND EQUIPMENT

Movements of the property, plant and equipment account during the three-month period ended March 31, 2021 are summarised below.

	In Thousand Baht	
	Consolidated financial statements	Separate financial statements
Net book value as at January 1, 2021	618,357	578,351
Acquisitions during the period - at cost	22,489	21,920
Disposal during the period - net book value at disposal date	(2)	-
Write - off during the period - net book value at write - off date	(12)	(12)
Depreciation for the period	(14,067)	(12,489)
Net book value as at March 31, 2021	<u>626,765</u>	<u>587,770</u>

As at March 31, 2021 and as at December 31, 2020, the Company has mortgaged land which has book value amounting to Baht 100 million with banks to be collateral against credit facilities received from the banks.

14. RIGHT-OF-USE ASSETS

Movements of the right-of-use assets account during the three-month period ended March 31, 2021 are summarized below.

	Thousand Baht	
	Consolidated financial statements	Separate financial statements
Net book value as January 1, 2021	29,622	14,485
Increase during period	5,977	5,977
Decrease from cancell of lease agreement	(2,489)	(1,684)
Depreciation for the period	(3,909)	(2,050)
Net book value as at March 31, 2021	<u>29,201</u>	<u>16,728</u>

“UNAUDITED”

“REVIEWED”

- 31 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2021

15. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Bank overdrafts and short-term loans from financial institutions are as follows:

	Interest rate (% per annum)	In Thousand Baht	
		Consolidated financial statements	
		As at March 31, 2021	As at December 31, 2020
Bank overdrafts	6.00% - 6.03%	31,151	-
Trusts receipts	4.47%		
	(2020 : 4.47% - 5.25%)	2,000	20,405
Promissory note	3.26% - 6.00%		
	(2020 : 3.25% - 6.00%)	772,660	689,055
Total		805,811	709,460

	Interest rate (% per annum)	In Thousand Baht	
		Separate financial statements	
		As at March 31, 2021	As at December 31, 2020
Bank overdrafts	6.00% - 6.03%	19,268	-
Trusts receipts	4.47%		
	(2020 : 4.47% - 5.25%)	2,000	20,405
Promissory note	3.47% - 5.03%		
	(2020 : 3.25% - 6.00%)	436,094	394,255
Total		457,362	414,660

“UNAUDITED”

“REVIEWED”

- 32 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2021

16. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables were as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	As at March	As at December	As at March	As at December
	31, 2021	31, 2020	31, 2021	31, 2020
Trade accounts payable - related party	7,711	7,996	-	-
Trade accounts payable - unrelated parties	722,489	643,404	321,239	340,757
Advances from related parties	-	-	4,641	5,628
Fixed assets payable	9,411	17,093	8,953	14,835
Accrued interest expense - related parties	-	-	9,848	3,966
Accrued expenses - unrelated parties	123,865	49,997	110,705	41,251
Total trade and other current payables	<u>863,476</u>	<u>718,490</u>	<u>455,386</u>	<u>406,437</u>

17. PROVISION FOR LIABILITIES UNDER CONSTRUCTION PROJECTS

Provision for liabilities under construction projects are as follows:

	In Thousand Baht					
	Consolidated financial statements			Separate financial statements		
	Warranties	Loss on	Total	Warranties	Loss on	Total
		construction			construction	
As at January 1, 2021	7,101	159,873	166,974	2,975	4,877	7,852
Increase during the period	-	138,466	138,466	-	138,466	138,466
Decrease from occurrence of actual expense	(45)	(129,544)	(129,589)	(11)	(78,983)	(78,994)
Reversal of provisions	-	-	-	-	-	-
As at March 31, 2021	<u>7,056</u>	<u>168,795</u>	<u>175,851</u>	<u>2,964</u>	<u>64,360</u>	<u>67,324</u>

“UNAUDITED”

“REVIEWED”

- 33 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2021

18. LEASE LIABILITIES

The carrying amounts of lease liabilities and the movement for the three-month period ended March 31, 2021 are presented below.

	Thousand Baht	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
As at January 1, 2021	32,382	17,213
Addition	7,877	7,877
Accretion of interest	479	268
Payments	(4,084)	(2,536)
Decrease from cancell of lease agreement	(2,541)	(1,750)
As at March 31, 2021	34,113	21,072
<u>Less: current portion</u>	<u>(17,420)</u>	<u>(9,521)</u>
Lease liabilities - net of current portion	<u>16,693</u>	<u>11,551</u>

The following are the amounts recognized in profit or loss:

	Thousand Baht	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Depreciation of right-of-use assets	3,909	2,051
Interest expense on lease liabilities	479	268
Expense relating to short-term lease	2,071	1,560
Leases of low - value assets	293	211
Total	<u>6,752</u>	<u>4,090</u>

“UNAUDITED”

“REVIEWED”

- 34 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2021

19. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFITS

19.1 Movements of the Non-current provisions for employee benefits account for the three-month periods ended March 31, 2021 and 2020 are as follows:-

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at March 31, 2021 (For the three- month)	As at December 31, 2020 (For the year)	As at March 31, 2021 (For the three- month)	As at December 31, 2020 (For the year)
The statements of financial position				
Non-current provisions for employee benefits, beginning	82,107	75,122	68,339	63,327
Gain estimation over actuarial principles	(27,532)	-	(38,662)	-
Current service cost and interest	3,284	14,738	2,317	12,004
Non-current provisions for employee benefits paid	(2,600)	(7,753)	-	(6,992)
Non-current provisions for employee benefits, ending	<u>55,259</u>	<u>82,107</u>	<u>31,994</u>	<u>68,339</u>

19.2 Revenues and expenses recognized in the statement of comprehensive income for the three-month periods ended March 31, 2021 and 2020 are as follows:-

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	For the three-month periods ended March 31,		For the three-month periods ended March 31,	
The statement of comprehensive income	2021	2020	2021	2020
Recognized in profit or loss				
Cost of construction services	1,604	1,203	1,200	915
Administrative expenses	1,680	2,484	1,117	2,120
Total	<u>3,284</u>	<u>3,687</u>	<u>2,317</u>	<u>3,035</u>
Recognized in other comprehensive income				
Gain on actuarial gain loss	(22,025)	-	(30,929)	-
Total	<u>(18,741)</u>	<u>3,687</u>	<u>(28,612)</u>	<u>3,035</u>

“UNAUDITED”

“REVIEWED”

- 35 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2021

19.3 Gain and loss from the estimate based on actuarial principles recognized in the statement of comprehensive income for the three-month period ended March 31, 2021 arise from

	In Thousand Baht	
	For the three-month period ended	
	March 31, 2021	
	Consolidated	Separate
	Financial	Financial
	Statements	Statements
Recognize in other comprehensive income		
Population assumption	2,054	2,637
Financial assumption	8,247	5,481
Improvement from experience	17,231	30,544
Total	<u>27,532</u>	<u>38,662</u>

19.4 Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	(% per annum)			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2021	2020	2021	2020
Discount rate (% per annum)	0.81 - 0.94	2.28 - 2.43	0.94	2.28
Future salary growth rate (% per annum)	1.00	5.00	1.00	5.00
Employee turnover rate (depending on age)				
(% per annum)	0 - 42.00	0 - 46.00	0 - 34.00	0 - 46.00
Mortality rate	table of death	table of death	table of death	table of death
	B.B.2017	B.B.2017	B.B.2017	B.B.2017
Gold price (Baht)	27,350	20,600	27,350	20,600

“UNAUDITED”

“REVIEWED”

- 36 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2021

20. INCOME TAX EXPENSE (INCOME)

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month periods ended March 31, 2021 and 2020 are made up as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Current income tax:				
Interim corporate income tax charge	29	-	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(1,921)	6,119	(12,321)	(35)
Income tax (income) expenses reported in the statement of income	<u>(1,892)</u>	<u>6,119</u>	<u>(12,321)</u>	<u>(35)</u>

21. EARNINGS PER SHARE

Basic earnings (loss) per share is calculated by dividing profit (loss) for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

The following table sets forth the computation of basic earnings (loss) per share:

	For the three-month periods ended March 31,			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Profit (loss) for the period (Thousand Baht)	(109,505)	11,644	(118,752)	(4,666)
Weighted average number of ordinary shares (Thousand shares)	9,587,147	9,587,147	9,587,147	9,587,147
Earnings per share (Baht per share)	(0.0114)	0.0012	(0.0124)	(0.0005)

“UNAUDITED”

“REVIEWED”

- 38 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2021

	In Thousand Baht						
	For the three-month periods ended March 31, 2020						
	Pipeline system	Engineering system	Civil work	Sales and other services	Total Segments	Adjustments and eliminations	Consolidated
Revenue from external customers	338,215	134,387	476,612	6,349	955,563	-	955,563
Revenue from subsidiary	-	-	-	-	-	-	-
Revenue from associate	-	-	-	-	-	-	-
Depreciation	(18,096)	(7,190)	(2,822)	(1,242)	(29,350)	369	(28,981)
Administrative expenses	(34,838)	(13,842)	(10,560)	(616)	(59,856)	974	(58,882)
Segment profit (loss)	1,592	(3,950)	12,427	2,020	12,089	4,986	17,075
Other income							7,576
Interest revenue							227
Financial cost							(5,710)
Share of profit (loss) from investments in joint venture							(1,855)
Profit (loss) before income tax expenses							17,313
Income tax income (expense)							(6,119)
Profit (loss) the period							11,194

Transfer prices between business segments are as set out in Note 4.

24. COMMITMENTS AND CONTINGENT LIABILITIES

24.1 Purchase construction materials and subcontracted work commitments

As at March 31, 2021, the Company and the subsidiary have outstanding commitments of Baht 5,131 million, in respect of purchase construction materials and subcontracted work (the Company only: Baht 675 million) (December 31, 2020 : Baht 4,898 million, (the Company only: Baht 630 million)).

24.2 Operating lease commitments

The Company and its subsidiary have entered into lease agreements in respect of the lease of land, machines, motor vehicles and equipment. The terms of the agreements are generally between 1 and 5 years.

“UNAUDITED”

“REVIEWED”

- 39 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2021

Future minimum lease payments required under these non-cancellable operating lease contracts were as follows.

	In Million Baht			
	Consolidated financial statements		Separate financial statements	
	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
Payable :				
In up to 1 year	4	4	3	3
In over 1 and up to 5 years	-	-	-	-

24.3 Service agreement commitments

The Company and its subsidiary have entered into service agreements in respect of the consultant and security. The terms of the agreements are generally between 1 and 2 years.

Future minimum lease payments required under these non-cancellable operating leases contracts were as follows.

	In Million Baht			
	Consolidated financial statements		Separate financial statements	
	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
Payable :				
In up to 1 year	2	2	2	1

24.4 Bank guarantees

As at March 31, 2021 and December 31, 2020, bank guarantees issued by banks on behalf of the Company and the subsidiary in respect of certain performance bonds as required in the normal course of business were as follows.

	In Million Baht			
	Consolidated financial statements		Separate financial statements	
	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
Guarantee of construction contract and bidding	1,247	1,219	389	359
Guarantee of advance payment bond and retention	1,634	2,111	272	826
Guarantee of others	102	68	28	45
Total	<u>2,983</u>	<u>3,398</u>	<u>689</u>	<u>1,230</u>

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2021

As at March 31, 2021, the Company and its subsidiaries had the obligations from related parties to use the letter of guarantee of the Company and its subsidiaries amounted Baht 383 million (December 31, 2020 : Baht 282 million).

24.5 Guarantees

- (a) As at March 31, 2021, the Company has commitments from guarantee of credit facilities of the subsidiary amounting to Baht 995 million (December 31, 2020 : Baht 995 million).
- (b) As at March 31, 2021, the Company and its subsidiary have commitment from cross guarantee of credit facilities of the Company and its subsidiary amounting to Baht 3,230 million (December 31, 2020 : Baht 3,230 million).

24.6 Obligation according to asset purchase agreement

As at March 31, 2021, the Company has the obligation to be paid according to the asset purchase agreement amounting to Baht 5 million (December 31, 2020 : Baht 4 million).

25. LITIGATIONS

25.1 On December 6, 2011, a government agency sent a letter to a bank asking to hold the bank guarantee of Baht 20 million that the Company deposited as the mortgage since the said agency claimed that the Company failed to perform according to the contract.

On December 29, 2011, the Company filed the abovementioned agency and its parties to the Central Administrative Court for the sentence of releasing the captioned bank guarantee with the compensation charge in total Baht 27.5 million plus the interest rate of 7.5 % per annum including any related fee from the next day of filing date until completion of payment since the Company considered that such a claim was not caused by the Company's fault. On the contrary, the Company could not perform according to the contract due to the law of restricted areas.

On May 20, 2015, the Central Administrative Court had rendered judgement and ordered the government agency to return the Baht 20 million bank guarantee dated 31 August 2007 to the Company under the condition that both the Company and bank jointly shared the responsibility to pay the total of Baht 10 million plus the interest rate of 7.5 % per annum from the next day of filing date (29 December 2011) until completion of payment or within 60 days starting from the date of final judgement whereas all remaining parts to be dismissed.

On June 19, 2015, the government agency made an appeal to the Central Administrative Court and later on October 16, 2015, the Company made an appeal clarification to the court. Presently, the Central Administrative Court is considering the appeal clarification. However, the Company has already recorded the contingent liabilities of Baht 20 million arisen in the interim financial statements.

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

MARCH 31, 2021

25.2 On April 24, 2008, a private company and group (party) filed a charge against the Company and group to the Administrative Court of First Level on the breach and claimed the damages in the amount of Baht 6 million with the interest rate at 7.5% per annum from the filing date until payment is made.

On May 29, 2012, the court rendered judgement of dismissal but later on June 20, 2013, the litigant appealed to the Supreme Administrative Court and on August 9, 2013, the Supreme Administrative Court had ordered to set October 2, 2019 as the new ending date for seeking facts.

On June 22, 2020, the Administrative Court sent a notice scheduling the first trial by setting the first trial date on August 20, 2020 to the Supreme Administrative Court.

On August 30, 2020, the Supreme Court has ruled the judgment. The case is final and will issue its rulings.

On February 18, 2021, the Supreme Administrative Court ordered to dismiss such case and the case is deemed final.

25.3 On February 5, 2018, the supplier for the Company’s construction project had filed a lawsuit to the Commercial Court requesting for payment of outstanding amount of Baht 23.5 million with interest rate of 7.5% per annum starting from filing date until completion of payment. On May 16, 2018, the Company submitted the testimony to the Court and the mediation was conducted on August 28, 2018 but could not come to an agreement. On October 1, 2018, the Court ordered the Company and the Party to determine the dispute and scheduled the date for witness investigation from both parties in March 2019.

On March 5 - 7, 2019, both parties were conducting the witness examination of each party but the witness examination of the Company was not finished. Therefore, the Court had ordered for the appointment of additional witness examination on April 26, 2019.

On April 26, 2019, the Company was conducting the witness examination but the process was not finished. Therefore, the Court had ordered for the appointment of witness examination on May 29, 2019.

On May 29, 2019, the Company was conducting the witness examination but the process was not finished. Therefore, the Court had ordered for the appointment of witness examination on July 12, 2019.

On July 12, 2019, the Company has proceeded with the witness examination. Both parties announced to finish the witness investigation. The Court ordered to prepare an announcement for closing the case to be filed to the Court within August 15, 2019.

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2021

On October 9, 2019, the Court ordered the Company to pay the outstanding amount for goods in the amount of Baht 23.5 million with interest rate 7.5% per annum from February 6, 2018 until settlement is completed.

On February 7, 2020, the Company had filed an appeal and requested for a case enforcement relief.

On June 30, 2020, the Company filed a charge to court requesting to suspend the case execution and the court ruled to permit the case suspension. As the case is under the Appeal Court's ruling No.2 request to suspend the case execution.

On October 15, 2020 the Appeal Court 2 received the petition for appeal and ordered the Company to stay the execution of the sentence for the Company to place collateral in front of the court for the amount of Baht 29.35 million to be settled under the ruling of the Court of First Instance along with interest until the hearing date and 1 year further in the full amount on November 17, 2020. The Appeal Court 2 scheduled the case ruling on December 9, 2020.

On February 11, 2021, the Company and the plaintiff were agreed and the Company agreed to pay the debt to the plaintiff amounted Baht 18 million into 3 installments at Baht 2 million, Baht 8 million and Baht 8 million. The plaintiff will not intend to appeal the case and this case is considered as finalized, the Company has recorded the outstanding amount of goods in the interim financial statements. As a result, the Company is not required to provide a provision for contingent liabilities.

25.4 On October 16, 2019, the trade payable of the Company's construction project has filed a lawsuit with the Civil Court in violation of the employment agreement by paying the debt and damages amounting Baht 10.50 million with interest rate 7.5% per annum from the suing date onwards until payment is complete.

On February 12, 2020, the Company filed and countersued the plaintiff along with claiming for damages of Baht 29.62 million.

On February 24, 2020, the court ordered to extend the two issues settlement date for the company and plaintiff to enter into a mediation process. The mediation was scheduled on March 27, 2020 and the new settlement date, guidance for case proceeding or plaintiff witness investigation were rescheduled to April 21, 2020.

On March 27, 2020, the court ordered to dismiss the mediation process on such date and cancelled the settlement date of 2 issues. It scheduled the case proceeding guidance or plaintiff witness investigation on April 21, 2020 due to the COVID-19 situation.

On June 5, 2020, the party and the Company scheduled a date for mediation but it could not be settled. The court scheduled the day of settlement of issues and direct the case proceedings or witness investigation in August 2020.

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2021

On August 4, 2020, the court scheduled the day of settlement of charge, testimony, counterclaim and scheduled the witness investigation of both parties on November 18-20, 2020.

On December 25, 2020, the Court had scheduled the witness investigation of plaintiff and defendant.

As the case is in the process of witness investigation, the Company had recorded some of the outstanding debt in the interim financial statements. The difference from the outstanding debt and the cause of action, the Company's management is considered that the Company has approached to defense of the case then the Company is not recorded contingent liabilities in the interim financial statements.

25.5 On August 11, 2020 the contractor of a construction company of the Company filed a lawsuit to the Minburi Civil Court on the charge of breaching hire-of-work agreement and claiming damages in the amount of Baht 2,257,000 along with interest rate at 7.5% per annum from the lawsuit date for the principal amount Baht 2,205,179.27 until the payment is settled with the plaintiff. The court scheduled the day of the settlement of issues and defined the case proceeding guidelines or plaintiff's witness investigation on October 26, 2020.

On October 26, 2020, the court ordered to postpone the day of settlement of issues for the mediation between the Company and the contractor outside of the court and postpone the day of settlement of issues or scheduled to withdraw the case or scheduled for compromise again on November 30, 2020.

On November 30, 2020 the court ordered the party to schedule the mediation on January 19, 2021 and schedule the witness investigation on March 12, 2021. Later, on March 12, 2021 the Company and contractor have scheduled the mediation but could not negotiate so it went through the court trial. On March 26, 2021 the court ordered the company to pay Baht 1,232,986.60 to the contractor with interest at 7.5 percent p.a. Later, from April 20, 2020 until settlement is complete, the management of the company believes that in such case the Company has information and guideline to fight the case. Therefore, it filed a petition to the Appeal Court for consideration. The Appeal Court required the Company to submit document for trial within May 25, 2021.

Presently, the case is under document gathering to file to the Appeal Court and the management of the company has considered that the company has approached to defense. Therefore, the Company has not provided the provision in the interim financial statements.

25.6 On December 16, 2020, the Company had filed the case to Thanyaburi Provincial Court ordered the contractor of a project (defendant) to liable due to breach of agreement and ordered to pay the damages. The Company had requested the defendant to pay Baht 202,329 with interest rate 7.5% per annum of the principal amounted Baht 184,596 from the suing date onwards until the defendant will finish the payment to the plaintiff. The Court had scheduled the first judgment on February 15, 2021.

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

MARCH 31, 2021

Due to the Coronavirus 2019 pandemic (COVID-19), the court has extended the case indefinitely.

Presently, the case is under the statment submission process. The management has confidence to win the case. The Company has not provided a provision in the interim financial statements.

25.7 On August 1, 2019, the subsidiary is the plaintiff sueing the case against 2 government units as defendant No.1 and No.2 civil court as the black court case Por. 4156/2562 to pay for the surcharge, expense, and damage due to breach of agreement of a construction project of the subsidiary in the amount Baht 28.6 million with interest 7.5% per annum of the principal Baht 26.8 million from the sueing date onwards until payment is complete. The court scheduled for plaintiff witness investigation or day of settlement of issues to October 21, 2019.

On November 25, 2019, the subsidiary has received the testimony from the parties. As the case is quite complicated in defending, therefore, the Court has given the subsidiary the opportunity to fully defend the case, to examine the testimony, to prepare the witness and documents.

On January 30, 2020, the court and both parties proceeded to identify the dispute and schedule the witness investigation. The court scheduled the plaintiff’s witness investigation on July 14-15, 2020 and scheduled the defendant’s witness investigation on July 16-17, 2020. The court will deliver judgment on September 25, 2020.

On September 25, 2020 the court ordered the defendant 2 to pay the subsidiary Baht 4.40 million along with the interest rate of 7.5% per annum and defendant 2 to pay off the execution fee on behalf of the subsidiary. The lawyer fee is set at Baht 50,000 and execution fee for defendant 2 only for the amount which the Company won the case and sue defendant 1 to seize the execution fee between the company and defendant 1.

On January 22, 2021, the subsidiary had filed to the Appeal Court to ask for the additional damage fees.

As the case is under the plaintiff and defendant’s appeal, the management of the subsidiary believes that the case will not have any material impact. Therefore, the subsidiary has not recorded provisions in the interim financial statements.

25.8 On November 20, 2019, a subcontractors of the construction project of a subsidiary has filed a lawsuit with the Civil Court in violation of the employment agreement, for unpaid wages and claiming damages in the amount of Baht 1.25 million with interest rate 7.5% per annum from the sueing date onwards until payment is complete.

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2021

On February 4, 2020, the subsidiary filed a testimony and countersued claiming for the remaining damages of Baht 80,791.

On February 19, 2020, the plaintiff filed a replication.

On March 10, 2020, the court and the party had identified the dispute and scheduled the witness investigation of both parties during July 14 - 17, 2020.

On July 15-16, 2020 the court scheduled for witness investigation of 2 parties. Later, on September 8, 2020 the court had a ruling to dismiss the plaintiff and seize the execution fee. The plaintiff submitted a petition for the case appeal which is due to for filing of the appeal on November 30, 2020. However, the party has not filed an appeal in such period so the case is dismissed.

25.9 On June 28, 2020, the subsidiary received the statement of claim from the Civil Court that an insurance company (plaintiff) filed a charge to the subsidiary and group on the breach of subrogation claiming damages and insurance for construction equipment of a construction project of a subsidiary from construction equipment bouncing into the passage way causing damage to the victim's car. The plaintiff is the insurer who suffers damage and claims the damages for Baht 293,378 along with the interest rate at 7.5% per annum from the filing date until the Subsidiary and group can settle full payment. The court required the subsidiary to file a statement to fight the case within July 27, 2020 and scheduled the day of settlement of issues, case proceedings and witness investigation on August 24, 2020.

On July 22, 2020, the management of the subsidiary had appointed the case's attorney.

Later on August 24, 2020, the Court had appointed for settlement the issues and set the case guidelines or plaintiff witness. But the proxy of the plaintiff's lawyer and the proxy of the subsidiary had filed to adjourn the case and the Court allowed to adjourn and appointed for settlement the issues on November 30, 2020.

Later on November 30, 2020, the Court had appointed for settlement the issues and scheduled date of witness on May 17, 2021.

Currently, the case is pending the witness of plaintiff and defendant. The Subsidiary's management has considered from the issues of the case and has the opinion that the subsidiary believe that the case will not have any material impact of the subsidiary. The subsidiary has not recorded provision for contingent liabilities in the interim financial statements.

25.10 On December 16, 2020, the subcontractor of the construction project of a subsidiary had sued the subsidiary on the charge of breach of agreement and claiming damages for the construction fee that the subsidiary had owed to the plaintiff amounted Baht 3,216,157.29 with interest rate 7.5% per annum of the principal of Baht 3,034,707.10 from the suing date onwards until the defendant will complete the payment.

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2021

On December 20, 2020, the subsidiary had received the copy of charge and the Court required to submit a defense statement on January 19, 2021 until the Court set an appointment for settlement the issues and set guidelines for lawsuit or examination of the plaintiff's witness on February 23, 2021. Presently, the subsidiary has extended the testimony to court.

Currently, the case is pending the submission of the defence of the case. The subsidiary's management believes that the case will not have any material impact of the subsidiary. The subsidiary has not recorded a provision for contingent liabilities in the interim financial statements.

- 25.11 On January 25, 2021, the contractors of the construction project of the 2 subsidiaries had jointly filed a charge against the company as plaintiff No.1 and plaintiff No.2, respectively, on breach of agreement claiming that the subsidiary has not yet paid for the hire of work and claimed for the accrued hire of work in the amount of Baht 1,416,554.60 with interest 7.5 percent p.a. from the filing date until complete payment is made by the defendant.

On March 19, 2021, the subsidiary filed a testimony to fight the case to court to consider the case.

Presently, the case is under court judgment. The management of the subsidiary has considered and believed the outcome of such case will not have significant impact on the subsidiary. Therefore, the subsidiary has not recorded a provision from such case in the interim financial statements.

- 25.12 On October 16, 2017, the Nakhon Ratchasima Administrative Court accepted a case between a litigant and the government agencies, requesting the Court to issue an order as relating to the following;

- 1) Requesting that the government agencies revoke the permission to use the water from a reservoir that had been granted to the associate.
- 2) Requesting the revocation of the Environmental Impact Assessment Report for potash and rock salt mining, and
- 3) Requesting the revocation the report on changes in project details and the associate's environmental impact prevention and amelioration measures and environmental impact inspection measure.

On January 15, 2018, the Nakhon Ratchasima Administrative Court issued a summons to the associate and the associate submitted a plea statement to the court. On October 19, 2018, the litigant filed an objection against the plea statement with the Nakhon Ratchasima Administrative Court. On November 2, 2018 the Nakhon Ratchasima Administrative Court ordered the associate to lodge an additional plea statement. On November 28, 2018, the associate had submitted additional plea statement to the Court request extension of the term for additional plea statement by 30 days from the original due date.

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2021

On December 27, 2018, the associate had submitted the additional statement to the Nakhon Ratchasima Administrative Court. At present, the case is under consideration of the Court. If the Court considers the evidence documents to be insufficient, the Court may order the plaintiff or the defendant to provide additional documents otherwise the court shall issue the appointment warrant to identify the disputes and determine the judgement date.

The management of the associate, by the internal legal counselor’s comment, realised that the associate has proceeded in full compliance with the principles, procedures and conditions stipulated by the law and therefore believes that the case will not have any material impact on the business of the associate.

25.13 On June 28, 2018, the Nakhon Ratchasima Administrative Court had ordered to accept the complaint between a litigant and government agencies, requesting the Court to issue an order to revoke the environmental impact assessment report for the Cogeneration Power Plant for the associate’s Potash and rock salt project.

On October 11, 2018, the associate had submitted the claim to be the disputant in order to declare the fact to the Court regarding the litigation between the litigant and the government agencies. The Court had an opinion on November 1, 2018 that the associate’s claim is not complete. The Court had ordered the associate to rectify the claim. The associate had already submitted the revised claim to the Court on November 28, 2018. On February 7, 2019, the associate had received the notice of court order to amend the claim again. On March 1, 2019, the associate had followed the Court’s order and the Court had allowed the claim to be the disputant as a joint prosecution. This prosecutor was set to be the case No.6 and it had the same right as the original prosecutor.

Later on September 26, 2019, the associate received the letter notifying of the court order. The case complainer has objected the testimony and the court ordered to receive the objection to such testimony on September 19, 2019. If the associate intends to check and make a copy of the objection to the testimony, the court gave permission. If the associate intends to give additional testimony specific to the related area, it has to inform the court within 30 days from the court order letter receiving date. The associate has filed additional testimony to court on January 21, 2020. Presently, it is under court consideration.

The management of the associate, by the internal legal counselor comment, realised that the associate has proceeded in full compliance with the principles, procedures and conditions stipulated by the law and therefore believes that the case will have any material impact to the business of the associate.

“UNAUDITED”

“REVIEWED”

- 48 -

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)
MARCH 31, 2021

26. FOREIGN CURRENCY ASSETS AND LIABILITIES

The balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Consolidated financial statements						
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	(Thousand)		(Thousand)		(Baht per 1 foreign currency unit)	
	As at March	As at December	As at March	As at December	As at March	As at December
	31, 2021	31, 2020	31, 2021	31, 2020	31, 2021	31, 2020
US Dollar	4	4	71	-	31.3394	30.0371
Euro	1	1	-	-	36.7091	36.8764

Separate financial statements						
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	(Thousand)		(Thousand)		(Baht per 1 foreign currency unit)	
	As at March	As at December	As at March	As at December	As at March	As at December
	31, 2021	31, 2020	31, 2021	31, 2020	31, 2021	31, 2020
US Dollar	25	23	71	-	31.3394	30.0371
Euro	1	1	-	-	36.7091	36.8764

27. CORONAVIRUS DISEASE 2019 PANDEMIC

Since January 2020, the Coronavirus disease 2019 (COVID-19) pandemic is continuing to evolve. The spread of Covid-19 caused, resulting in an economic slowdown and adversely impacting most businesses and industries as a whole. The situation may affect the results of operations of the Company and its subsidiaries, and recognition and measurement of assets and liabilities in the financial statements. The management assesses the financial impact in respect of valuation of assets, provisions and contingent liabilities, and has used judgment in estimates in that situation.

28. AUTHORIZATION OF INTERIM FINANCIAL STATEMENTS

These interim financial statements were authorized for issue by the Company’s Board of Directors on May 14, 2021.