

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND
ITS SUBSIDIARIES**

**REVIEWED REPORT AND INTERIM FINANCIAL
INFORMATION
FOR THE THREE-MONTH AND SIX-MONTH PERIOD
ENDED JUNE 30, 2023**

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 June 30, 2023 and the related consolidated statements of comprehensive income for the three-month and six-month period ended June 30, 2023, consolidated statement changes in shareholders’ equity and cash flows for the six-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 June 30, 2023 and the related statement of comprehensive income for the three-month and six-month period ended June 30, 2023, changes in shareholders’ equity and cash flows for the six-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”.

(Miss Nitinee Kittikunapong)
Certified Public Accountant
Registration No. 8843

Dharmniti Auditing Company Limited

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Bangkok, Thailand
August 11, 2023

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2023

<u>ASSETS</u>					
In Thousand Baht					

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

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		In Thousand Baht			
		Consolidated financial statements		Separate financial statements	
		As at June	As at December	As at June	As at December
Notes		30, 2023	31, 2022	30, 2023	31, 2022
CURRENT LIABILITIES					
Bank overdrafts and short-term loans					
from financial institutions	15	999,323	939,909	267,647	307,403
Trade and other current payables	4, 16	692,936	788,919	407,111	407,216
Unbilled payable		1,156,198	1,174,282	172,010	147,489
Contract liabilities	7	515,058	617,556	58,743	87,180
Short-term loans from related person or parties	4	283,702	73,300	896,622	712,214
Accounts payable - retention under					
construction contracts	4	318,234	284,930	31,298	32,843
Provision for liabilities under					
construction projects	17	34,201	64,486	32,232	61,463
Current portion of lease liabilities	18	8,156	10,379	5,997	6,784
Income tax payable		167	239	-	-
Other current liabilities		40,919	33,671	10,247	8,606
Total current liabilities		4,048,894	3,987,671	1,881,907	1,771,198
NON-CURRENT LIABILITIES					
Lease liabilities	18	7,684	7,804	6,211	7,494
Non-current provisions for employee benefits	19	43,144	38,705	30,522	27,188
Provision for litigation	24	20,000	2,494	20,000	2,494
Non-other current liabilities	4	13,890	13,890	-	-
Total non-current liabilities		84,718	62,893	56,733	37,176
TOTAL LIABILITIES		4,133,612	4,050,564	1,938,640	1,808,374

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONT.)

AS AT JUNE 30, 2023

LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

		In Thousand Baht			
		Consolidated financial statements		Separate financial statements	
		As at June	As at December	As at June	As at December
Notes		30, 2023	31, 2022	30, 2023	31, 2022
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		-	-	-	-
Retained earnings (deficits)					
Appropriated - statutory reserve					
	The Company	-	-	-	-
	Subsidiary	-	-	-	-
Unappropriated		(1,094,431)	(913,845)	(1,172,982)	(976,933)
Other components of shareholders' equity		13,972	15,818	-	-
Equity attributable to owners of the Company		117,934	300,366	25,411	221,460
Non-controlling interests of the subsidiaries		2,461	2,461	-	-
Total shareholders' equity		120,395	302,827	25,411	221,460
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		4,254,007	4,353,391	1,964,051	2,029,834

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

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2023

		In Thousand Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2023	2022	2023	2022
REVENUES	4				
Construction services income		518,954	895,106	231,528	231,831
Other services income		8,316	1,318	-	-
Sales income		-	-	-	-
Interest income		220	280	86	14
Other income		14,692	15,058	4,971	4,488
Total revenues		542,182	911,762	236,585	236,333
EXPENSES					
Cost of construction services	4	510,282	844,416	236,600	203,611
Cost of other services		7,284	811	-	-
Cost of sales		-	-	-	-
Administrative expenses		62,621	62,118	44,350	49,066
Expected credit loss allowance		-	-	113,743	-
Total expenses		580,187	907,345	394,693	252,677
Profit (loss) from operating activities		(38,005)	4,417	(158,108)	(16,344)
Finance cost	4	(16,584)	(10,313)	(18,144)	(11,206)
Share of profit (loss) from investments in associate	11.2	(113,304)	-	-	-
Share of profit (loss) from investments in joint venture	12.2	1,419	(3,717)	-	-
Profit (loss) before income tax expenses		(166,474)	(9,613)	(176,252)	(27,550)
Income tax income (expenses)	20	(5,258)	(643)	(5,411)	415
PROFIT (LOSS) FOR THE PERIOD		(171,732)	(10,256)	(181,663)	(27,135)

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

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME (CONT.)
FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2023

		In Thousand Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2023	2022	2023	2022
Other comprehensive income:					
Components of other comprehensive income to be reclassified to profit or loss					
Exchange differences on translation of financial statements in foreign currency - net of income tax					
		(1,662)	(2,305)	-	-
	Other comprehensive income for the period - net of income tax	(1,662)	(2,305)	-	-
	Total comprehensive income for the period	(173,394)	(12,561)	(181,663)	(27,135)
Profit (loss) attributable to:					
	Equity holders of the Company	(171,732)	(10,509)	(181,663)	(27,135)
	Non-controlling interests of the subsidiaries	-	253	-	-
		(171,732)	(10,256)	(181,663)	(27,135)
Total comprehensive income attributable to:					
	Equity holders of the Company	(173,394)	(10,178)	(181,663)	(27,135)
	Non-controlling interests of the subsidiaries	-	(2,383)	-	-
		(173,394)	(12,561)	(181,663)	(27,135)
Earnings per share					
	21				
Basic earnings (loss) per share					
	Profit (loss) attributable to equity holders of the Company	(0.0179)	(0.0011)	(0.0189)	(0.0028)

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

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

		In Thousand Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2023	2022	2023	2022
REVENUES	4				
Construction services income		1,152,058	1,728,975	504,858	520,453
Other services income		9,634	2,636	-	-
Sales income		-	1,600	-	-
Interest income		581	600	103	14
Other income		16,798	18,655	10,364	9,497
Total revenues		1,179,071	1,752,466	515,325	529,964
EXPENSES					
Cost of construction services	4	1,078,778	1,628,693	467,586	465,253
Cost of other services		8,135	1,750	-	-
Cost of sales		-	1,222	-	-
Administrative expenses		124,497	133,426	90,630	99,843
Expected credit loss allowance		-	-	113,743	-
Total expenses		1,211,410	1,765,091	671,959	565,096
Profit (loss) from operating activities		(32,339)	(12,625)	(156,634)	(35,132)
Finance cost	4	(29,808)	(20,112)	(34,286)	(22,255)
Share of profit (loss) from investments in associate	11.2	(113,304)	-	-	-
Share of profit (loss) from investments in joint venture	12.2	663	(8,615)	-	-
Profit (loss) before income tax expenses		(174,788)	(41,352)	(190,920)	(57,387)
Income tax income (expenses)	20	(5,798)	(2,349)	(5,129)	748
PROFIT (LOSS) FOR THE PERIOD		(180,586)	(43,701)	(196,049)	(56,639)

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

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME (CONT.)
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

		In Thousand Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2023	2022	2023	2022
Other comprehensive income:					
Components of other comprehensive income to be reclassified to profit or loss					
Exchange differences on translation of financial statements in foreign currency - net of income tax		(1,846)	(478)	-	-
Other comprehensive income for the period - net of income tax		(1,846)	(478)	-	-
Total comprehensive income for the period		(182,432)	(44,179)	(196,049)	(56,639)
Profit (loss) attributable to:					
Equity holders of the Company		(180,586)	(43,511)	(196,049)	(56,639)
Non-controlling interests of the subsidiaries		-	(190)	-	-
		(180,586)	(43,701)	(196,049)	(56,639)
Total comprehensive income attributable to:					
Equity holders of the Company		(182,432)	(41,521)	(196,049)	(56,639)
Non-controlling interests of the subsidiaries		-	(2,658)	-	-
		(182,432)	(44,179)	(196,049)	(56,639)
Earnings per share	21				
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company		(0.0188)	(0.0045)	(0.0204)	(0.0059)

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

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

In Thousand Baht

Consolidated financial statements

	Equity attributable to the parent's shareholders									Equity attributable	Total	
	Issued and paid-up share capital	Other deficit		Retained earnings (deficit)			Other components of equity			Total equity	to non-controlling interests of the subsidiaries	shareholders' equity
		Deficit on revaluation of investment in subsidiaries	Total other deficit	Appropriated - Statutory reserve		Unappropriated	Other comprehensive income		Total other components of shareholders' equity	attributable to shareholders of the Company		
				The Company	Subsidiary		Exchange differences on translation of financial statements in foreign currency	Share of other comprehensive income from associate				
Balance as at January 1, 2022	1,198,393	(2,956)	(2,956)	-	4,108	(816,251)	15,218	900	16,118	399,412	(31,610)	367,802
Profit (loss) for the period	-	-	-	-	-	(43,511)	-	-	-	(43,511)	(190)	(43,701)
Other comprehensive income for the period	-	-	-	-	-	-	1,990	-	1,990	1,990	(2,468)	(478)
Total comprehensive income for the period	-	-	-	-	-	(43,511)	1,990	-	1,990	(41,521)	(2,658)	(44,179)
Balance as at June 30, 2022	1,198,393	(2,956)	(2,956)	-	4,108	(859,762)	17,208	900	18,108	357,891	(34,268)	323,623
Balance as at January 1, 2023	1,198,393	-	-	-	-	(913,845)	14,918	900	15,818	300,366	2,461	302,827
Profit (loss) for the period	-	-	-	-	-	(180,586)	-	-	-	(180,586)	-	(180,586)
Other comprehensive income for the period	-	-	-	-	-	-	(1,846)	-	(1,846)	(1,846)	-	(1,846)
Total comprehensive income for the period	-	-	-	-	-	(180,586)	(1,846)	-	(1,846)	(182,432)	-	(182,432)
Balance as at June 30, 2023	1,198,393	-	-	-	-	(1,094,431)	13,072	900	13,972	117,934	2,461	120,395

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

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

	In Thousand Baht			
	Separate financial statements			
	Issued and paid-up share capital	Retained earnings (deficit)		Total shareholders' equity
		Appropriated - Statutory reserve	Unappropriated	
Balance as at January 1, 2022	1,198,393	-	(868,645)	329,748
Profit (loss) for the period	-	-	(56,639)	(56,639)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	(56,639)	(56,639)
Balance as at June 30, 2022	1,198,393	-	(925,284)	273,109
Balance as at January 1, 2023	1,198,393	-	(976,933)	221,460
Profit (loss) for the period	-	-	(196,049)	(196,049)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	(196,049)	(196,049)
Balance as at June 30, 2023	1,198,393	-	(1,172,982)	25,411

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

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE SIX-MONTH PERIOD JUNE 30, 2023

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit (loss) before tax	(174,788)	(41,352)	(190,920)	(57,387)
Adjustments to reconcile profit (loss) before tax				
to net cash provided by (paid from) operating activities				
Depreciation and amortisation	33,421	34,766	31,257	30,699
Expected credit loss allowance	-	-	113,743	-
Unrealised (gain) loss on exchange rate	(114)	353	(114)	353
(Gain) loss on disposal of equipment	-	(33)	-	-
Loss on write-off of equipment	165	1,903	-	1,903
Share of (profit) loss from investments in associate	113,304	-	-	-
Share of (profit) loss from investments in joint venture	(814)	8,643	-	-
Provision for liabilities under construction projects	(29,231)	11,317	(29,231)	1,500
Non-current provisions for employee benefits	4,551	7,083	3,446	5,281
Interest income	(581)	(600)	(103)	(14)
Interest expenses	29,808	20,112	34,286	22,255
Profit (loss) from operating activities before changes in				
operating assets and liabilities	(24,279)	42,192	(37,636)	4,590
(Increase) decrease in operating assets				
Trade and other current receivables	34,610	(47,359)	27,447	51,121
Contract assets	4,860	(304,975)	(18,478)	81,293
Advance paid to subcontractors under construction contracts	16,750	45,347	(7,791)	17,791
Other current assets	(2,051)	(11,916)	(3,788)	(1,569)
Other non-current assets	(640)	(329)	111	172

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

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS (CONT.)

FOR THE SIX-MONTH PERIOD JUNE 30, 2023

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Increase (decrease) in operating liabilities				
Trade and other current payables	(101,151)	92,979	536	7,130
Unbilled payables	(18,084)	301,691	24,521	32,675
Contract liabilities	(102,498)	(173,850)	(28,437)	(91,814)
Accounts payable - retention under construction contracts	33,304	12,790	(1,545)	(767)
Other current liabilities	7,248	588	1,641	(6,357)
Cash flows from provide by (used in) operating activities	(151,931)	(42,842)	(43,419)	94,265
Cash paid for provision for liabilities under construction projects	(1,054)	(22,902)	-	(878)
Cash received from provision for litigation	17,506	-	17,506	-
Cash paid for non-current provision for employee benefits	(112)	(2,776)	(112)	(2,776)
Cash paid for income tax	(23,826)	(27,207)	(14,180)	(17,381)
Received from withholding tax refund	45,470	63	44,804	-
Net cash flows provided by (used in) operating activities	(113,947)	(95,664)	4,599	73,230
Cash flows from investing activities				
Decrease (increase) in restricted deposits at bank	(812)	(1)	(811)	(1)
Cash receive from short-term loans to related parties	3,191	6,009	-	-
Cash paid for short-term loans to related parties	-	(2,778)	(439)	(2,778)
Cash paid for long-term loans to related parties	-	-	(113,304)	-
Cash paid for investing in associate	(113,304)	-	-	-
Cash paid for investing in joint venture	(5,000)	(340)	-	-
Interest income	1,185	451	67	12
Cash received from disposal of equipment	-	33	-	-
Cash paid for purchase of property, plant and equipment	(1,632)	(14,488)	(1,557)	(14,304)
Cash paid for purchase of intangible assets	-	(154)	-	(154)
Net cash flows provided by (used in) investing activities	(116,372)	(11,268)	(116,044)	(17,225)

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

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS (CONT.)

FOR THE SIX-MONTH PERIOD JUNE 30, 2023

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from financing activities				
Increase (decrease) in short-term loans from financial institutions	59,414	61,829	(39,756)	(3,764)
Cash receive from short-term loans from person or related parties	218,402	58,000	263,217	118,386
Cash paid for short-term loans from person or related parties	(8,000)	-	(78,809)	(164,700)
Interest expenses	(24,520)	(18,706)	(34,846)	(8,721)
Cash paid for lease liabilities	(6,463)	(6,452)	(3,625)	(3,305)
Net cash flows provided by (used in) financing activities	238,833	94,671	106,181	(62,104)
Increase (decrease) in translation adjustment	(1,846)	(478)	-	-
Net increase (decrease) in cash and cash equivalents	6,668	(12,739)	(5,264)	(6,099)
Cash and cash equivalents at the beginning of the period	15,709	52,942	7,038	29,689
Cash and cash equivalents at the end of the period	22,377	40,203	1,774	23,590
Supplemental cash flows information				
Non-cash items consist of				
Increase (decrease) in purchase of fixed assets				
that have yet to be paid	421	(5,942)	396	(5,896)
Increase in lease liabilities	3,693	2,585	1,192	1,977

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

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS
JUNE 30, 2023

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, 2022.

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 Group have adopted the revised financial reporting standards, which are effective for fiscal years beginning on or after January 1, 2023. This revision is for the financial reporting standards to be clearer and more appropriate and to conform with international financial reporting standards. Such revision does not affect the principles of the standards and does not affect the users of the financial reporting standards.

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

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

JUNE 30, 2023

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, 2022, with there being no changes in the structure of shareholding in subsidiaries during the current period.

4. RELATED PERSON OR PARTY TRANSACTIONS

During the periods, the Group had significant business transactions with person or 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 person or related parties.

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

Company's name	Country of incorporation	Type of relation
Sahakarn Wisavakorn Company Limited	Thailand	Subsidiary company
TRC Investment Limited	The Republic of Mauritius	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 Chaiphaphum Public Company Limited	Thailand	Associated company
Sinopec-TRC Joint Venture	Thailand	Joint venture
SH Crossing Company Limited	Thailand	Joint venture
AT Energy Solution Company Limited	Thailand	Joint venture
TRC Utility Company Limited	Thailand	Joint venture
Sahakarn Underground Joint Venture	Thailand	Joint venture
XSENSE - OLIVE Joint Venture	Thailand	Joint venture
EXPRESS WORLD TRACKING Joint Venture	Thailand	Joint venture
KPK 1999 Company Limited	Thailand	Related company and Common director
Pasit Leesakul	Thailand	Director
Paichit Rattananon	Thailand	Chairman of the Board of Directors

* On September 30, 2022, the subsidiary has dissolved the business and undergone the liquidation process.

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

JUNE 30, 2023

Significant transactions with person or related companies for the three-month and six-month periods ended June 30, 2023 and 2022 are as follows:

	In Million Baht				
	For the three-month periods ended June 30,				
	Consolidated financial statements		Separate financial statements		Transfer Pricing Policy
	2023	2022	2023	2022	
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Cost of construction services	-	-	1	1	Cost plus margin
Finance cost	-	-	11	6	At rate of 4.5% - 7.00% p.a. (2022 : At rate of 2.5% - 6.25% p.a.)
Other income	-	-	4	4	Cost plus margin
<u>Transactions with person or related parties</u>					
Other service income	6	-	-	-	Contract price
Finance cost	4	1	4	1	At rate of 8.00% - 9.00% p.a. (2022 : At rate of 8.00% p.a.)
Other income	-	2	-	1	Cost plus margin
Interest income	-	-	-	-	At rate of 2.5% p.a.

	In Million Baht				
	For the six-month periods ended June 30,				
	Consolidated financial statements		Separate financial statements		Transfer Pricing Policy
	2023	2022	2023	2022	
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Cost of construction services	-	-	3	2	Cost plus margin
Finance cost	-	-	22	12	At rate of 4.5% - 7.00% p.a. (2022 : At rate of 2.5% - 6.25% p.a.)
Other income	-	-	8	7	Cost plus margin
<u>Transactions with person or related parties</u>					
Other service income	6	-	-	-	Contract price
Finance cost	5	1	5	1	At rate of 6.25% - 9.00% p.a. (2022 : At rate of 8.00% p.a.)
Other income	1	2	1	1	Cost plus margin
Interest income	-	-	-	-	At rate of 2.5% p.a.

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

JUNE 30, 2023

The significant outstanding balances with person or related parties as at June 30, 2023 and December 31, 2022, are as follows:

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at June 30, 2023	As at December 31, 2022	As at June 30, 2023	As at December 31, 2022
<u>Trade and other current receivables - related parties</u>				
Subsidiary companies	-	-	520,644	528,838
Associated company	383,420	383,420	383,420	383,420
Joint venture	22,871	35,876	4,401	7,583
Total	406,291	419,296	908,465	919,841
<u>Less</u> The expected credit loss allowance	(383,420)	(383,420)	(874,563)	(841,010)
Trade and other current receivables - related parties - net	22,871	35,876	33,902	78,831
<u>Account receivable - retention under construction contracts - related parties</u>				
Associated company	7,854	7,854	7,854	7,854
Joint venture	-	-	-	-
Total	7,854	7,854	7,854	7,854
<u>Less</u> : The expected credit loss allowance	(7,854)	(7,854)	(7,854)	(7,854)
Total account receivable - retention under construction contracts - related parties - net	-	-	-	-
<u>Advances paid to subcontractor under construction contract - related party</u>				
Joint venture	38,905	42,528	-	-
Total	38,905	42,528	-	-
<u>Short-term loans to related parties</u>				
Subsidiary company	-	-	5,047	4,595
Joint venture	14,778	17,969	2,778	2,778
Total	14,778	17,969	7,825	7,373
<u>Less</u> : The expected credit loss allowance	-	-	(5,047)	(4,595)
Total short-term loans to related parties - net	14,778	17,969	2,778	2,778
<u>Long-term loans to related parties</u>				
Subsidiary companies	-	-	1,419,821	1,306,517
Total	-	-	1,419,821	1,306,517
<u>Less</u> : The expected credit loss allowance	-	-	(1,419,821)	(1,306,517)
Total long-term loans to related parties - net	-	-	-	-

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

JUNE 30, 2023

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at June 30, 2023	As at December 31, 2022	As at June 30, 2023	As at December 31, 2022
<u>Trade and other current payables - person or related parties</u>				
Subsidiary companies	-	-	65,160	77,704
Joint ventures	32,554	41,741	53	44
Related company	1,786	-	1,786	-
Director and Chairman of the Board of Directors	6,115	3,347	6,115	3,347
Total	40,455	45,088	73,114	81,095
<u>Short-term loans from person or related parties</u>				
Subsidiary companies	-	-	612,920	638,914
Joint venture	-	7,000	-	7,000
Related company	186,500	-	186,500	-
Director and Chairman of the Board of Directors	97,202	66,300	97,202	66,300
Total	283,702	73,300	896,622	712,214
<u>Accounts payable - retention under construction contracts - related party</u>				
Joint venture	19,875	12,996	-	-
Total	19,875	12,996	-	-
<u>Non-other current liabilities - related party</u>				
Joint venture	13,890	13,890	-	-
Total	13,890	13,890	-	-

The movements of loans and short-term loans between the Company and related companies for the six-month period ended June 30, 2023.

		In Thousand Baht			
		Consolidated Financial Statements			
Loans to	Related by	Balance as at	Increase	Decrease	Balance as at
		December			June
		31, 2022			30, 2023
<u>Short-term loans</u>					
Sahakarn Underground Joint Venture	Joint Venture	3,191	-	(3,191)	-
TRC Utility Company Limited	Joint Venture	12,000	-	-	12,000
XSENSE - OLIVE Joint Venture	Joint Venture	2,778	-	-	2,778
Total		17,969	-	(3,191)	14,778
Less : The expected credit loss allowance		-	-	-	-
Short-term loans - net		17,969	-	(3,191)	14,778

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

JUNE 30, 2023

		In Thousand Baht				
		Separate Financial Statements				
Loans to	Related by	Balance as at December 31, 2022	Increase	Decrease	Exchange rate adjustment	Balance as at June 30, 2023
<u>Short-term loans</u>						
TRC Investment Limited	Subsidiary company	4,595	439	-	13	5,047
XSENSE - OLIVE Joint Venture	Joint Venture	2,778	-	-	-	2,778
Total		7,373	439	-	13	7,825
Less : The expected credit loss allowance		(4,595)	(439)	-	(13)	(5,047)
Short-term loans - net		2,778	-	-	-	2,778
<u>Long-term loans</u>						
TRC Investment Limited	Subsidiary company	1,260,508	101,250	-	-	1,361,758
TRC International Limited	Subsidiary company	46,009	12,054	-	-	58,063
Total		1,306,517	113,304	-	-	1,419,821
Less : The expected credit loss allowance		(1,306,517)	(113,304)	-	-	(1,419,821)
Long-term loans - net		-	-	-	-	-

Loans to related parties carried interest at rate of 2.5% - 9.25% per annum (December 31, 2022 : 2.5% - 5.0% per annum) due for repayment on demand and no security to guarantee.

		In Thousand Baht			
		Consolidated Financial Statements			
Short-term loans from	Related by	Balance as at December 31, 2022	Increase	Decrease	Balance as at June 30, 2023
XSENSE - OLIVE Joint Venture	Joint Venture	7,000	-	(7,000)	-
KPK 1999 Company Limited	Related company	-	186,500	-	186,500
Pasit Leesakul	Director	41,000	-	-	41,000
Paichit Rattananon	Chairman of the Board of Directors	25,300	31,902	(1,000)	56,202
Total		73,300	218,402	(8,000)	283,702

		In Thousand Baht			
		Separate Financial Statements			
Short-term loans from	Related by	Balance as at December 31, 2022	Increase	Decrease	Balance as at June 30, 2023
Sahakam Wisavakorn Company Limited	Subsidiary company	618,500	44,500	(59,609)	603,391
SAHAHYDRO PATTAYA Joint Venture	Subsidiary company	9,414	315	(8,700)	1,029
Olive Technology Company Limited	Subsidiary company	11,000	-	(2,500)	8,500
XSENSE - OLIVE Joint Venture	Joint Venture	7,000	-	(7,000)	-
KPK 1999 Company Limited	Related company	-	186,500	-	186,500
Pasit Leesakul	Director	41,000	-	-	41,000
Paichit Rattananon	Chairman of the Board of Directors	25,300	31,902	(1,000)	56,202
Total		712,214	263,217	(78,809)	896,622

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

JUNE 30, 2023

Short-term loans from person or related parties carried interest at rate of 5.0% - 9.0% per annum (December 31, 2022 : 2.5% - 8.0% 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 23.4 and 23.5.

Management benefit expenses

During the three-month and six-month periods ended June 30, 2023 and 2022, the Group had employee benefit expenses of their management as below.

	In Million Baht			
	For the three-month periods ended June 30,			
	Consolidated Financial Statements		Separate Financial Statements	
	2023	2022	2023	2022
Short-term employee benefits	4	6	4	4
Post-employment benefits	1	-	1	-
Total	5	6	5	4

	In Million Baht			
	For the six-month periods ended June 30,			
	Consolidated Financial Statements		Separate Financial Statements	
	2023	2022	2023	2022
Short-term employee benefits	9	11	9	9
Post-employment benefits	1	-	1	-
Total	10	11	10	9

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at June	As at December	As at June	As at December
	30, 2023	31, 2022	30, 2023	31, 2022
Cash	1,307	1,377	180	180
Deposits at banks (saving and current account)	21,070	14,332	1,594	6,858
Total	22,377	15,709	1,774	7,038

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

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

JUNE 30, 2023

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 June 30, 2023	As at December 31, 2022	As at June 30, 2023	As at December 31, 2022
<u>Trade accounts receivable - related parties</u>				
Aged on the basis of due dates				
Not yet due	-	-	-	-
Past due				
Up to 3 months	17,284	16,668	-	-
3 - 6 months	-	-	-	-
6 - 12 months	-	-	-	-
Over 12 months	383,420	383,420	383,420	383,420
Total trade accounts receivable - related parties	400,704	400,088	383,420	383,420
Less : The expected credit loss allowance	(383,420)	(383,420)	(383,420)	(383,420)
Total trade accounts receivable - related parties - net	17,284	16,668	-	-
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	116,922	94,901	69,524	33,973
Past due				
Up to 3 months	16,157	43,368	6,486	23,631
3 - 6 months	-	10,564	-	-
6 - 12 months	10,564	4,956	-	-
Over 12 months	5,170	214	214	214
Total trade accounts receivable - unrelated parties	148,813	154,003	76,224	57,818
Less : The expected credit loss allowance	(214)	(214)	(214)	(214)
Total trade accounts receivable - unrelated parties - net	148,599	153,789	76,010	57,604
Total trade accounts receivable - net	165,883	170,457	76,010	57,604
<u>Other current receivables</u>				
Advance to related parties	5,144	18,161	33,830	78,795
Interest receivable from related parties	443	1,047	491,215	457,627
Others	41,183	58,202	7,580	8,468
Total other current receivables	46,770	77,410	532,625	544,890
Less : The expected credit loss allowance	(834)	(834)	(491,977)	(458,425)
Total other current receivables - net	45,936	76,576	40,648	86,465
Total trade and other current receivables - net	211,819	247,033	116,658	144,069

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

JUNE 30, 2023

The Group 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 117 million included in the trade accounts receivable balance as at June 30, 2023 (the Company only: Baht 44 million) (December 31, 2022 : Baht 84 million, (the Company only: Baht 46 million)).

7. CONTRACT ASSETS / CONTRACT LIABILITIES

7.1 Contract balances

	In Thousand Baht			
	Consolidated Financial		Separate Financial	
	Statements		Statements	
	As at June 30, 2023	As at December 31, 2022	As at June 30, 2023	As at December 31, 2022
Contract assets				
Unbilled receivable	2,433,446	2,472,845	521,159	494,535
Accounts receivable - retention under construction contracts	311,840	277,301	58,169	66,315
Less : The expected credit loss allowance	(7,854)	(7,854)	(7,854)	(7,854)
Total contract assets	<u>2,737,432</u>	<u>2,742,292</u>	<u>571,474</u>	<u>552,996</u>
Contract liabilities				
Unearned construction - revenue	-	3,280	-	3,280
Advances received from customers under construction project	<u>515,058</u>	<u>614,276</u>	<u>58,743</u>	<u>83,900</u>
Total contract liabilities	<u>515,058</u>	<u>617,556</u>	<u>58,743</u>	<u>87,180</u>

7.2 Unbilled receivable

As at June 30, 2023 and December 31, 2022 the Group had balance of unbilled receivables of Baht 2,351 million and Baht 2,391 million, respectively (Separate financial statements: Baht 439 million and Baht 413 million, respectively) was expected to be billed within one year.

As at June 30, 2023 and December 31, 2022 the Group and the Company had balance of unbilled receivables of Baht 82 million (Separate financial statement : Baht 82 million) was expected to be billed after one year. On July 26, 2023, the Company received cash from the subcontractor according to the detail of Note 24 (the second case of the company).

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

JUNE 30, 2023

7.3 Revenue recognised in relation to contract balances

During the six-month period ended June 30, 2023 and 2022, the Group recognised contract liabilities at the beginning of the year of Baht 135 million and Baht 183 million, respectively. (Separate financial statements: Baht 43 million and Baht 101 million, respectively) as revenue.

7.4 Revenue to be recognised for the remaining performance obligations

As at June 30, 2023 and December 31, 2022 the Group expected to recognise revenue totaling Baht 4,604 million and Baht 4,460 million, respectively (Separate financial statements: Baht 636 million and Baht 586 million, respectively) in the future in respect of performance obligations under contracts with customers that have not been satisfied or partially unsatisfied. The Group expects to satisfy these performance obligations within 1-2 years.

8. INVENTORIES

Inventories are as follows:

	In Thousand Baht			
	Consolidated Financial		Separate Financial	
	Statements		Statements	
	As at June 30, 2023	As at December 31, 2022	As at June 30, 2023	As at December 31, 2022
Raw materials and construction supplies	2,302	2,302	2,302	2,302
Less Allowance for decline in value of				
Inventories	(694)	(694)	(694)	(694)
Inventories - net	1,608	1,608	1,608	1,608

9. RESTRICTED DEPOSITS AT BANKS

These balances represent saving deposit and fixed deposits that the Group pledged with banks guarantee facilities issued by the banks on behalf of the Group, as described in Note 23.4.

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

JUNE 30, 2023

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 June 30, 2023	As at December 31, 2022	As at June 30, 2023	As at December 31, 2022	As at June 30, 2023	As at December 31, 2022
Sahakarn Wisavakorn Company Limited	Construction services - basic infrastructure	Thailand	500,000,000 Baht	500,000,000 Baht	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
Olive Technology Company Limited	Data management and processing	Thailand	3,100,000 Baht	3,100,000 Baht	49.97	49.97	1,549,070	1,549,070
Total							622,443,793	622,443,793
Less : Allowance for loss on impairment of investment							(145,071,416)	(145,071,416)
Total investments in subsidiaries - net							477,372,377	477,372,377

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

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 (In Baht)	
			As at June	As at December	As at June	As at December	As at June	As at December
			30, 2023	31, 2022	30, 2023	31, 2022	30, 2023	31, 2022
<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	200,000 Baht	100.00	100.00	200,000	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 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							1,289,833	1,289,833
Less: Allowance for loss on impairment of investment							-	-
Total investments in subsidiaries which are held by the Company's subsidiaries - net							1,289,833	1,289,833

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

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

JUNE 30, 2023

Hydrotek Sahakarn Joint Venture

As at June 30, 2023 such subsidiary is under liquidation process.

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		Carrying amounts based on	
					(In Thousand Baht)		equity method	
			As at June	As at December	As at June	As at December	As at June	As at December
			30, 2023	31, 2022	30, 2023	31, 2022	30, 2023	31, 2022
<u>Held by TRC Investment Limited</u>								
ASEAN Potash Chaiyaphum	Mining Industries	Thailand	22.46	22.46	1,362,524	1,261,274	1,126,742	1,126,742
Public Company Limited								
<u>Held by TRC International Limited</u>								
ASEAN Potash Chaiyaphum	Mining Industries	Thailand	2.67	2.67	112,054	100,000	85,989	85,989
Public Company Limited								
Total					1,474,578	1,361,274	1,212,731	1,212,731
<u>Less</u> : Allowance for loss on impairment of investment					(1,474,578)	(1,361,274)	(1,212,731)	(1,212,731)
Total investment in associate - net					-	-	-	-

According to the resolution of the board of directors' meeting No.3/2023 held on March 22, 2023, it had a resolution to approve the loan with TRC Investment Limited (subsidiary) and TRC International Limited (indirect subsidiary) in the total amount Baht 113.30 million to invest in the ordinary shares capital increase No.1/2023 of ASEAN Potash Chaiyaphum Public Company Limited for 4,509,300 shares at Baht 100 per share by the shareholding proportion in the associated company at 22.4535 percent and 2.6730 percent, respectively, and on May 29, 2023, the subsidiary and indirect subsidiary have paid for the shares in total amount of Baht 113.30 million in the full amount.

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)
JUNE 30, 2023

As at June 30, 2023, the associated company was still unable to settle payment for the special state benefits installment 1 - 6 of Baht 3,412 million, including the penalty fee at the rate of 15% per annum as the associated company is in 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. The associated company has suspended the mine construction project temporary. And during the year 2022, the associated company had been sued from the parties on the breach of agreement by claiming compensation for damages and interest with the capital amount Baht 3,971 million. Which is under consideration of the Court. The management of the associated company has recorded the provisions in the full amount.

11.2 Share of Profit (loss)

During the three-month and six-month period ended June 30, 2023 the Company had recognized share of loss from investment in ASEAN Potash Chaiphaphum Public Company Limited in the consolidated financial statements equal to the cost price according to the shareholding proportion of the subsidiaries as the share of loss in that ASEAN Potash Chaiphaphum Public Company Limited has the value equal to the value of the interest of the ASEAN Potash Chaiphaphum Public Company Limited. The Company did not guarantee for the debt obligation of the associated company.

During the three-month and six-month periods ended June 30, 2022, the Company has stop recognised its share of loss from investments in ASEAN Potash Chaiphaphum Public Company Limited in the consolidated financial statements as the share of loss in that ASEAN Potash Chaiphaphum Public Company Limited has the value equal to the value of the interest of the ASEAN Potash Chaiphaphum Public Company Limited. The Company did not guarantee for the debt obligation of the associated company.

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

JUNE 30, 2023

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	Consolidated financial statements					
		Shareholding percentage(%)		Cost		Carrying amounts based on	
				(In Thousand Baht)		equity method	
						(In Thousand Baht)	
		As at	As at	As at	As at	As at	As at
		June	December	June	December	June	December
		30, 2023	31, 2022	30, 2023	31, 2022	30, 2023	31, 2022
<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	88,526	90,334
TRC Utility Company Limited	To produce and distribute tap water	50	50	12,999	12,999	16,266	15,238
<u>Held by Sahakarn Wisavakom Company Limited</u>							
SH Crossing Company Limited	Construction service	51	51	20,400	20,400	14,091	15,225
Sahakarn Underground Joint Venture	Construction service	50	50	200	200	-	-
<u>Held by Olive Technology Company Limited</u>							
XSENSE - OLIVE Joint Venture	Data management and processing	40	40	40	40	930	818
EXPRESS WORLD TRACKING Joint Venture	Data management and processing	30	30	5,300	300	7,616	-
Total				141,315	136,315	129,805	123,991

EXPRESS WORLD TRACKING Joint Venture

On February 23, 2023, Olive Technology Company Limited (the subsidiary) received the letter from EXPRESS WORLD TRACKING Joint Venture to call for the investment at amount of Baht 30 million whose proportion was represented 30 percent or Baht 9 million, the due date was within March 10, 2023. On March 15, 2023, then, it received the letter for additional call for the investment at amount of Baht 90 million whose proportion was represented 30 percent or Baht 27 million, the due date was within March 17, 2023. Including the called-for investment in proportion to the subsidiary in the amount of Baht 36 million. And on April 24, 2023, the subsidiary had paid a partial investment amount of Baht 5 million causing the subsidiary to have obligation to pay investment in the joint venture in the amount of Baht 31 million.

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

JUNE 30, 2023

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

Company's name	Nature of business	Separate financial statements			
		Shareholding percentage (%)		Cost (In Thousand Baht)	
		As at June 30, 2023	As at December 31, 2022	As at June 30, 2023	As at December 31, 2022
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
TRC Utility Company Limited	To produce and distribute tap water	50	50	12,999	12,999
Total				115,375	115,375

12.2 Share of profit (loss)

During the three-month and six-month periods ended June 30, 2023 and 2022, 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 June 30,			
	2023	2022	2023	2022
SH Crossings Company Limited	(391)	(887)	-	-
AT Energy Solution Company Limited	(1,017)	(2,265)	189	205
Sahakarn Underground Joint Venture	-	111	-	-
TRC Utility Company Limited	786	(381)	-	-
XSENSE - OLIVE Joint Venture	60	-	-	-
EXPRESS WORLD TRACKING Joint Venture	1,981	(295)	-	-
Total	1,419	(3,717)	189	205

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

JUNE 30, 2023

Company's name	In Thousand Baht			
	Share of profit (loss) from investments		Share of other comprehensive income from investments in	
	in joint ventures		joint ventures	
	For the six-month periods ended June 30,			
	2023	2022	2023	2022
SH Crossings Company Limited	(1,134)	(1,147)	-	-
AT Energy Solution Company Limited	(1,959)	(8,102)	151	(28)
Sahakarn Underground Joint Venture	-	978	-	-
TRC Utility Company Limited	1,028	(49)	-	-
XSENSE - OLIVE Joint Venture	112	-	-	-
EXPRESS WORLD TRACKING				
Joint Venture	2,616	(295)	-	-
Total	663	(8,615)	151	(28)

13. PROPERTY, PLANT AND EQUIPMENT

Movements of the property, plant and equipment account during the six-month period ended June 30, 2023 are summarised below.

	In Thousand Baht	
	Consolidated financial statements	Separate financial statements
Net book value as at January 1, 2023	571,987	547,389
Acquisitions during the period - at cost	2,053	1,953
Disposal during the period - net book value at disposal date	-	-
Write - off during the period - net book value at write - off date	(165)	-
Depreciation for the period	(28,098)	(26,989)
Net book value as at June 30, 2023	545,777	522,353

As at June 30, 2023 and December 31, 2022, 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 to the detail of Note 15 and 23.4.

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

JUNE 30, 2023

14. RIGHT-OF-USE ASSETS

Movements of the right-of-use assets account during the six-month period ended June 30, 2023 are summarized below.

	In Thousand Baht	
	Consolidated financial statements	Separate financial statements
Net book value as January 1, 2023	14,673	12,970
Increase during period	3,693	1,192
Decrease from cancell of lease agreement	-	-
Depreciation for the period	(4,227)	(3,187)
Net book value as at June 30, 2023	14,139	10,975

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 June 30, 2023	As at December 31, 2022
Bank overdrafts	7.20% - 8.20% (2022 : 5.84% - 7.60%)	39,327	13,458
Trusts receipts	3.00% - 7.02% (2022 : 4.47% - 5.97%)	242,744	171,804
Promissory note	3.00% - 6.02% (2022 : 3.00% - 6.00%)	717,252	754,647
Total		999,323	939,909

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JUNE 30, 2023

	Interest rate (% per annum)	In Thousand Baht	
		Separate financial statements	
		As at June 30, 2023	As at December 31, 2022
Bank overdrafts	7.20% - 7.34% (2022 : 5.84% - 6.60%)	22,939	6,333
Trusts receipts	6.02% (2022 : 4.47% - 5.97%)	31,157	39,370
Promissory note	5.00% - 6.02% (2022 : 3.47% - 5.00%)	213,551	261,700
Total		267,647	307,403

16. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables were as follows:

	In Thousand Baht			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	As at June 30, 2023	As at December 31, 2022	As at June 30, 2023	As at December 31, 2022
Trade accounts payable - related parties	32,161	41,357	27,696	27,219
Trade accounts payable - unrelated parties	581,207	653,128	295,015	289,576
Advances from related parties	340	340	774	8,322
Fixed assets payable	2,508	2,057	2,418	1,994
Accrued interest expense - person or related parties	7,954	3,391	44,644	45,554
Accrued expenses - unrelated parties	68,766	88,646	36,564	34,551
Total trade and other current payables	692,936	788,919	407,111	407,216

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

JUNE 30, 2023

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 construction	Total	Warranties	Loss on construction	Total
As at January 1, 2023	3,970	60,516	64,486	3,000	58,463	61,463
Increase during the period	-	-	-	-	-	-
Decrease from occurrence of actual expense	-	(1,054)	(1,054)	-	-	-
Reversal of provisions	-	(29,231)	(29,231)	-	(29,231)	(29,231)
As at June 30, 2023	3,970	30,231	34,201	3,000	29,232	32,232

18. LEASE LIABILITIES

The carrying amounts of lease liabilities and the movement for the six-month period ended June 30, 2023 are presented below.

	In Thousand Baht	
	Consolidated financial statements	Separate financial statements
As at January 1, 2023	18,183	14,278
Addition	3,693	1,192
Accretion of interest	427	363
Payments	(6,463)	(3,625)
Decrease from cancell of lease agreement	-	-
As at June 30, 2023	15,840	12,208
<u>Less:</u> current portion	(8,156)	(5,997)
Lease liabilities - net of current portion	7,684	6,211

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JUNE 30, 2023

The following are the amounts recognized in profit or loss:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	For the three-month period ended June 30,		For the three-month period ended June 30,	
	2023	2022	2023	2022
Depreciation of right-of-use assets	2,003	3,084	1,554	1,684
Interest expense on lease liabilities	214	247	172	173
Expense relating to short-term lease	2,102	1,696	1,455	1,281
Leases of low - value assets	66	276	31	38
Total	4,385	5,303	3,212	3,176

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	For the six-month period ended June 30,		For the six-month period ended June 30,	
	2023	2022	2023	2022
Depreciation of right-of-use assets	4,227	6,184	3,187	3,316
Interest expense on lease liabilities	427	524	363	355
Expense relating to short-term lease	4,112	2,986	2,884	2,236
Leases of low - value assets	127	529	63	77
Total	8,893	10,223	6,497	5,984

For the six-month period ended June 30, 2023 and 2022, the Group had total cash outflows for leases of Baht 11 million and Baht 10 million, respectively (the separate: Baht 7 million and Baht 6 million, respectively).

19. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFITS

19.1 Movements of the Non-current provisions for employee benefits account are as follows:

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at June 30, 2023	As at December 31, 2022	As at June 30, 2023	As at December 31, 2022
	(For the six-month)	(For the year)	(For the six-month)	(For the year)
Non-current provisions for employee benefits, beginning	38,705	61,266	27,188	37,049
Gain estimation over actuarial principles	-	(17,960)	-	(7,275)
Current service cost and Interest cost	4,551	7,885	3,446	5,865
Non-current provisions for employee benefits paid	(112)	(12,486)	(112)	(8,451)
Non-current provisions for employee benefits, ending	43,144	38,705	30,522	27,188

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NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

JUNE 30, 2023

19.2 Revenues and expenses recognized in the statement of comprehensive income for the three-month and six-month periods ended June 30, 2023 and 2022 are as follows:-

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	For the three-month periods		For the three-month periods	
	ended June 30,		ended June 30,	
The statement of comprehensive income	2023	2022	2023	2022
Recognized in profit or loss				
Cost of construction services	1,224	1,558	924	1,188
Administrative expenses	1,128	1,952	794	1,422
Total	2,352	3,510	1,718	2,610

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	For the six-month periods		For the six-month periods	
	ended June 30,		ended June 30,	
The statement of comprehensive income	2023	2022	2023	2022
Recognized in profit or loss				
Cost of construction services	2,299	3,136	1,815	2,347
Administrative expenses	2,252	3,947	1,631	2,934
Total	4,551	7,083	3,446	5,281

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NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

JUNE 30, 2023

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 and six-month periods ended June 30, 2023 and 2022 are made up as follows:

	In Thousand Baht			
	For the three-month periods ended June 30,			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Current income tax:				
Interim corporate income tax charge	-	436	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	5,258	207	5,411	(415)
Income tax (income) expenses reported in the statement of income	5,258	643	5,411	(415)

	In Thousand Baht			
	For the six-month periods ended June 30,			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Current income tax:				
Interim corporate income tax charge	660	1,004	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	5,138	1,345	5,129	(748)
Income tax (income) expenses reported in the statement of income	5,798	2,349	5,129	(748)

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

JUNE 30, 2023

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 June 30,			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Profit (loss) for the period (Thousand Baht)	(171,732)	(10,509)	(181,663)	(27,135)
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)	(0.0179)	(0.0011)	(0.0189)	(0.0028)

	For the six-month periods ended June 30,			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Profit (loss) for the period (Thousand Baht)	(180,586)	(43,511)	(196,049)	(56,639)
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)	(0.0188)	(0.0045)	(0.0204)	(0.0059)

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

JUNE 30, 2023

22. SEGMENT INFORMATION

The Group are organised into business units based on its products and services. During the current period, the Group have not changed the organisation of their reportable segments.

The following tables present revenue and profit information regarding the Group operating segments in the consolidated financial statements for the three-month and six-month periods ended June 30, 2023 and 2022, respectively.

	In Thousand Baht					
	For the three-month periods ended June 30, 2023					
	Pipeline system	Engineering system	Civil work	Sales and other services	Total Segments	Adjustments and eliminations
Revenue from external customers	100,870	-	303,899	122,501	527,270	-
Depreciation	(6,678)	-	(2,815)	(7,091)	(16,584)	363
Administrative expenses	(13,338)	-	(21,594)	(14,183)	(49,115)	-
Segment profit (loss)	(20,290)	-	(54,362)	14,808	(59,844)	6,927
Other income						
Interest revenue						
Financial cost						
Share of profit (loss) from investments in Associate						
Share of profit (loss) from investments in joint Venture						
Profit (loss) before income tax expenses						
Income tax income (expense)						
Profit (loss) the period						

	In Thousand Baht					
	For the three-month periods ended June 30, 2022					
	Pipeline system	Engineering system	Civil work	Sales and other services	Total Segments	Adjustments and eliminations
Revenue from external customers	148,880	-	662,906	84,638	896,424	-
Depreciation	(8,018)	-	(4,556)	(4,892)	(17,466)	363
Administrative expenses	(19,606)	-	(16,242)	(12,125)	(47,973)	(2,226)
Segment profit (loss)	(10,318)	-	2,004	(5,893)	(14,207)	3,286
Other income						
Interest revenue						
Financial cost						
Share of profit (loss) from investments in joint Venture						
Profit (loss) before income tax expenses						
Income tax income (expense)						
Profit (loss) the period						

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NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

JUNE 30, 2023

	In Thousand Baht						
	For the six-month periods ended June 30, 2023						
	Pipeline system	Engineering system	Civil work	Sales and other services	Total Segments	Adjustments and eliminations	Consolidated
Revenue from external customers	331,525	-	663,343	167,271	1,162,139	(447)	1,161,692
Depreciation	(15,962)	-	(7,587)	(9,497)	(33,046)	721	(32,325)
Administrative expenses	(33,944)	-	(44,498)	(20,491)	(98,933)	1,038	(97,895)
Segment profit (loss)	(31,009)	-	(61,827)	29,571	(63,265)	13,547	(49,718)
Other income							16,798
Interest revenue							581
Financial cost							(29,808)
Share of profit (loss) from investments in Associate							(113,304)
Share of profit (loss) from investments in joint Venture							663
Profit (loss) before income tax expenses							(174,788)
Income tax income (expense)							(5,798)
Profit (loss) the period							(180,586)

	In Thousand Baht						
	For the six-month periods ended June 30, 2022						
	Pipeline system	Engineering system	Civil work	Sales and other services	Total Segments	Adjustments and eliminations	Consolidated
Revenue from external customers	292,581	-	1,210,348	230,282	1,733,211	-	1,733,211
Depreciation	(14,124)	-	(9,241)	(11,008)	(34,373)	721	(33,652)
Administrative expenses	(35,926)	-	(43,477)	(28,980)	(108,383)	(1,188)	(109,571)
Segment profit (loss)	(21,134)	-	(7,790)	(11,465)	(40,389)	8,509	(31,880)
Other income							18,655
Interest revenue							600
Financial cost							(20,112)
Share of profit (loss) from investments in joint Venture							(8,615)
Profit (loss) before income tax expenses							(41,352)
Income tax income (expense)							(2,349)
Profit (loss) the period							(43,701)

The Group uses the transfer pricing basis as described in Note 4.

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

JUNE 30, 2023

23. COMMITMENTS AND CONTINGENT LIABILITIES

23.1 Purchase construction materials and subcontracted work commitments

As at June 30, 2023, the Group have outstanding commitments of Baht 3,363 million and USD 1 million, in respect of purchase construction materials and subcontracted work (the Company only: Baht 326 million and USD 1 million) (December 31, 2022 : Baht 3,734 million and USD 1 million, (the Company only: Baht 391 million and USD 1 million)).

23.2 Operating lease commitments

The Group have entered into lease agreements in respect of the lease of land, machines, motor vehicles and equipment.

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 June 30, 2023	As at December 31, 2022	As at June 30, 2023	As at December 31, 2022	
Payable :				
In up to 1 year	3	4	2	2

23.3 Service agreement commitments

The Group have entered into service agreements in respect of the consultant and security.

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 June 30, 2023	As at December 31, 2022	As at June 30, 2023	As at December 31, 2022	
Payable :				
In up to 1 year	2	1	1	1

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NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

JUNE 30, 2023

23.4 Bank guarantees

As at June 30, 2023 and December 31, 2022, bank guarantees issued by banks on behalf of the Group 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 June	As at December	As at June	As at December
	30, 2023	31, 2022	30, 2023	31, 2022
Guarantee of construction contract				
and bidding	1,077	1,330	285	424
Guarantee of advance payment bond				
and retention	1,430	1,511	346	192
Guarantee of others	133	153	88	108
Total	2,640	2,994	719	724

As at June 30, 2023, the Group had the obligations from related parties to use the letter of guarantee of the Group amounted Baht 321 million (December 31, 2022 : Baht 341 million).

23.5 Guarantees

- (a) As at June 30, 2023, the Company has commitments from guarantee of credit facilities of the subsidiary amounting to Baht 980 million (December 31, 2022 : Baht 985 million).
- (b) As at June 30, 2023, the Group have commitment from cross guarantee of credit facilities of the Group amounting to Baht 3,230 million (December 31, 2022 : Baht 3,230 million).

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

JUNE 30, 2023

24. LITIGATIONS

As at June 30, 2023, the Group was sued claiming damage on the breach of hiring agreement in total 17 cases in the compensation amount of Baht 132 million (the Company only Baht 25 million), the case is under consideration of the Court. The Group cannot assess the period of cash paid for damages (if any) from such claim. The management of the Group believes such case will not cause significant damage to the Group. The information to fight the case is adequate and stands a chance to win the case. However, the management of the Group have recorded the provisions of Baht 87 million in the interim financial statements.

Significant changes in the lawsuits are as follows :

	Amount (Million Baht)	Status of the Cases	Remark
<u>The Company</u>			
Case 1	20	The case is final. (The Company : plaintiff)	The Company had filed the litigation against the government agency and others to reclaim the bank guarantee and repay the damages. Since the government agency had issued the letter, dated 6 December 2011, to the bank to enforce the bank guarantee, which the Company had submitted to the government agency in accordance with the trade proposal for 20 million Baht due to their consideration that the Company could not fulfil such proposal. The Administrative Court ordered the government agency to return the bank guarantee to the Company and the Company to repay the damage for 10 million Baht with interest at 7.5% p.a. to the government agency. The government agency had appealed to the court. On July 3, 2023, the Supreme Administrative Court ordered the Company to repay the principal of Baht 10.15 million along with the interest at 7.5 percent of the principal of Baht 10 million to the accused person from the suing date (December 28, 2011) to April 10, 2021 and 5 percent per annum of the principal Baht 10 million from April 11, 2023 onwards until payment is completed within 60 days as from the final outcome of the case. Presently, the Company is under payment process to the accused person.

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NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

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	Amount (Million Baht)	Status of the Cases	Remark
<u>The Company</u> (Cont.)			
Case 2	118	The case is final. (The Company : claimant)	The Company sued the counterparty to pay the fee and damage due to breach of hiring contract on July 30, 2021 in the amount of Baht 121.18 million with interest at 7.5% p.a. On September 16, 2021, the counterparty filed an objection to counterclaim Baht 232.14 million. On December 22, 2021, the appointment and dispute topic were set. Later, the dispute date was postponed on March 1, 2022 and the first witness investigation on July 26, 2022. Due to the withdrawal of the arbitrator, the witness investigation date was cancelled. Later, name list was proposed to appoint a new arbitrator committee. On September 20, 2022 it was scheduled to set a new witness investigation time frame during February 13 - 20, 2023. The witness had been investigated. On April 21, 2023 a statement was submitted to dismiss the case to the arbitrator. On June 30, 2023 the arbitrator ordered the counterparty to compensate the company in the amount of Baht 119 million and the company to compensate the counterparty Baht 61 million and the counterparty to compensate the company on the difference of Baht 58 million. The arbitrator ordered the counterparty to pay the company within 30 days from the arbitration. On July 26, 2023 both parties have an agreement and already made payment.
Case 3	24.45	Under document preparing for filing a statement. (The Company : plaintiff)	On June 13, 2023 the project contractor filed to the court on the breach of hire of work agreement and demanded the company to pay debt Baht 24.45 million along with the interest rate 5 percent per annum of the principal Baht 23.77 million from the suing date until the company pays to this contractor. The lawsuit is under the process of statement filing to the court. The scheduled statement date is August 24, 2023 and scheduled for the day of settlement of issues on September 4, 2023. The case is under scheduling for settlement of issues and setting guidelines for the case proceeding. The Company recorded such liabilities in the interim financial statements. The Company's management believes the information in fighting the case is adequate and stands a chance to win the case.

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

JUNE 30, 2023

	Amount (Million Baht)	Status of the Cases	Remark
<u>The Subsidiary</u>			
Case 1	28.6	Under filing to the Supreme Court pending government agency defendant 2 to correct the appeal (The Subsidiary : plaintiff)	The Subsidiary had filed the litigation against 2 government agencies to repay the additional works, expenses and damage for totally of 28.6 million Baht due to the breach of contract. On 25 September 2020, the Civil Court adjudged the government agencies to repay the Subsidiary for 4.4 million Baht with interest at 7.5% p.a. and also repay the court and lawyer fees. On 22 January 2021, the Subsidiary had appealed to the Appeal Court for the additional damage compensation. On 11 November 2021, the Appeal Court adjudged to dismiss 1 of 2 government agencies. The court fees of both Civil Court and Appeal Court were waived and maintained the verdict of the Civil Court. On 10 January 2022, the Subsidiary had submitted the claim to the Supreme Court. On April 18, 2022, the subsidiary had filed to the permission for the petition. On January 16, 2023, the Supreme Court ordered to permit accepting the petition for consideration and have the government agency defendant 2 corrected the petition within 15 days from January 16, 2023. At presently, the case is under Supreme Court's consideration.
Case 2	14.15	Awaiting the judgment of the Appeal Court (The Subsidiary : objector)	<p>The Subcontractor of the construction project had filed the litigation against the Subsidiary for claims as per the subcontractor contract for 14.15 million Baht (VAT included) with interest at 7.5% p.a. from the claiming date till the proposed date for total dispute amount 16.30 million Baht. This case was under the consideration of the Arbitrators. The Arbitrators determined the judgement day on 10 March 2022 for subsidiary to pay 9.62 million Baht with interest rate 3% from the judgment date with the responsibility for expenses incurred as the subsidiary did not agree with the judgment.</p> <p>The subsidiary proceeded to withdraw the judgment of the arbitrator to the Central Intellectual Property and International Trade Court. On June 24, 2022, the litigant filed a petition to the court to enforce the final judgment of arbitrator to the Civil Court and requested the subsidiary pay the sum in accordance with the arbitrator's judgment. The Court ordered to investigate the petition on August 30, 2022. On July 12, 2022, the subsidiary filed a petition to the Civil Court to postpone the case consideration as the final judgment of the arbitrator is under the process to withdraw the case by the Central Intellectual Property and International Trade Court. On August 8, 2022, the court has scheduled the hearing for the order to temporarily wait for the court judgment of the case. As the petitioner has filed an objection to court to judge whether the case is governed by the Intellectual Property and International Trade Court. Later, to temporarily wait for court judgment and it was proposed to the Appeal Court of the special case for judgment.</p>

“UNAUDITED”

“REVIEWED”

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

JUNE 30, 2023

	Amount (Million Baht)	Status of the Cases	Remark
<u>The Subsidiary</u> (Cont.)			
Case 2 (Cont.)			<p>On October 17, 2022, the case was judged by the President of the Special Court of Appeal and proposed to transfer the case to the Civil Court. On December 8, 2022, the court permitted the subsidiary to appoint a lawyer. Later, on December 26, 2022, the witness investigation of 2 parties took place between the petitioner and the subsidiary. On February 11, 2023 the court has investigated the witness and petition of both parties. On March 24, 2023 the court ordered to enforce by the judgment of the arbitrator for the subsidiary to pay Baht 9.62 million along with the interest at 3 percent p.a. from March 10, 2022 onwards until payment is complete to the petitioner. Later, on May 24, 2023 the Subsidiary filed an appeal to the court and sent a copy of the appeal to the plaintiff. Presently, the case is under scheduling for the appeal hearing. The case is not final.</p> <p>The management of the subsidiary believes the information to fight the case is adequate and stands the chance to win the case. The subsidiary has not considered providing a provision in the interim financial statements.</p>
Case 3	66.8	<p>Pending settlement of issues and define the guidelines in taking legal action or witness investigation of the contractor.</p> <p>(The Subsidiary : defendant)</p>	<p>On January 14, 2022, the project contractor of the subsidiary filed a charge against the subsidiary on breaches of product and installation service agreement and claiming damages from the subsidiary Baht 66.88 million with interest at 15 percent per annum Baht 61.77 million from the filing date until payment is completely made to plaintiff. The court scheduled for settlement of issues and define the guidelines in taking legal action or witness investigation. On April 3, 2023 the subsidiary filed a statement and countersued such contractor. Later, on July 26, 2023 the court ordered the subsidiary and contractor to negotiate and agree on the damages. Both parties will present information to the management of each party and postpone the mediation to August 30, 2023.</p> <p>The case is under settlement of issues and setting guidelines of the case or plaintiff investigation, the subsidiary recorded such liabilities in the interim financial statements. The management of the subsidiary believes the information to fight the case is adequate and has the chance to win the case.</p>

“UNAUDITED”

“REVIEWED”

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TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS (CONT.)

JUNE 30, 2023

25. FOREIGN CURRENCY ASSETS AND LIABILITIES

The Group has the balances of financial assets and liabilities denominated in foreign currencies as follows :

Consolidated financial statements						
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	(Thousand)		(Thousand)		(Baht per 1 foreign currency unit)	
	As at June 30, 2023	As at December 31, 2022	As at June 30, 2023	As at December 31, 2022	As at June 30, 2023	As at December 31, 2022
US Dollar	-	-	185	10	35.5893	34.5624
Euro	-	-	-	-	38.6512	36.8274

Separate financial statements						
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	(Thousand)		(Thousand)		(Baht per 1 foreign currency unit)	
	As at June 30, 2023	As at December 31, 2022	As at June 30, 2023	As at December 31, 2022	As at June 30, 2023	As at December 31, 2022
US Dollar	20	20	185	10	35.5893	34.5624
Euro	-	-	-	-	38.6512	36.8274

26. AUTHORIZATION OF INTERIM FINANCIAL STATEMENTS

These interim financial statements were authorized for issue by the Company's Board of Directors on August 11, 2023.