

2020

ANNUAL REPORT



Vision and Mission

Vision

“ A Pioneer Organization who delivers innovative turnkey EPC project solution in the region (CLMVT) **”**

Mission

1. Deliver sustainable returns through good governance.
2. Deliver excellent service with high quality, environmental and safety awareness to ensure our clients' success.
3. Conduct business with good corporate responsibility.
4. Create best working environment and become the best operational - excellence organization.



Contents

04

Message from the
Chairman

05

2020 Report of the
Audit Committee

07

Directors' Responsibility
Statement in relation to
Financial Report

08

2020 Report of
Remuneration and
Nomination Committee

09

2020 Report of
Corporate Governance
Committee

10

2020 Report of
Risk Management
Committee

11

The Board of Directors
and Managements

28

Financial Highlight

29

Business Policy and
Overview

38

Nature of Business

51

Shareholding Structure
of Company Group

53

Capital Structure

55

Risk Factors

59

Management Discussion
and Analysis

65

General and Other
Significant Information

70

Management Structure

95

Corporate Governance

109

Corporate Social
Responsibility

121

Internal Control and
Connected
Transaction

126

Financial Statements



Message from the Chairman

In 2020, the COVID-19 pandemic has seriously effect on economy worldwide including in Thailand. The construction industry itself has been affected in various ways such as the delay in procuring and delivering materials and short-term labor shortage while the strengthening of COVID-19 prevention measurement has also increased operation cost such as cost increasing from re-arranging shifts for less density in workplace and higher wages due to labor shortage. We realized the situation so we adapted our operation and prepared preventive method, as a result, none of our employee was found detected with the COVID-19.

We strive to operate with transparency and fairness according to good corporate governance and in compliance with related rules and regulations. Consequently, we received “Excellent” level of recognition from the 2020 Corporate Governance of Thai Listed Companies Survey conducted by Thai Institute of Director Association for 4 consecutive years.

We also give importance to sustainability by focusing on social and environment through CSR activities that we continuously performed. For example, For Hometown project that helped develop employee’s hometown since 2013 or environmental related projects e.g. Green Roof project, Go Green project that encouraged waste separation campaign for maximum use and social support project during COVID-19 pandemic that we donated protection equipment to nearby community.

We aim to achieve according to the company’s vision, policy and goals to ensure sustainable growth in every dimensions. Finally yet importantly, in the name of the board of directors, we would like to thank shareholders and all stakeholders for your trust and support given to us and thank the directors, executives and all every employee that put together the effort throughout the past difficult year so that we can continue to grow stably and sustainably.

“

We strive to operate with transparency and fairness according to good corporate governance and in compliance with related rules and regulations.

Mrs. Paichit Rattananon
Chairman
24 February 2021

2020 Report of the Audit Committee

The Audit Committee of TRC Construction Public Company Limited consists of 3 independent directors namely Mrs. Rachadaporn Rajchataewindra as Chairman, Assoc. Prof. Kamjorn Tatiyakavee, M.D. and Mrs. Puangthip Silpasart as members whose qualifications meet the Stock Exchange of Thailand's requirements and have experiences in financial and accounting, energy industry, economy and business administration.

The Audit Committee has performed its duties according to the scope and responsibility assigned by the board of directors, which specified in the company's Audit Committee Charter in compliance with the Office of Securities and Exchange Commission and the Stock Exchange of Thailand's regulations.

In 2020, there were 4 Audit Committee meetings in which the company's management, internal auditor and CPA auditor were present to review the financial statement and connected transaction, provide suggestion that was useful to accuracy, complete and trustworthy information of the financial report and improvement of the organization's internal control system. Highlight of the Audit Committee's performance in 2020 can be summarized as follows;

1. Review of Financial Report the Audit Committee reviewed quarterly and annual financial statements with discussion with auditor and financial and accounting management. The meeting with auditor without the company's management was also conducted to freely discuss over the auditor's independence of performance and recommendation including the impact of changing financial report standard to ensure that the financial statement was accurate and sufficient as required by generally accepted accounting standard.

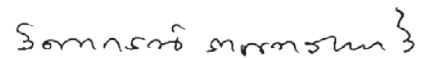
2. Review of Internal Control and Internal Audit the Audit Committee ensured the company's good and efficient internal control system. In every board of directors meetings that considered financial statement, the Audit Committee proposed the summary of internal audit and significant issues for the meeting to together discuss over improvement method. The Audit Committee considered the evaluation of Committee of Sponsoring Organizations of the Treadway Commission prior to submission to the meeting of board of directors' consideration. The Audit Committee and the board of directors were of the opinion that in 2020, the company and subsidiaries had sufficient and appropriate internal control and internal audit system.

3. Review of Legal Compliance the Audit Committee ensured the company's compliance to the Securities and Exchange, the Stock Exchange of Thailand, and other related laws and regulations governing the company and subsidiaries' business. In 2020, there was no transaction against the relevant laws, rules and regulation.

4. Review of Connected Transaction or Conflict of Interest the Audit Committee considered and reviewed connected transaction or conflict of interest according to the Stock Exchange of Thailand and the Office of Securities and Exchange Commission's announcement. The Audit Committee was of the opinion that in 2020, the company and subsidiaries' transaction were pursuant to general business condition in a fair, reasonable manner and with sufficient information disclosed.

5. Selection and Nomination of Auditor and Audit Fee the Audit Committee selected 2020 auditor based on the performance, qualifications, professional skills and audit experiences. The Audit Committee proposed its opinions to the board of directors to further propose to the 2020 Annual General Meeting of Shareholders for the appointment of auditors from Dhamniti Auditing Company Limited with audit fee of Baht 1.2 million.

In 2020, the Audit Committee performed its duties with knowledge, skills and independence according to the Audit Committee Charter and of the opinion that the company and subsidiaries' financial statements were accurate, sufficient and in line with the generally accepted accounting principles, risk management system and internal control were effective and relevant laws, rules and regulations were complied.



Mrs. Rachadaporn Rajchataewindra
Chairman of the Audit Committee

24 February 2021

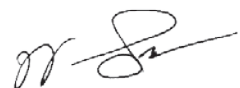
Directors' Responsibility Statement in relation to Financial Report

The board of directors is responsible to TRC Construction Public Company Limited and subsidiaries' separate and consolidated financial statements and financial information disclosed in the annual report. 2020 financial statement ended 31 December 2020 was prepared in accordance with Thailand's generally accepted accounting standard by using appropriate and consistently-used accounting policy. Attentive discretion, reasonable estimation and sufficient information disclosure in the note to financial statements were executed to reflect the company's financial status in a transparency manner and beneficial to investors. The mentioned financial statement was audited and unconditionally of the opinion by the independent CPA auditors.

In addition, the board of directors ensured proper, adequate and effective risk management and internal control system for the accounting information to be accurate, sufficient and able to preserve the company's properties and prevent frauds or other irregularities.

The board of directors appointed the audit committee consisted of independent directors to be responsible in supervising financial statement, evaluating internal control and internal audit system. The audit committee's opinion was specified in report of the audit committee disclosed in the annual report.

In conclusion, the board of directors is of the opinion that the company and subsidiaries' internal control and internal audit system were appropriate and reasonably assuring that TRC Construction Public Company Limited and subsidiaries' financial statements has shown accurate financial status, operating results and cashflow, in all material respects, in accordance to the financial reporting standard.



Mrs. Paichit Rattananon
Chairman
24 February 2021

2020 Report of Remuneration and Nomination Committee

The Remuneration and Nomination Committee, as duly appointed by the board of directors, consisted of 6 members, 4 of which were independent directors and 2 were executive directors, making the independent director major proportion (equivalent to 67%). The Remuneration and Nomination Committee was responsible in seeking for suitable and qualified persons to be the Company's directors and top management and considering the remunerations of directors and top management in compliance with related rules and regulations of good corporate governance.

In 2020, the Remuneration and Nomination Committee had 2 meetings and significant matters were as follows;

1. Reviewed and considered the remuneration of the board of directors and sub-committee based on scope of responsibility, performance and remuneration offer at other enterprises operating in the same industry. The clear, fair and appropriate remuneration was then proposed to the meeting of board of directors and annual general meeting of shareholders for approval
2. Conducted performance assessment for the year 2020 of chairman of executive committee and chief executive office and proposed to the meeting of board of directors for approval
3. Considered criteria and budget of 2021 merit increase and 2020 bonus of the Company and subsidiary to be in line with overall operating result and proposed to the meeting of board of directors for acknowledgement
4. Sought for suitable person according to related laws and regulations to be nominated as the Company's director by considering individual with knowledge, capability and experiences that best fit to the Company's business and proposed to the meeting of board of directors and annual general meeting of shareholders
5. Reviewed the Remuneration and Nomination Committee Charter and conducted self-assessment then reported to the meeting of board of directors

Summarily, the Remuneration and Nomination Committee performed the entrusted duties by applying their professional competency with vigilance and sufficient independence in expressing viewpoints and recommendations according to good corporate governance principle for the best interests of the Company and stakeholders.



Assoc. Prof. Pises Sethsathira

Chairman of the Remuneration and Nomination Committee

2 December 2020

2020 Report of Corporate Governance Committee

The Corporate Governance Committee emphasized on building business value with good corporate governance hence the Corporate Governance Code for listed companies was adhered and applied. The Corporate Governance Committee consisted of 4 members, 2 independent directors and 2 executives. The Committee's duties were to review corporate governance policy, code of conduct, corporate social responsibility and environmental guidelines, propose guidelines and/or policies related to good corporate governance, provide recommendations on good corporate governance to the board of directors, and supervise the management's implementation of the corporate governance policy.

In 2020, the Corporate Governance Committee had 2 meetings and signification matters were as follows;

1. Reviewed corporate governance policy, code of conduct, anti-corruption policy and followed up on operating result. Encouraged corporate communication to employee to ensure that the Company's policy was fully understood and carried out.
2. Reviewed Corporate Social Responsibility (CSR) performance by considering on both internal and external aspect in social and environment responsibility for sustainable development
3. Reviewed Corporate Governance Charter and conducted self-assessment then reported to the meeting of board of directors

With strong determination in operating with good corporate governance, the Company consecutively received **"Excellent"** level of recognition from the 2020 Corporate Governance of Thai Listed Companies Survey conducted by Thai Institute of Director Association.

The Company will continue to operate with good corporate governance framework and develop such method to be compatible. Our business shall grow with responsibility to social, environment and all stakeholder to bring prosperous stability in economy, community and surrounding which will eventually add value into the Company sustainably.



Mrs. Puangthip Silpasart
Chairman of Corporate Governance Committee
16 December 2020

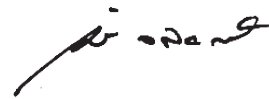
2020 Report of Risk Management Committee

TRC Construction Public Company Limited was well aware of and placed importance on risk management to ensure effective operation and achievement of the Company's business goals. For the Company to gain investor and stakeholder's trust as well as to prevent and reduce impact of potential risks that may arise from both internal and external factors, the board of directors appointed Risk Management Committee which consisted of chief executive officer and 3 directors who had suitable knowledge, capability and experience in the Company's business.

In 2020, the Risk Management Committee had 3 meetings to assure that appropriate risk management were implemented and continuously executed to acceptable standard as follows;

1. Approved the Company's 2020 risk management plan by considering significant risks in relation to business operation, strategy, goal and changing environment
2. Followed up, evaluated and reviewed risk management plan which covered various important risks i.e. strategy risk, operation risk, financial risk and compliance risk
3. Monitored risk management working group and provided suggestions and recommendation for genuine effectiveness of risk management
4. Reviewed Risk Management Charter and conducted self-assessment then reported to the meeting of board of directors

During 2020, the Risk Management Committee was certain that the Company's risk management was conducted in consistent, effective and compliance to Corporate Governance Code for listed companies and related law, rules and regulations for the highest benefit of shareholders and stakeholders.



Assoc. Prof. Kamjorn Tatiyakawee, M.D.
Chairman of Risk Management Committee

2 December 2020

The Board of Directors and Managements



Mrs. Paichit Rattananon

Chairman of the Board and Authorized Director

Age: 65 years old

Appointment Date to be TRC's Director:	25 April 2005
Tenure as the director:	15 years 8 months (until December 2020)
Attendance in Board of Directors meetings during year 2020:	6/7
Shareholding in TRC as at 31 December 2020:	28.660% (2,747,711,285 shares) Directly and indirectly holds the shares through KPK 1999 Co., Ltd. in which Mrs. Paichit holds 50.50% of its shares
Family Relationship among Executives:	Mother of Mr. Pasit Leesakul, Director and Chief Executive Officer and Ms. Pavita Leesakul, Director and Vice President, Corporate Affairs Division
Education:	Master of Arts in Political Economy, Faculty of Economics, Chulalongkorn University

Training:

Institution	Program
Thai Institute of Director Association	- Director Certification Program (DCP) 142/2011 - Role of the Chairman Program (RCP) 15/2007 - Director Accreditation Program (DAP) 38/2005
Judicial Training Institute	The program for Senior Executives on Justice Administration 23/2018
King Prajadhipok's Institute	Intermediate Certificate Course Good Governance for Medical Executives #6/2017
Thailand Energy Academy	Energy Academy Leader Program (TEA) 6/2015
Capital Market Academy	Capital Market Academy Leader Program (CMA) 5/2007
The National Defense College of Thailand	National Defense College (NDC) 48/2005

Working Experience in the last 5 years: TRC Construction Public Company Limited

Year	Position
2005 - present	Chairman

Position in other listed companies: None

Position in other non-listed companies: 3 companies

Year	Position	Company	Business Type
2015 - present	Chairman	Sahakarn Wisavakorn Company Limited	Construction Services
2013 - present	Director		
2008 - present	Director	TRC International Limited (Hong Kong)	Investment and bidding of new projects
2002 - present	Managing Director	KPK 1999 Company Limited	Property Rental

Position in the rival company/related to the company: None

Criminal offense record during the past 10 years: None



Mrs. Rachadaporn Rajchataewindra

Independent Director, Chairman of Audit Committee, Remuneration and Nomination Committee and Risk Management Committee

Age: 63 years old

Appointment Date to be TRC's Director:

21 June 2019

Tenure as the director:

1 year 6 months (until December 2020)

Attendance in meetings during year 2020:

Board of Directors	Audit Committee	Risk Committee	Remuneration and Nomination Committee
7/7	4/4	3/3	2/2

Shareholding in TRC as at 31 December 2020:

None

Family Relationship among Executives:

None

Education:

Master of Business Administration, International Business (English Program), University of the Thai Chamber of Commerce

Training:

Institution	Program
King Prajadhipok's Institute and the Medical Council of Thailand	Certificate Course in Good Governance for Medical Executives (PTP), Class 9/2020
Thai Institute of Director Association	- Advanced Audit Committee Program (AACP), Class 32/2019 - Director Certification Program (DCP), Class 204/2015 - Successful Formulation and Execution of Strategy (SFE), Class 21/2014 - Corporate Governance for Executive (CGE), Class 1/2014 - Director Accreditation Program (DAP), Class 111/2014
Thai Listed Companies Association	TLCA Executive Development Program (EDP), Class 4/2009
Capital Market Academy	Leadership Program, Class 25 (2017)
Governance Matters Australia	The Board's Role in Strategic Formulation

Working Experience in the last 5 years:

TRC Construction Public Company Limited

Year	Position
21 June 2019 - present	Independent Director, Chairman of Audit Committee, Risk Management Committee and Remuneration and Nomination Committee

Position in other listed companies: 1 company

Year	Position	Company	Business Type
12 Nov 2019 - 25 Nov 2020	Independent Director and Audit Committee	MCOT Public Company Limited "MCOT"	Public broadcaster
2015 - 2018	Senior Executive Vice President, Corporate Accounting & Finance	IRPC Public Company Limited	Petroleum and Petrochemical
2015 - 2018	Executive Vice President, Corporate Finance & Accounting	PTT Public Company Limited	Petroleum

Position in other non-listed companies: 4 companies

Year	Position	Company	Business Type
29 Jan 2021 - present	Independent Director and Audit Committee	Thailand Privilege Card Co.,Ltd	Other personal service activities, not elsewhere classified.
23 Feb 2020 - present	Independent Director and Chairmand of the Audit Committee	The Zoological Park Organization of Thailand	State enterprise in the form of promotion
2018 - present	Independent Director and Chairmand of the Audit Committee	Thai Union Feedmill Public Company Limited	Manufacturing and distributor of animal feeds.
2018 - present	Director	Fish Marketing Organization	State enterprise
2016 - 2018	Director	IRPC PCC Company Limited	Sales of petrochemical products
2015 - 2018	Director	IRPC OIL Company Limited	Sales of oil products and gas
2015 - 2018	Director	IRPC Polyol Company Limited	Manufacturing and sales of chemical products for polyurethanes
2015 - 2018	Director	UBE Chemicals (Asia) Public Company Limited	Manufacturing and sales of petrochemical products
2015 - 2018	Director	IRPC Clean Power Company Limited	Manufacturing and sales of electricity and steam
2015 - 2018	Director	IRPC A&L Company Limited	Distributing of petrochemical products
2015 - 2016	Director	Thai ABS Company Limited	Manufacturing and sales of plastic resin

Position in the rival company/related to the company: None

Criminal offense record during the past 10 years: None



Mr. Kamjorn Tatiyakavee

Independent Director, Chairman of Risk Management Committee, Audit Committee and Remuneration and Nomination Committee

Age: 65 years old

Appointment Date to be TRC's Director:

29 April 2019

Tenure as the director:

1 year 8 months (until December 2020)

Attendance in meetings during year 2020:

Board of Directors	Audit Committee	Risk Committee	Remuneration and Nomination Committee
5/7	4/4	3/3	1/2

Shareholding in TRC as at 31 December 2020:

None

Family Relationship among Executives:

None

Education:

Certificate in the Paediatrics (equivalent to doctorate), Chulalongkorn University

Training:

Institution	Program
Thai Institute of Director Association	Director Accreditation Program (DAP) 35/2005
The National Defense College of Thailand	National Defense College (NDC)

Working Experience in the last 5 years:

TRC Construction Public Company Limited

Year	Position
13 Nov 2019 - present	Chairman of Risk Management Committee,
29 April - 12 Nov 2019	Risk Management Committee
29 April 2019 - present	Independent Director, Audit Committee and Remuneration and Nomination Committee

Position in other listed companies: 1 company

Year	Position	Company	Business Type
2017 - present	Independent Director	Berli Jucker Public Company Limited "BJC"	Manufacturing and distribution

Position in other non-listed companies: 2 company

Year	Position	Company/Organization	Business Type
2018 - present	Committee member of Council	Chitralada Technology Institute	National University
2016 - present	Committee member of Council	Chulalongkorn University	National University
2015 - 2016	Permanent Secretary	Ministry of Education	Government Services
2014 - 2018	Committee member of Council	Chitralada Technology College	National University

Position in the rival company/related to the company: None

Criminal offense record during the past 10 years: None



Mrs. Puangthip Silpasart

Independent Director, Chairman of Corporate Governance Committee, Audit Committee and Remuneration and Nomination Committee

Age: 66 years old

Appointment Date to be TRC's Director:

24 February 2016

Tenure as the director:

4 years 10 months (until December 2020)

Attendance in meetings during year 2020:

Board of Directors	Audit Committee	Corporate Governance Committee	Remuneration and Nomination Committee
7/7	4/4	2/2	2/2

Shareholding in TRC as at 31 December 2020:

None

Family Relationship among Executives:

None

Education:

Bachelor of Arts (B.A.), English Major, Silpakorn University

Training:

Institution	Program
Thai Institute of Director Association	- Director Certification Program (DCP) 226/2016 - Role of the Chairman Program (RCP) 38/2016
Ministry of Industry	Top Executive Program in Industrial Development and Investment (IBID) 2/2015
Thailand Energy Academy, PTT Public Company Limited	Executive Program in Energy Literacy for a Sustainable Future (TEA) 6/2015
Chula Unisearch, Chulalongkorn University	Power of the Kingdom 2/2014
The Electronic Government Agency (Public Organization) (EGA)	E-government Executive Program (CIO) 3/2013
The National Intelligence Agency	National Security Management Course (NSMC) 2/2010
The Office of the Civil Services Commission	The Civil Service Executive Program for Senior Civil Servants (Visionary Leadership: Program 1) 53/2007
Exploration and Production of Petroleum Training Institute, Paris, France	Organizational Restructuring Program
The Office of the Permanent Secretary, Ministry of Energy	Energy Executive Development Program
Sasin Graduate Institute of Business Administration of Chulalongkorn University	Senior Executive Program

Working Experience in the last 5 years:

TRC Construction Public Company Limited

Year	Position
13 Nov 2019 - present	Chairman of Corporate Governance Committee
2016 - present	Independent Director, Audit Committee and Remuneration and Nomination Committee

Position in other listed companies: 1 company

Year	Position	Company	Business Type
2016 - present	Independent Director, Audit Committee, Nomination and Remuneration Committee and Risk Committee	Thai Sugar Terminal Public company limited "TSTE"	Transportation & Logistics
2015 - 2017	Director and Corporate Governance and Social Responsibility Committee	The Electricity Generating Public Company Limited "EGCO"	Energy & Utilities

Position in other non-listed companies: 2 company

Year	Position	Company	Business Type
August 2019 - present	Director	At Energy Solution Co., Ltd.	Provide utility supply and services to industrial plants.
2015 - present	Executive Director	Technical Petroleum Training Institute	The core institute in providing international standards for training courses in the petroleum exploration and production business.

Position in the rival company/related to the company: None

Criminal offense record during the past 10 years: None



Assoc. Prof. Pises Sethsathira

Independent Director, Chairman of Remuneration and Nomination Committee and Corporate Governance Committee

Age: 64 years old

Appointment Date to be TRC's Director:

25 April 2005

Tenure as the director:

15 years 8 months (until December 2020)

Attendance in meetings during year 2020:

Board of Directors	Remuneration and Nomination Committee	Corporate Governance Committee
7/7	2/2	1/2

Shareholding in TRC as at 31 December 2020:

0.042% (4,049,999 shares)

Family Relationship among Executives:

None

Education:

Master of Laws (LL.M), Columbia University, U.S.A.

Training:

Institution	Program
Thai Institute of Director Association	- Audit Committee Program (ACP) 17/2007 - Director Accreditation Program (DAP) 35/2005

Working Experience in the last 5 years:

TRC Construction Public Company Limited

Year	Position
2016 - present	Corporate Governance Committee
2009 - present	Chairman of Remuneration and Nomination Committee
2005 - present	Independent Director

Position in other listed companies: None

Position in other non-listed companies: None

Position in the rival company/related to the company: None

Criminal offense record during the past 10 years: None



Mr. Smai Leesakul

Authorized Director and Chairman of Executive Committee

Age: 65 years old

Appointment Date to be TRC's Director:

9 May 2007

Tenure as the director:

13 years 7 months (until December 2020)

Attendance in meetings during year 2020:

Board of Directors	Executive Committee
7/7	16/17

Shareholding in TRC as at 31 December 2020:

1.227% (117,631,494 shares)

Family Relationship among Executives:

Father of Mr. Pasit Leesakul, Director and Chief Executive Officer and Ms. Pavita Leesakul, Director and Vice President, Corporate Affairs Division

Education:

Master of Management, SASIN Graduate Institute of Business Administration of Chulalongkorn University

Training:

Institution	Program
Digital Economy Promotion Agency (DEPA)	Chief of Digital Agro Business (CDA) 2/2020
King Prajadhipok's Institute	Certificate Course in Good Governance for Medical Executives (PTP), Class 8/2019
The Thai Fintech Association and ICORA Co., Ltd.	Cryptoasset Revolution (CAR) 1/2018
The Federation of Thai Industries	Business Revolution and Innovation Network (BRAIN) 1/2017
Thailand Energy Academy	Top Executive Program in Energy (TEA) 8/2016
Commerce Academy, University of the Thai Chamber of Commerce	Top Executive Program in Commerce and Trade (TEPCoT) 5/2013
Thai Institute of Director Association (IOD)	- Financial Statements for Directors (FSD) 18/2012 - Director Accreditation Program (DAP) 64/2007
Urban Green Development Institute Bangkok	Bangkok Metropolitan Administration Executive Program (Mahanakorn) 1/2011
Capital Market Academy	Capital Market Academy Leader Program (CMA) 7/2008
The National Defense College of Thailand	Diploma, The Joint State-Private Sector Course Class 16/2003 (NDC 46)

Working Experience in the last 5 years

TRC Construction Public Company Limited

Year	Position
2015 - present	Chairman of Executive Committee
2007 - present	Director

Position in other listed companies: None

Position in other non-listed companies: 12 companies

Year	Position	Company	Business Type
April 2020 - present	Director and Chairman of the Board of Directors	Master Style Company Limited	Cosmetic surgery clinic Complete skin treatment
March 2020 - present	Director	Olive Technology Co., Ltd.	Provides research, development, audit and control services, as well as management services and Big Data results.
August 2019 - present	Chairman of the Board of Directors	At Energy Solution Co., Ltd.	Provide utility supply and services to industrial plants.
2018 - present	Committee	The Joint Standing Committee on Commerce, Industry and Banking	
2017 - present	Director	Thai Listed Companies Association	-
2016 - present	Vice Chairman	The Federation of Thai Industries	-
2015 - present	Director, Chief Executive Officer and Managing Director	ASEAN Potash Chaiyaphum Public Company Limited	Potash mining
2011 - present	Director	TRC Engineering LLC (Sultanate of Oman)	Construction Services
2010 - present	Director	TRC Middle East LLC (Sultanate of Oman)	Construction Services
2008 - present	Director	TRC International Limited (Hong Kong)	Investment and bidding of new projects
2008 - present	Director	TRC Investment Limited (Mauritius)	Investment and bidding of new projects
2007 - present	Director	Sahakarn Wisavakorn Company Limited	Construction Services

Position in the rival company/related to the company: None

Criminal offense record during the past 10 years: None



Mrs. Podchanee Phaosavasdi

Authorized Director, Chief Commercial Officer and Vice President, Remuneration and Nomination Committee, Corporate Governance Committee, Risk Management Committee, Management Committee Executive Committee

Age: 60 years old

Appointment Date to be TRC's Director:

9 August 2007

Tenure as the director:

13 years 4 months (until December 2020)

Attendance in meetings during year 2020:

Board of Directors	Remuneration and Nomination Committee	Corporate Governance Committee	Risk Committee	Executive Committee
7/7	2/2	2/2	3/3	16/17

Shareholding in TRC as at 31 December 2020:

None

Family Relationship among Executives:

None

Education:

Master of Business Administration-Marketing, Ramkhamhaeng University

Training:

Institution	Program
Securities and Exchange Commission	The Study of Audit Adjustments and the Relationship between Characteristics of Financial Statement Preparers and Audit Adjustments for the year 2018
The Institute of Industrial Energy, the Federation of Thai Industries	Energy Symposium 2016
Thai Institute of Director Association	- Risk Management Committee Program (RMP) 4/2014 - Director Certification Program (DCP) 151/2011 - Role of the Compensation Committee (RCC) 9/2009 - Director Accreditation Program (DAP) 64/2007
The Faculty of Economics, Chulalongkorn University	Risk Management Certificate Program 3/2014
The Federation of Thai Industries	- 4.0 Thailand Industrial Development Strategy - Study visit at Waste disposal plant to generate electricity for the environment Solid waste disposal center Nong Khaem, Bangkok.

Working Experience in the last 5 years:

TRC Construction Public Company Limited

Year	Position
2015 - present	Executive Committee, Chief Commercial Officer
2013 - present	Remuneration and Nomination Committee and Risk Management Committee
2012 - present	Corporate Governance Committee
2007 - present	Director
2007 - 2018	Management Committee

Position in other listed companies: None

Year	Position	Company	Business Type
2013 - 31 May 2020	Independent Director, Audit Committee and Remuneration and Nomination Committee	Aqua Corporation Public Company Limited "AQUA"	Media & Publishing Services

Position in other non-listed companies: 7 companies

Year	Position	Company	Business Type
2017 - present	Director	SH Crossings Company Limited	Construction Services
2017 - present	Director	TRC Utility Company Limited	Investment of the infrastructure projects
2016 - present	Director	ASEAN Potash Chaiphaphum Public Company Limited	Potash mining
2015 - present	Director and Chief Commercial Officer	Sahakarn Wisavakorn Company Limited	Construction Services
2011 - present	Director	TRC Engineering LLC (Sultanate of Oman)	Investment and bidding of new projects
2011 - present	Director	TRC Middle East LLC (Sultanate of Oman)	Investment and bidding of new projects
2006 - present	Director	Sahakarn Wisavakorn Company Limited	Construction Services

Position in the rival company/related to the company: None

Criminal offense record during the past 10 years: None



Mr. Pasit Leesakul

Authorized Director, Chief Executive Officer, Remuneration and Nomination Committee, Risk Management Committee, Executive Committee and Acting Chief Financial Officer
Age: 37 years old

Appointment Date to be TRC's Director:

21 March 2013

Tenure as the director:

7 years 9 months (until December 2020)

Attendance in meetings during year 2020:

Board of Directors	Remuneration and Nomination Committee	Risk Committee	Executive Committee
7/7	2/2	3/3	17/17

Shareholding in TRC as at 31 December 2019:

0.114% (10,919,998 shares)

Family Relationship among Executives:

- Son of Mrs. Paichit Rattananon, Chairman and Mr. Smai Leesakul, Director and Chairman of Executive Committee
- Brother of Ms. Pavita Leesakul, Director and Vice President, Corporate Affairs Division

Education:

Master of Business Administration: Corporate Finance Concentration, McCollum Graduate School of Business, Bentley University, U.S.A.

Training:

Institution	Program
Thai Listed Companies Association	- TLCA CFO Professional Development Program (TLCA CFO CPD), 7/2020 - TLCA Leadership Development Program (LDP) 4/2016 - Director Accreditation Program (DAP) 105/2013 - TLCA Executive Development Program (EDP) 7/2011
Thailand Energy Academy	The Young Executive Program in Energy Literacy for a Sustainable Future (YTEA) 7/2019
Training of military personnel of Petroleum and Energy	The Management of the Expiring Petroleum Concessions 2016
Econ Chula Association, Chulalongkorn University	Ultra Wealth Program (UW) 1/2016
Academy of Business Creativity, Sripatum University	Difference: How to Harness Business Creativity Program (ABC) 3/2015
Faculty of Police Science, Royal Police Cadet Academy	Young Executive Program for law Enforcement (YPL) 1/2013
King Prajadhipok's Institute	Political Leadership in the New Era Program (PNP) 2/2012
NIDA Business School, NIDA and Wharton University of Pennsylvania	NIDA Executive Leadership Program (ELP) 5/2009

Working Experience in the last 5 years:
TRC Construction Public Company Limited

Year	Position
2018 - present	Acting Chief Financial Officer
February - September 2018	Acting Chief Operation Officer
2015 - 2018	Chairman of Management Committee
2013 - present	Director
2009 - present	Chief Executive Officer, Executive Committee, Remuneration and Nomination Committee and Risk Management Committee

Position in other listed companies: None

on in other non-listed companies: 5 companies

Year	Position	Company	Business Type
November 2020 - present	Director	Mahat Company Limited	Manufacturing, distribution, management services of information technology and platform development
March 2020 - present	Director	Olive Technology Co., Ltd.	Provides research, development, audit and control services, as well as management services and Big Data results.
2017 - present	Director	SH Crossings Company Limited	Construction Services
2017 - present	Director	TRC Utility Company Limited	Investment of the infrastructure projects
2016	Director	Human Capital Management Club Thai Listed Companies Association	
August 2012 - present	Director and Chief Executive Officer	Sahakarn Wisavakorn Company Limited	Construction Services

Position in the rival company/related to the company: None

Criminal offense record during the past 10 years: None



Ms. Pavita Leesakul

Director and Vice President, Corporate Affairs Division

Age: 34 years old

Appointment Date to be TRC's Director:

8 August 2018

Tenure as the director:

2 year 4 months (until December 2020)

Attendance in meetings during year 2020:

Board of Directors	Corporate Governance Committee
7/7	2/2

Shareholding in TRC as at 31 December 2020:

0.184% (17,645,411 shares)

Family Relationship among Executives:

- Daughter of Mrs. Paichit Rattananon, Chairman and Mr. Smai Leesakul, Director and Chairman of Executive Committee
 - Sister of Mr. Pasit Leesakul, Director and Chief Executive Officer
- Master of Arts, International Economics and Finance, Keio University, Japan and Brandeis International Business School, U.S.A.

Education:

Training:

Institution	Program
Thai Institute of Director Association	- Director Accreditation Program (DAP) 151/2018 - How to Develop a Risk Management Plan (HRP) 11/2016
Chulalongkorn University	Diploma "Human Resources Management" #40
King Prajadhipok's Institute	Political Leadership in the New Era Program (PNP 9)
Stock Exchange of Thailand	Corporate Sustainability Strategy #4
Thai Listed Companies Association	TLCA Executive Development Program (EDP 16)
The Federation of Thai Industries	Young F.T.I. Elite # 3
Academy of Business Creativity, Sripatum University	ABC Talent: Grooming Rising Professionals

Working Experience in the last 5 years:

TRC Construction Public Company Limited

Year	Position
2018 - present	Director
2016 - present	Vice President, Corporate Affairs Division
2015 - 2017	Corporate Communication Manager

Position in other listed companies: None

Position in other non-listed companies: 4 company

Year	Position	Company	Business Type
November 2020 - present	Director	Mahat Company Limited	Manufacturing, distribution, management services of information technology and platform development
Jan 2020 - present	Audit Committee and Monitoring of Police Administration	In the area of the Khanna Yao Police Station	-
March 2020 - present	Director	Olive Technology Co., Ltd.	Provides research, development, audit and control services, as well as management services and Big Data results.
2017 - present	Director	TRC Utility Company Limited	Investment of the infrastructure projects

Position in the rival company/related to the company: None

Criminal offense record during the past 10 years: None



Mr. Loh Eng Kee

Chief Operating Officer and Executive Committee

Age: 63 years old

Attendance in Executive Committee meetings during year 2020: 17/17

Shareholding in TRC as at 31 December 2020: 0.026% (2,515,574 shares)

Family Relationship among Executives: None

Education: Technical Diploma in Mechanical Engineering, Singapore Polytechnic, Singapore

Training:

Institution	Program
Thai Institute of Director Association	Director Accreditation Program (DAP) 74/2008

Working Experience in the last 5 years:

TRC Construction Public Company Limited

Year	Position
October 2018 - present	Chief Operating Officer
2015 - present	Executive Committee
2017 – September 2018	Deputy Chief Operating Officer
2015 – August 2018	Director
2015 - 2018	Executive Director and Management Committee
2013 - 2017	Project Director

Position in other listed companies: None

Position in other non-listed companies: None

Position in the rival company/related to the company: None

Criminal offense record during the past 10 years: None



Ms. Rewadee Ardharn

Senior Accounting Manager

Age: 52 years old

Shareholding in TRC as at 31 December 2020: 0.002% (163,249 shares)

Family Relationship among Executives: None

Education: Master of Business Administration-Management, Eastern Asia University

Training:

Institution	Program
The Stock Exchange of Thailand (SET)	CFO Refresher Course #1/2020
Thai Listed Companies Association	Strategic Financial Leadership Program (SFLP)

Working Experience in the last 5 years:

TRC Construction Public Company Limited

Year	Position
2000 - present	Senior Accounting Manager

Position in other listed companies: None

Position in other non-listed companies: None

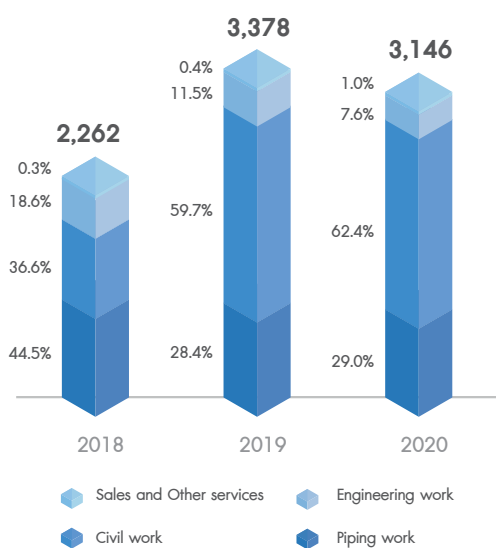
Position in the rival company/related to the company: None

Criminal offense record during the past 10 years: None

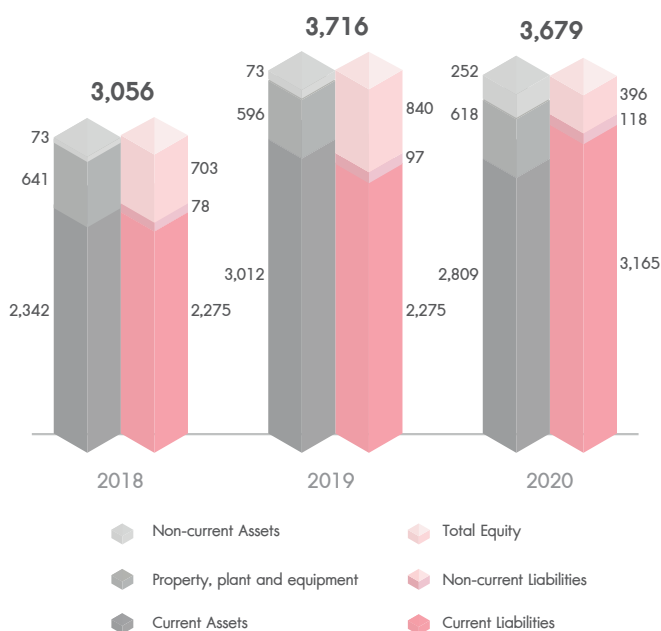
Financial Highlight

Summary of the Company's consolidated financial information	2018	2019	2020
Operating Results (Unit : Million Baht)			
Revenues from construction work, sales and other services	2,262.37	3,378.46	3,145.93
Gross Profit	-88.72	57.29	-178.72
Administrative expenses	318.43	376.25	312.90
Bad debt and doubtful debt	365.69	0.43	-
Loss from impairment on investment	1,212.73	-	-
Net Profit (Loss)	-2,040.57	-293.28	-444.17
Earning (Loss) per share (Baht)	-0.33	-0.04	-0.05
Financial Position (Unit : Million Baht)			
Total Assets	3,055.78	3,715.63	3,679.24
Total Liabilities	2,352.76	2,876.05	3,282.54
Total equity	703.02	839.58	396.70
Total equity attributable to owners of the parent	732.31	868.11	425.72
Financial Ratio			
Gross profit (loss) margin for Construction services	3.90%	1.58%	-5.99%
Net profit (loss) margin	-88.55%	-8.56%	-13.90%
Return on equity	-117.99%	-38.02%	-71.86%
Return on assets	-53.32%	-8.66%	-12.01%
Debt to equity (Times)	3.35	3.43	8.27

Revenues from construction work, sales and other services



Statement of Financial Position



Business Policy and Overview



1. Business Policy and Overview

TRC Construction Public Company Limited was established on 20 November 1998. The Company provides integrated contracted services relating to engineering, procurement of machineries and equipment and construction (EPC). The Company has vast experience and expertise in projects related to water, natural gas and petrochemical pipeline. Apart from providing construction services, the Company involved in project development and investments. The Company has a subsidiary - Sahakarn Wisavakorn Co., Ltd., which specialized in civil engineering works and infrastructure system. The Company Group steadily expanded its capital base and business operations. In 2018, the Company expanded its scope of business to include new innovation business, such as contracted construction of Automated Storage and Retrieval System (AS/ RS). Core clients of the Company are business operators in the energy and petrochemical sectors, as well as state agencies.

The Company was initially listed on the Market for Alternative Investment (MAI)

under the trading name of “TRC” on 22 November 2005. Then later listed on the Stocks Exchange of Thailand (SET) under the real estate and construction sector of the property development category on 23 April 2013. Afterwards, SET categorized TRC to be under the construction services sector since 2 January 2014.

Vision, Mission, Target and Corporate Value

The Company has a policy to periodically review the vision and mission statements, corporate objectives every year. The 5/2020 Board of Directors’ meeting on 21 October 2020 reviewed and resolved to revised vision but mission, objectives and corporate values remained the same.

Vision

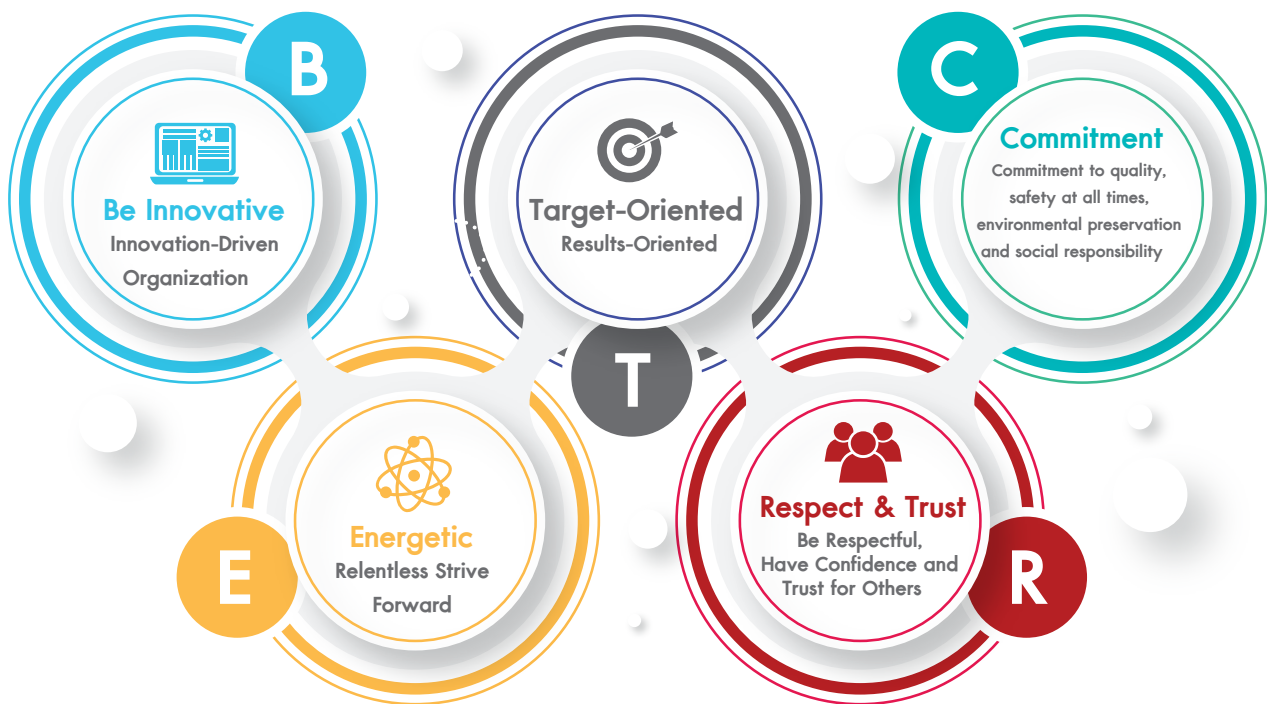
“A Pioneer Organization who delivers innovative turnkey EPC project solution in the region (CLMVT)”

** comprised of Cambodia, Laos, Myanmar (Burma), Vietnam and Thailand.*

Mission

1. Deliver sustainable returns through good governance.
2. Deliver excellent service with high quality, environmental and safety awareness to ensure our clients’ success.
3. Conduct business with good corporate responsibility.
4. Create best working environment and become the best operational - excellence organization.

Corporate Value



2. Key Change and Accomplishments

During the past 5 years, the Company's accomplishments in expanding its business and securing large-scale projects on an ongoing basis are outlined below:

In 2016

- In February 2016, the Company obtained the Letter of Award from APOT for Turnkey Delivery of APOT Project Package 2. Surface Processing and Facilities worth USD 142.03 million, EUR 416.00 million and Baht 12,433.39 million, or Baht 34,089.50 million in total. In May, the Company received a Notice to Proceed for the Early Works - the scope of work under this notice was restricted to the engineering work and site survey/exploration - worth altogether EUR 10.20 million and Baht 294.94 million, or Baht 711.36 million in total. This Notice to Proceed's work is part of the Turnkey Delivery of APOT Project Package 2. Surface Processing and Facilities.
- In March 2016, the 3/2016 Board of Directors' meeting passed a resolution approving the dissolution of subsidiaries in Sultanate of Oman - TRC Middle East LLC and TRC Engineering LLC - since both entities had not signed any project since 2015, nor did they have further plan to participate in bidding.
- In March 2016, the Company issued debentures through private placement within the limit of Baht 200 million, maturing in 2 years with a coupon rate of 4.40% per annum payable every 3 months.

- The 2016 Annual General Meeting of Shareholders passed its resolutions in relation to the Company's registered capital as follows:

- Approved for the issuance and private placement of up to 675 million warrants to persons subscribing for the Company's debentures worth up to Baht 2,000 million.
- Approved for the reduction of registered capital from Baht 655,358,932.25 to Baht 570,665,282.63.
- Approved for the increase of registered capital from Baht 570,665,282.63 to Baht 726,373,442.88.
- Approved for the allocation of 1,245,665,282 new ordinary shares to prepare for the Company's obligations arising from the issuance of stock dividends, the warrants issued through private placement and to persons subscribing for debentures, and the adjustment to ESOP-W2 entitlements.

- In May 2016, the Company executed transactions in connection with its ordinary shares as follows:

- Reduced of registered capital to Baht 570,665,282.63.
- Increased of registered capital to Baht 726,373,442.88.

- Issued 570,436,077 dividend stocks (8 existing shares to 1 new share) for operations results 2015.

- TRC Investment Limited made additional investments in ordinary shares of APOT. After the second, third, and fourth payments for these shares totaling Baht 905 million, a total of 2,750,000 APOT shares was transferred to TRC Investment Limited, making the TRC Group's stake in APOT as of the end of 2016 increased to 26.22 % (associated of the Company) TRC Investment Limited has 23.43% shareholding while TRC International Limited holds 2.79% of the APOT paid-up capital as of year-end 2016; amounting to Baht 2,688.31 million.
- The Company's stocks were qualified to become part of the SET100 in the 2nd half of 2016 (the period starting from 1 July - 31 December 2016).
- Directors, executives, and employees had their warrants converted to ordinary shares in the 8th and 9th (the last) exercise of rights under ESOP-W2 program. The number of additional shares resulting from the 7th to 9th exercise of warrants was 42,783,587 (the conversion rate was 1:5), consequently making the Company's registered capital and paid-up capital as of the end of 2016 stood at Baht 726,373,442.88 and Baht 641,998,220 respectively.

In 2017

- The Company and Sahakarn Wisavakorn Co., Ltd., secured 14 construction projects worth a total of Baht 5,357.74 million. The following were the major projects:

TRC:

- EPC for RDCC Catalyst Cooler Project Part 2 - Back Pressure Steam and Utilities System awarded by IRPC Public Company Limited, worth Baht 492 million.
- BV 4.19 PIG Launcher and Receiver Installation Project awarded by PTT Public Company Limited, worth Baht 229.28 million.
- The Revamp LPG Transfer Pump to Domestic BRP Project awarded by PTT Public Company Limited, worth Baht 208.50 million.

Sahakarn Wisavakorn Co., Ltd.:

- Improvement of Pracharumjai Road - Mitmaitri Road Project awarded by the Bangkok Metropolitan Administration, the Metropolitan Electricity Authority, the Metropolitan Waterworks Authority, and TOT Public Company Limited, worth Baht 990.84 million.
- The 7,602-km Kanlapaphruek Road Extension Project awarded by the Department of Highways (Ministry of Transport), the Metropolitan Electricity Authority, and the Metropolitan Waterworks Authority, worth Baht 849.72 million.
- The 2017 Annual General Meeting of Shareholders passed its resolutions in relation to the Company's registered capital as follows:
 - Approved for the reduction of registered capital from Baht 726,373,442.88 to Baht 641,998,220 consisting of 5,135,985,760 ordinary shares with par value of Baht 0.125.
 - Approved for, first, the increase of registered capital for Baht 91,714,031.25 equivalent to 733,712,250 ordinary shares, resulting in the Company's registered capital increasing from Baht 641,998,220 to Baht 733,712,251.25 or equivalent to 5,869,698,010 ordinary shares.
 - Approved for the allocation of 733,712,250 new ordinary shares to prepare for the Company's obligations arising from the issuance of stock dividends.
- In May 2017, the Company executed transactions in connection with its ordinary shares as follows:
 - Reduced of registered capital to Baht 641,998,220.
 - Increased of registered capital to Baht 733,712,251.25.
 - Issued 733,707,536 dividend stocks for dividend stocks (7 existing shares to 1 new share) for operation results of 2016.

At the end of 2017, the Company has registered capital Baht 733,712,251.25 and paid-up capital Baht 733,711,662.00.

- In June 2017, the Company set up a subsidiary named **"TRC Utility Company Limited"** with Baht 1,000,000 in registered capital, whose business activities mainly involve investment in projects related to basic infrastructure. The first investment by this newly-established entity was the Water Supply Concession Project of Tasit Subdistrict Administration Organization in Pluak Daeng District, Rayong. The investment value of this project was Baht 46.5 million. Completed projects will commercially commence business operations in March 2018.
- In July 2017, the Company issued debentures through private placement within the limit of Baht 100 million, maturing in 1 year with a coupon rate of 4.50% per annum payable every 3 months.
- In October 2017, the Company was certified ISO9001:2015 quality management standard, ISO14001:2015 environmental management system standard, and OHSAS18001:2007 occupational health and safety management system standard from SGS (Thailand) Company Limited.
- In November 2017, Sahakarn Wisavakorn Co., Ltd., in partnership with Chinese strategic alliance Huayuan Innovative Development (Hong Kong) Company Limited, set up a

subsidiary named **“SH Crossings Company Limited”** in which Sahakarn Wisavakorn holds 51% stake and the other holds 49%. The purpose of this new subsidiary incorporated with Baht 40 million in registered capital was to do business in construction of underground electrical conduits, including boring and pipe jacking work.

- The Company’s stocks became qualified for the calculation of sSET Index - an index representing price movements of common stocks of public companies, apart from constituents in the SET50 Index and SET100 Index, which listed on the Stock Exchange of Thailand, have constant liquidity and comply with requirements regarding the distribution of shares to minor shareholders. The Company was consistently included in the computation of the SET index in 2017 to 2018 and in the first half of 2019.
- The Company’s operations result for 2017 received the **“excellent”** rating from the Thai Institute of Directors, up from **“very good”** rating. The Company also received the “excellent” rating in 2018; earning two consecutive years of **“excellent”** rating.
- During the year, ASEAN Potash Chaiyaphum Public Company Limited (APOT) - one of the Company’s affiliates - has undertaken the following actions to make changes to its registered capital and paid-up capital.

- In March 2017, APOT received Baht 80 million from the Ministry of Finance as payment for 1,174,860 newly-issued ordinary shares at the price of Baht 68.43 per share. After the registration of change in paid-up capital from Baht 2,688,308,700 to Baht 2,805,797,300, TRC Group’s shareholding in APOT as of the end of 2017 was down to 25.13% (22.46% shareholding by TRC Investment Limited and 2.67% shareholding by TRC International Limited).
- In July 2017, a change in capital from Baht 2,805,797,300 to Baht 29,472,035,900 was registered in accordance with APOT’s 2017 Annual General Meeting of Shareholders’ resolution approving the capital increase.

In 2018

- The Company and subsidiaries secured 10 construction projects worth a total of Baht 3,621.57 million.

TRC:

4 projects totaling Baht 924.88 million; major projects as follows:

- Subcontracted work for the 5th Transmission Pipeline Project Phase 1 of PTT Plc, provided by Sinopec International Petroleum Service Corporation which was the main construction contractor of the project. The project involved engineering, procurement and construction; commissioning and start-up stations (Block Valve & Facility) at 14 locations, total project value of Baht 755.23 million for a period of 33 months.

Sahakarn Wisavakorn Co., Ltd.:

6 projects with total value of Baht 2.70 million; major projects as follows:

- Bridge construction project (over Ranong intersection), a clarifier pond, underground electrical cable work along Rama 3 road, bridge over Ranong intersection (a project of Bangkok Metropolitan Administration and the Metropolitan Electricity Authority); total project value of Baht 1.52 billion; project period 900 days.

- Design and construction project for PTT Oil and Retail Business Plc's lubrication products distribution center; project value of Baht 600 million; project period 450 days.

- In March 2018, the Company issued Baht 180 million in 2-year debentures (4.80% interests per annum payable every 3 months) to specific individuals.

- In April 2018, significant resolutions of the 2018 Annual General Meeting of Shareholders of pertaining to registered capital are as follows:

- Approved the reduction of registered capital from Baht 733,712,251.25 to Baht 733,711,662; involving 5,869,698,010 common shares, at Baht 0.125 per share.
- Approved registered capital increase by Baht 36,685,58; involving 293,484,664 common shares; raising the registered capital of Baht 733,711,662 to Baht 770,397,245; involving 6,163,177,960 common shares.
- Approved addition of 6,163,177,960 capital-increase ordinary shares to support issuance of dividend stocks.

- In May 2018, the Company proceedings with regards to ordinary shares were as follows:

- Reduced registered capital to Baht 733,711,662.
- Raised registered capital to Baht 770,397,245.
- Issued 6,163,177,960 dividend stocks for operations result 2017 at ration of 20 existing share for 1 new share.

As of 2018, the Company registered capital was Baht 770,397,245 of which Baht 770,395,728.12 was paid-up.

- In May 2018, APOT submitted a notice to the Company, requesting suspension of all construction activities that the Company had undertaken. APOT also requested to terminate the Refurbishment of the Existing Decline project.

- Uncertainties relating to the current and future business operations of APOT, which TRC Group has 25.13% shareholding, may result the Company in not getting the overdue interim payment for the portion of work completed from APOT, including the expected return on investment. Hence, the Company had to set up reserves for investment, trade receivable and other receivable, including realization of expenses / obligations / others, related to the construction project for APOT which is now a part of the project cost in the financial statements for 2018. This is considered a significant impact to the Company's operations results which contributed to the Company's inability to maintain the financial ratio that had projected for the debentures holders earlier. In March 2018, the Company proceeded to redeem the Baht 180 million debentures ahead of the maturity date.

In 2019

- In June 2019, significant resolutions of the 1/2019 Extraordinary General Meeting of Shareholders of pertaining to registered capital are as follows:
 - Approved the reduction of registered capital from Baht 770,397,245 to Baht 770,395,728.12; involving 6,163,165,825 common shares, at Baht 0.125 per share.
 - Approved registered capital increase by Baht 427,997,626.63; involving 3,423,981,013 common shares; raising the registered capital of Baht 770,395,782.12 to Baht 1,198,383,354.75; involving 9,587,146,838 common shares.
 - Approved the allotments of 3,423,981,013 ordinary shares with a par value of Baht 0.125 to existing shareholders (Right Offering) at a ratio of 9 existing shares to 5 new shares.
 - Approved to transfer the statutory reserve at the amount of Baht 73,371,224.63 and share premium at the amount of Baht 1,041,739,823 to offset the Company's retained deficits.
- In July 2019
 - The Company proceeded with transactions in relation to ordinary shares as follows:
 1. Reduced registered capital to Baht 770,395,728.12.
 2. Increased registered capital to Baht 1,198,393,354.75.
 3. Allocated capital increase ordinary share of 3,423,981,013 shares to existing shareholders at the ratio of 9 existing shares to 5 new shares, at the end of 2019, the Company has Baht 1,198,393,354.75 issued and paid-up registered capital.
 - The Company received full 100 marks in quality evaluation for the arrangement of 2019 Annual General Meeting of Shareholders from Thai Investors Association.
- In August 2019, the Company signed Joint Venture Agreement with Asia Green Energy Company Limited (AGE) and Appliance Technology Supply Company Limited (APTECH) to set up a company to provide public utility supply and services to industrial factory. AT Energy Solution Company Limited was then established at the end of 2019 with registered capital of Baht 200 million and paid-up capital of Baht 50.75. Shareholding proportion between TRC, AGE and APTECH is 50:50:0 respectively.
- In November 2019, the Company received **“Excellent”** corporate governance evaluation from Thai Institute of Directors for 3 consecutive years.
- In December 2019, the 10/2019 Board of Directors Meeting resolved to approve the Company to enter into joint venture agreement with XSense Information Service Company Limited for research and development of control system through IoT. Currently in process of company registration.

- The Company and subsidiaries secured 9 construction projects worth a total of Baht 6,660.80 million.

TRC:

2 projects totaling Baht 2,222.75 million; the significant projects consisting of:

- Design, Supply, Construction and Commissioning of Refined Glycerin Plant Project from Bangchak Biofuel Company Limited. The project's work value is Baht 389.75 million with 480-day construction period.
- Raw Water Pipeline System Klong Luang Reservoir-Chonburi Project (Water Pipeline and Pump Station) from Eastern Water Resources Development and Management Public Company Limited. The project's work value is Baht 1,833 million with 24-month construction period.

Sahakam Wisavakorn Co., Ltd.:

7 projects with total value of Baht 4,438.05 million; the significant projects consisting of:

- The construction of Highway Route No. 3304, connecting between Highway Route No. 315 (Don Si Non) - Highway Route No. 331 (Plaeng Yao) Section 2 from Road Construction 2, the Department of Highways. The project's work value is Baht 558.88 million with 690-day construction period.
- Conversion of Overhead Line to Underground System Project, Ratchadaphisek-Asoke Route from Metropolitan Electricity Authority. The project's work value is Baht 2,205.42 million with 1,260-day construction period.
- Ditch improvement Vibhavadi Rangsit Road Section 1 Phase km.5+500.000 - km.10+700.00 from the Bureau of Road Construction 1, the Department of Highways. The project's work value is Baht 633.01 million with 900-day construction period.
- Ditch improvement Vibhavadi Rangsit Road Section 3 Phase km.28+030.000 - km.30+300.00 from the Bureau of Road Construction 1, the Department of Highways. The project's work value is Baht

293.69 million with 720-day construction period.

- Conversion of Overhead Line to Underground System Project, Rama IV Route from Metropolitan Electricity Authority. The project's work value is Baht 517.76 million with 630-day construction period.

In 2020

- The Company and subsidiaries secured EPC projects total value of Baht 3,445 million

TRC:

total value of Baht 1,081 million, major projects as follows:

- Piping Spool Fabrication Works and Fabrication and Construction of New Storage Tanks project which involve producing of piping and 15 storage tanks for crude oil from joint venture of Petrofac South East Asia Pte. Ltd., Saipem Singapore Pte.Ltd. and Samsung Engineering (Thailand) Co.,Ltd. Project value of Baht 720 million.
- Civil and Structural Work Package for CFP Concurrent Work Project from Thai Oil Public Company Limited. Project value of Baht 93 million.
- EPC Service HDPE Pipeline Package for New Bang Phra Rae Water Line from Thai Oil Public Company Limited. Project value of Baht 254 million.
- Other projects, total value of Baht

14 million

Sahakam Wisavakom Co., Ltd .:

total value of Baht 2,364 million,
major projects as follows;

- Construction of multipurpose sport stadium from Thailand National Sport University, Udon Thani Campus. Project value of Baht 87.50 million.
- Construction of Infrastructure for Nihonbashi-Bangpakong project from Frasers Property (Thailand) Public Company Limited. Project value of Baht 63 million.
- Construction of patient treatment building, Thabo Crown Prince Hospital, NongKhai province. Project value of Baht 740 million

- Reconstruction of Inter-Region Highway Network, Highway No. 14 Maisiab-Phattalung, from Depart of Highways. Project value of Baht 890 million.
- Construction of Motorway No.9, Bangkok Outer Ring (West) Phra Pradaeng-Bang Khae, from Depart of Highways. Project value of Baht 514 million.
- In August 2020, the meeting of Board of Directors resolved to approve Olive Technology Company Limited (“Olive”), the Company’s subsidiary, to enter into joint venture agreement with Wewitsarn Company Limited with 59.98% shares held by Olive and 0.02% by TRC’s executive and establish Mahat Company Limited with objective to provide service for information technology management
- In October 2020, the Company received certification management system improvement from OHSAS 18001:2007 to ISO 45001:2018
- In November 2020, the Company received “**Excellent**” rating from the Corporate Governance Report of Thai Listed Companies 2020 (CGR 2020) conducted by the Thai Institution of Directors (IOD) for 4 consecutive years.

Nature of Business

Revenue Structure of the Company and its subsidiaries

TRC Group core revenues are from 1. Construction service 2. Other services and 3. Sales as below details:

Revenues	Operated by	% Shareholding	2018		2019		2020	
			Million Baht	%	Million Baht	%	Million Baht	%
1. Construction service income								
Piping work	The Company		924.94	40.13	958.60	27.97	911.65	28.52
	*Hydrotek Sahakarn Joint Venture	49.00	82.87	3.60	-	-	-	-
Total			1,007.81	43.73	958.60	27.97	911.65	28.52
Engineering work	The Company		387.83	16.83	388.57	11.34	240.99	7.54
	Sahakarn Wisavakorn Co., Ltd.	99.99	32.33	1.40	-	-	-	-
Total			420.16	18.23	388.57	11.34	240.99	7.54
Civil work	The Company		16.42	0.71	-	-	74.38	2.33
	Sahakarn Wisavakorn Co., Ltd.	99.99	812.26	35.25	2,017.51	58.88	1,888.34	59.08
Total			828.68	35.96	2,017.51	58.88	1,962.72	61.41
Other services	The Company		-	-	0.72	0.02	2.51	0.08
Total Construction service income			2,256.65	97.92	3,365.40	98.21	3,117.87	97.55
Construction service income form Public Sector			885.97	39.26	1,826.87	54.28	1,667.73	53.49
Construction service income form Private Sector			1,370.68	60.74	1,538.53	45.72	1,450.14	46.51
2. Other service income								
	TRC Utility Co., Ltd.	99.97	5.72	0.25	13.06	0.38	17.10	0.53
	Olive Technology Co., Ltd.	49.97	-	-	-	-	3.45	0.11
Total Other service income			5.72	0.25	13.06	0.38	20.55	0.64
3. Sales income								
	Sahakarn Wisavakorn Co., Ltd.	99.99	-	-	-	-	7.51	0.24
Interest income			0.84	0.04	1.66	0.05	0.89	0.03
Other income			41.31	1.79	46.49	1.36	49.22	1.54
Total revenues			2,304.52	100.00	3,426.61	100.00	3,196.04	100.00

* 49% of Hydrotek Sahakarn Joint Venture holds by Sahakarn Wisavakorn Co., Ltd.

Nature of Business



TRC Construction Public Company Limited (The Company or TRC) is a construction company providing contracted integrated construction services to fit the clients' needs. This consists of engineering design, the supply of industrial of machinery and equipment, and total - solution construction. The Company specializes in construction of pipeline system and construction of energy and petrochemical plants for both public and private sectors. In bidding for, and undertaking of projects, the Company serves as main contractor, subcontractor or joint-venture partner or a member of a consortium both locally and internationally, in accordance to the requirements of the clients.

Apart from construction services, core business, the Company sought opportunities and enhanced potential to ensure sustainable growth by creating consistent revenue recognition, be less dependant on construction business. Therefore, the Company expands business opportunity for development and investment in infrastructure and Smart IoT Ecosystem in projects that have long-term potential and satisfactory return.

In 2017, a subsidiary namely TRC Utility Company Limited (TRC-UT) was formed to invest in basic utility-related projects. The 1st project was tap water concession awarded by Tasit Subdistrict Administration Organization at Pluag-Daeng district, Rayong province. The construction was completed and the commercial operation was started in March 2018.

In 2017, Sahakarn Wisavakorn Company Limited (SKW), in partnership with Chinese strategic alliance Huayuan Innovative Development (Hong Kong) Company Limited, set up a subsidiary,

SH Crossings Company Limited (SHC), with Baht 40 million registered capital. The purpose of this new subsidiary was to do business in construction of underground electrical conduits, including boring and pipe jacking work. At present, SH Crossings Co.,Ltd. receives subcontracting projects from SKW.

In 2019, the Company entered into investment agreement with Asia Green Energy Public Company Limited and formed AT Energy Solution Company Limited (AT). The purpose of AT was to seek and provide infrastructure services to industrial factory and power plant business.

In 2020, the Company entered into investment agreement with Xsense Information Service Company Limited to operate Smart IoT Ecosystem business and together formed Olive Technology Company Limited (OLIVE). The purpose of Olive was to provide research and development services of control and analysis system as well as Big Data. Afterwards, Olive set up a subsidiary namely Mahat Company Limited (MAHAT) to support production and distribution of information technology management and platform development services.

Nature of Products and Services

At present, TRC group consisted of TRC, subsidiaries, associate and joint venture, totalling 16 corporate entities (details as showed in General Information and Other Important Information), operating in 3 business categories as follows;

1. Construction Business
2. Utilities & Investment
3. Smart IoT Ecosystem

Construction Business :

group of companies provide construction services as follow;

Construction and Engineering Design of Piping Work



The Company provides services relating to construction/ installation of natural gas/ petrochemical pipeline system, construction of block valve station. The Company has teams of engineers with experience and expertise to lay large natural gas pipeline (with maximum diameter of 30 inches), including laying of provincial natural gas pipeline. In 2015, PTT Public Company Limited awarded the Company and subsidiaries the 1st Transmission Pipeline Life Extension Project 28-inch Recoating Section (RC-400). The project involved the life extension of the natural gas pipeline system for the 1st transmission pipeline (28 - inch diameter in size) by removing the original pipe coating material and re-coating to extend the usage life with lower cost than new pipe installation.

of Energy and Petrochemical Industrial Plants



The Company provides integrated construction services consisting of engineering design, the supply of industrial machinery and equipment. Bangchak Corporation Plc.'s subsidiary, Bangchak Biofuel Co. Ltd., PTT Plc.'s subsidiaries namely PTT Oil and Retail Business Plc., IRPC Plc., Trans Thai-Malaysia Co., Ltd are some of the Company's customers.

Construction of Basic Infrastructure and General Construction



Sahakarn Wisavakorn Co., Ltd. (a subsidiary), formerly known as United Engineering Co., Ltd., was established by Mr. Pratueng Kamprakob in 1954 with a registered capital of Baht 500,000 to provide construction service. Sahakarn Wisavakorn's business had been continually growing since its founding. However, in 1997, SKW started to have financial problem until had to undergo the rehabilitation program in 2000. After years of its effort to recover financial position in accordance with the rehabilitation program, SKW was eventually released, by the order of the Central Bankruptcy Court, from the enforcement of rehabilitation program in March 2004.

In April 2007, SKW's shareholders traded shares with TRC which turned SKW into a subsidiary of the Company since the 2nd quarter of 2007. Currently, SKW has a registered paid-up capital of Baht 500 million.

SKW has been a registered contractor by many public entities such as Bangkok Metropolitan Administration, Department of Highways, Department of Rural Roads, Ports Authority of Thailand, Department of Public Works and Town & Country Planning, Metropolitan Electricity

Authority and Provincial Waterworks Authority etc. SKW is categorized by the public organizations to eligible to enter into project bidding of construction of building, road and special bridge with no limited credit.

Sahakam Wisavakorn has experience and expertise in providing integrated construction services and civil works. Most projects involved infrastructure construction such as roads, bridges and buildings for state enterprises / agencies. Other projects consisted of construction of energy and petrochemical plants, as well as installation of machinery and equipment. Some of SKW's past performance were Ethanol production plant for Bio Ethanol Co., Ltd. valued of Baht 2,134 million, engineering procurement and construction for dry ice expanded tobacco process (M-01/2) for the Tobacco Authority of Thailand which under the supervision of the Ministry of Finance valued of Baht 834.14 million.

SKW strongly places importance on quality management and internal processing. From 2009, SKW was certified with ISO 9001:2008 for quality management standard and strived for continual efficiency in quality, environment, occupational health and safety. Finally in 2017, SKW was certified with ISO 9001:2015 for quality standard, ISO 14001:2015 for environmental management and OHSAS 18001:2007 for occupational health and safety management system from SGS (Thailand) Co., Ltd.

Utilities and Investment

The Company aims to generate sustainable growth and revenue and being less dependent on construction services, the core business. Therefore, the Company seeks opportunity in infrastructor business and investment by considering businesses that are relevant to existing operations such as basic infrastructor, industrial factory and energy business. At present the Company's infrastructure business and investment can be summarized as follows;

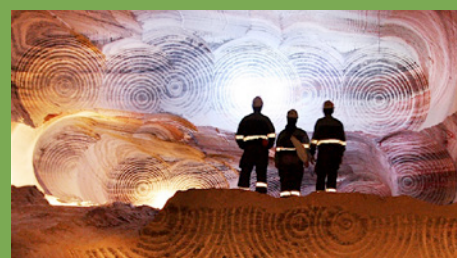
Infrastructure Business



The Company saw business opportunities in the government's policy that promoted investment in basic infrastructure and gave privileges to convince investors to invest their business in Eastern

Economic Corridor (EEC) zone which would increase employment and basic infrastructure demand in the future. The Company then invested in production and distribution of tap water in Tasit subdistrict, Pluag-Daeng district, Rayong province by establishing a subsidiary namely TRC Utility Company Limited, that started its commercial operation in March 2018.

Investment in public sector concession business



The Company invested in a potash mining and processing plant project in Bamnet Narong municipality of Chaiyaphum province by acquiring a 25.13% equity share in ASEAN Potash Chaiyaphum Public Company Limited (APOT) through overseas subsidiaries. In February 2015, APOT obtained a 25-year underground mining concession from the Ministry of Industry. APOT's project aimed to produce 1.235 million tons/year of potash for primary potassium fertilizer which would reduce the import of 700,000 to 800,000 tons/year. The excess amount can also be exported to bring in more revenue and worthwhile the investment.

Investment in Energy Business

TRC entered into joint venture agreement with AT Energy Solution Company Limited and established a joint venture company namely AT with registered capital of Baht 200 million where TRC and AGE hold 50:50 of share proportion to provide energy and utility procurement and services



especially energy sector to industrial factory i.e. production and distribution of steam, electricity and water for industrial use. With expertise and experiences in full construction circle, fuel acquisition, design and maintenance of machinery and equipment related to utility work, both parties would share greater effectiveness and wider range of customer base.

Smart IoT Ecosystem Business

Technology is one of the most important factor that drive business growth,

security and social development in public, industrial and consumer sectors. At present, the advance of high speed internet network that covers the whole country and the application of big data analysis have enhanced the capability to compete in speed, accurate and update information that is timely and increase work efficiency. Seeing the growing trend of opportunity in Smart IoT Ecosystem, in 2020, the Company entered into investment agreement with XSense Information Service Company Limited and formed a joint venture company namely Olive Technology Company Limited to provide research and development services of control and analysis system as well as Big Data. Afterwards, Olive set up a subsidiary namely Mahat Company Limited to support production and distribution of information technology management and platform development services.

Marketing and Competition

1.1 Marketing

In 2020, global economy was deteriorated due to COVID-19 pandemic worldwide. Many countries, including Thailand, were under lockdown and put off almost all activities economically. Following project suspension, travel limitation and lockdown that were widely enforced to control the pandemic situation, construction business was unavoidably affected. Not only the projects were either put off or suspended, but supply chain and access to materials or labors were also challenged. Moreover, the fact that both public and private sectors were tighten their policies on budget only accelerated the overall industry to appear stagnant.

Through pandemic, the industry concentrated even more on safety in workplace. Construction contractors were stringent their safety measurement such as shift scheduling, body temperature checking, and construction site cleaning to prevent the disease and improve employee's hygiene. Still, construction schedule was inevitable extended by the limit number of labor per shift per site and the longer time required in materials delivery. As a result, competition strategy needed to be adjusted according to the situation.

In Thailand, though being affected by the COVID-19 pandemic, investment value in construction industry for 2021-2023 seems to be expanding. The primary driven factor is the investment in large-scale project by the government and post COVID-19 economic stimulating campaign especially projects related to the Eastern Economic Corridor (EEC) that would induce investment in construction from private sectors as well.

Government investment in construction sector is expected to grow by 6.0-6.5% in 2021 and 6.5-7% in 2022-2023 from mega



construction projects connecting to EEC that anticipate to gradually start in 2021, which are (1) The High-Speed Rail Linked 3 Airport Project (Don Mueang - Suvabhumi - U-Tapao) Phase 1 starting from Suvabhumi - U-Tapao (2) Development of Map Ta Phut Port and Laem Chabang Port Phase 3 starting from construction on the reclaimed land and (3) U-Tapao International Airport starting from building new passenger terminal. Furthermore, there would be new projects in other different areas such as High Speed Railway (Bangkok - Nakorn Ratchasima), MRT Orange Line - West (Bang Khun Nun-Thailand Cultural Center) and Purple Line - South (Tao Poon-Rat Burana) including continuous projects such as BTS's line extension and double track railway.

1.2 Competition

Large and medium-sized contractors tend to have advantages in winning government works especially major infrastructure projects as they have more experiences, technical skills, financial capacity and continuous development in construction techniques and technologies. Smaller contractors would only receive the opportunity of working in governmental projects as subcontractors. Projects from private sectors would consist of construction of residence, industrial factory, commercial, hotels, hospitals etc. Private investment work usually alter to trustworthiness which depending on various factor i.e. economy, political stability, basic infrastructure investment and economic stimulating campaign from the government.

A. Significant Marketing on Products and Services

● Marketing Policy in 2020

1. Select work and project that were in line and suitable with vision and capability of employee
2. Seek for alliance to strengthen readiness in work proposal
3. Continuously improve the Company's procurement system to enhance price competitiveness
4. Strengthen relationship with current customers and seek for new customers

● Competitor

Group of major contractor were likely to gain more income from their advantages in investment fund and connection throughout the supply chain including risk management and the usage of technology to reduce cost. As for medium and small-sized contractors, the recovery seems to be very limited because of the uncertainty in number of construction and subcontractor job. The competitiveness was also very intense as there were many medium and small-sized contractors across the country and most of them were conservative relying more on unskilled labor than machinery which resulting to limited work capacity and cash flow.

Labor shortage problem in Thailand's construction industry may become more obvious during 2021-2022 when investment in governmental project is expanding, as well as in private sector, which may cause war for talents especially those with expertise and skills. In addition, the enforcement of Foreign

Works Act B.E. 2560 (2017) from the second half of 2018 would significantly decrease number of foreign workers in the next 3 years should the employer fails to complete with the registration of such workers. Construction industry's hiring structure relies more than 50% on the foreign workers most of which did not have work permit not to mention that importing foreign workers nowadays is not possible because of the COVID-19 situation.

Construction in the country can be categorized according to type of customers i.e. public and private sector. Likewise, contractors can be divided into 2 groups, which are local contractor and foreign contractor. Local contractor consisted of large-sized enterprises (yearly income of more than Baht 5 billion), medium-sized enterprises (yearly income of Baht 1-5 billion) and small-sized enterprises (yearly income of less than Baht 1 billion).

TRC Group is considered medium-sized enterprise. Apart from having a large number of competitors, in 2020, projects that the Company has entered into bidding were affected by the COVID-19 and the project owner decided to delay the investment. As a result, the Company miss out the opportunity and since the number of project open was reducing, competition in term of price has become significantly more intense.

● Type of Customers and Relationship



Most of the Company's customers are private enterprises in petrochemical industry. Their procurement may be exclusively selected or in bidding. Hence, the Company developed a one-stop service platform to fulfill customer's needs from engineering design, procurement, construction, system testing including maintenance.

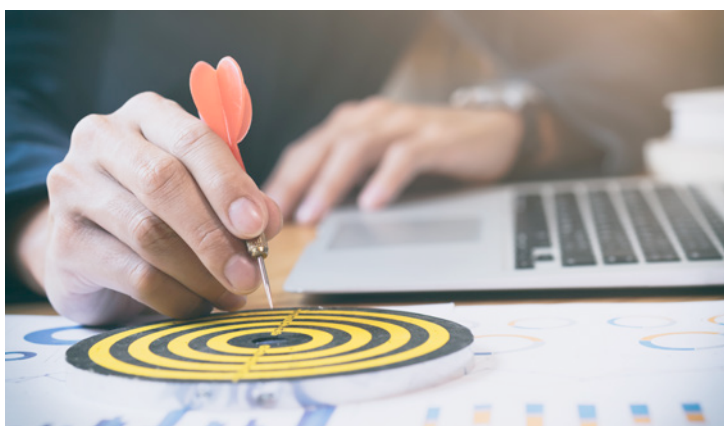
As for the construction works and civil works, most of the customers are from public sector whose procurement are mainly by bidding and in form of EPC.

TRC group adhere to fulfill customer's needs and manage contract for complete delivery under certified international standards.

- ISO 9001 Quality Management System : QMS
- ISO 14001 Environmental Management System : EMS, and;
- ISO 45001 Occupational Health and Safety Management : OH&S

Average time used in each construction project since the start until complete delivery is more than 12 months; it requires close coordination with project owner. Relationship with customers is as teammates where we together push the project to accomplishment and it helps make the relationship healthy and last long. The Company anticipate repetition from existing customers and recommendation to new customers to create more opportunities in the future.

● Target Customer



The Company's target customers can be categorized into 2 groups which are public sector, including state enterprises, and private sector. Public and state enterprises customers are Department of Highway, Department of Rural Roads, Bangkok Metropolitan, Metropolitan Waterworks Authority, Provincial Waterworks Authority and Metropolitan Electricity Authority etc. This group of customers consider vendor by specifying qualification that contractors need to pass prior to enter into bidding process. Such qualification includes number of machinery and equipment and performances in the past. For private sector customers, they may consider vendor by registration and performances recommended by other customers such as Group of Bangchak Corporation Public Company Limited, Eastern Water Resources Development and Management Public Company Limited and Group of PTT Public Company Limited.

● Significant Services, Proposal and Bidding

TRC's services are mainly design and construction of pipeline system and construction of factory in energy and petrochemical industry. Therefore, most customers are private sectors whose procurement are both exclusive selected and in form of bidding. The Company developed a one-stop service platform to fulfill customer's needs from engineering design, procurement of machinery and equipment, construction, system testing including maintenance (lump sum/turnkey, EPC).

As Sahakarn Wisavakorn Company Limited ("SKW")'s main services are civil works, most customers are public sector whose procurement is mainly in form of bidding for procurement of machinery and equipment and construction. Nonetheless, the Company adhere to fulfill customer's needs and manage contract for complete delivery.

Construction business needs direct contact and approach to customers. Marketing division and Operation division are responsible for developing relationship with target customers and expanding opportunities in project bidding and investment project development. Consequently, the Company comes up with annual plan and strategy to be used as management tools by keeping track of news information of customers' investment or bidding works, developing and improving vendor registration with both governmental and private customers. The Company cumulatively completed vendor registration with 18 customers, all private sectors. In 2020, vendor registration with 4 new customers from private sector has been

processed to maintain and increase bidding opportunities.

SKW accumulatively completed vendor registration with 13 customers, 6 of which are public sector while other 7 are private sector. In 2020, SKW has proceeded with renewal of every customers to maintain bidding opportunities in the future.

Group of Company's services in 2020 were only for projects in Thailand as works that in midst of processing to be delivered were already in full capacity.

B. Competition

● Construction Business Competition in 2020

In 2020, pipeline construction business tended to drop. Competition especially in natural gas transmission pipeline construction was more intense due to the economy and COVID-19 pandemic. As PTT Public Company Limited, one of the largest exploration and production companies, reduced their investment in oil and natural gas transmission pipeline business and there

were many foreign entities joined the competition, the Company made adjustment by developing other construction businesses such as smart warehouse, underground cable pipeline system, infrastructure system, alternative energy, etc. to make up the income decreased in natural gas transmission pipeline.

For competition in construction business of industrial factory, civil works and infrastructure system, market demand expanded by mega project investment and economic stimulating campaign from government as well as medium and small-sized project investment under annual budget, however, growth rate was still lower than estimation resulting private investment to decelerate. Moreover, the ability to gain profit from construction works was on a downtrend because of the labor shortage, particularly skilled labor, and the increase of oil and materials prices. The Company then adjusted by building good relationship and/or partnering with various vendors such as materials distributors and subcontractors including competitors in industrial factory construction and civil works.



Important Projects in 2020

● Petrochemical Industry

Thai Oil Public Company Limited has started their investment, total value of Baht 150 billion, in Clean Fuel Project since 2018 and the Company received the opportunity to be the main contractor of the following projects;

- Piping Spool Fabrication Works; scope of works included steels cutting and welding, quantity of approximately 300,000 DB
- Civil and Structural Works; scope of works included foundation construction for pipeline installation, storage tanks and station for machinery and equipment
- Fabrication and Construction of New Storage Tanks; scope of works included construction of 15 storage tanks that will be located on brown field and green field
- HDPE Pipe Line Package for New Bang Phra Raw Water Line; the Company directly received contract from Thai Oil Public Company Limited for the installation of 900-mm. HDPE pipeline for the distance of approximately 15 km. Construction method included ground digging, HDO, pipe jacking and aboveground piping.



● General Construction and Infrastructure

- Reconstruction of Inter-Region Highway Network, Highway No. 14 Maisiab-Phattalung, from Depart of Highways. Scope of works included construction of 4-lane asphalt road for the distance of approximately 32 km., 2 of 50 meter-long bridges and 1 of 15-meter long bridge. Project delivery date was scheduled in 2023.
- Construction of Motorway No.9, Bangkok Outer Ring (West) Phra Pradaeng—Bang Khae, from Depart of Highways. Scope of works included construction of 6-lane asphalt road for the distance of approximately 6.5 km. Project delivery date was scheduled in 2022.
- Design and construction of lubricant product distribution center from PTT Oil and Retail Business Public Company Limited. Scope of works included construction of 14,500 sq. m. warehouse, width 85 m. length 126.5 m. height 46 m. and installation of automatic inventory management system (Auto Motion Works Co., Ltd.) Project delivery date was scheduled in 1st half of 2021.
- Construction for outpatients, inpatients, delivery room, operating room and ICU building with approximately 28,176 sq. m. utility space at Thabo Crown Prince Hospital located in Thabo, NongKhai province. During 2020, refurbishment, pilling and groundwork were commenced, however; the COVID-19 pandemic caused the temporary suspension at construction site. Project delivery date was originally scheduled at the end of 2022.

Procurement of Products or Services



● Raw Materials and Materials for Construction

General materials such as brick, cement, steel or wire will be purchased domestically. Price and quality of the products from various vendors will be checked together with the trustworthiness of such vendors. The Company's procurement system identifies vendor selection criteria and follow up system after selection. For instance, product QC, price confirmation and delivery timeline to ensure that the products and services received are accurate according to the purchase order and mentioned condition.

Special materials such as pipe or valve that require certain qualification according to the works, such qualification will be determined by designing engineer and/or project owner and may require importing from foreign distributors or producers. Generally, project owner will provide details of materials that could be sought from various vendors, the Company will then consider appropriate engineering standard and the vendor's before and after sales service. Once the fundamental procurement is done, the Company will negotiate and confirm price prior to issuing purchase order to the most suitable vendor. Quality of the products and services will be monitored continuously before being certified and recorded in order to apply for the next consideration and selection.

● Machinery and Equipment

The Company has a policy to have our own main machinery and equipment for basic construction. Other machinery and equipment that necessary for each project will be rented. In addition, SKW owns machinery and equipment for civil works such as trucks, excavator and tractor that the Company can use which helps in reducing cost and expenses concerning machinery and equipment.

● Subcontractors

The Company consider hiring subcontractors for partial works by their financial trustworthiness, past performances, staff readiness and suitability of machinery and equipment. The Company has a policy to determine the subcontracting to be as similar as much as possible to the contract between the Company and customer. For example, work delivery, quality assurance, inspection and performance guarantee.

Assets used in Business Operations

Fix assets of TRC and its subsidiaries

As at 31 December 2020, the fix assets the Company and subsidiaries used in their business commanded a net value after accumulated depreciation and allowance for impairment of Baht 618.36 million, as follows:

Type of Asset	Ownership	Net value* (Million Baht)	Collateral value to secure (Million Baht)	Obligations
1. Land	Owner	142.06	100.31	Collateral to secure credit facilities of Baht 1,100 million
2. Building	Owner	283.85		None
3. Tool and equipment	Owner	107.24		None
4. Furniture and office equipment	Owner	7.19		None
5. Vehicles ¹	Owner/ Lease	2.89		None
6. Construction in progress	Owner	75.13		None

Note * Net value refer to book value at cost minus accumulated depreciation and allowance on impairment (if any)

1.As at 31 December 2020, the Company owns vehicles according to 4-year leasing agreement of Baht 2.29 million

Investment Policy in subsidiaries and associate



The Company has a policy to invest in business that benefit and support its operation and/ or business that in rising trend by considering potential investment returns. The Company may also incorporate with alliance or other investors to enter into such businesses.

The Company and shareholders would assign representative to manage the operation according to share holding proportion with clearly defined duties and responsibilities to ensure decision making and policy planning of each company. The investment proportion and appropriate returns are the key factors in consideration of the investment.

The investment in subsidiaries and associate show in note of financial statement no. 15 - 17

Backlog on Hand

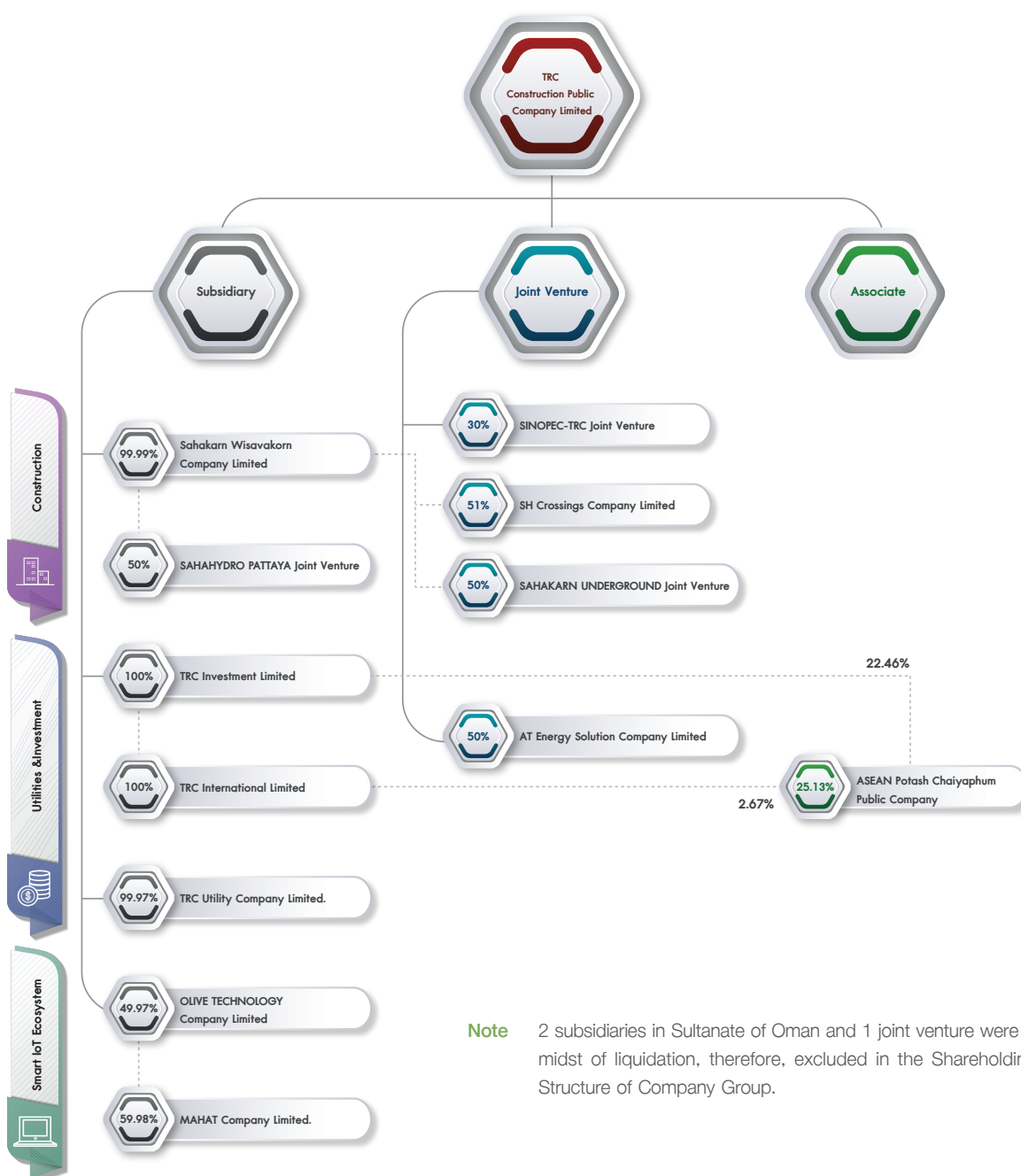
The details of remaining ongoing works of the Company, subsidiary and joint ventures with the value exceeding 10% of the total revenue based on the consolidated financial statement as at 31 December 2020 as follows:

Project Name	Nature of Work	Project Value (Million Baht)	Value of Remaining Work (Million Baht)	Progress of Remaining Work (%)	Expected Year of Project Completion
TRC Construction Public Company Limited					
1. Raw Water Pipeline System Klong Luang Reservoir-Chonburi	Construction of Water Pipeline System and Pump Station	1,833	1,110.43	60.58	2021
2. Fabrication and Construction of New Storage Tanks	Fabrication and Construction of New Storage Tanks	483.69	446.74	92.36	2022
Sahakarn Wisavakorn Co., Ltd					
1. Construction of overpass bridge, Na Ranong Intersection	Construction of overpass bridge, Na Ranong Intersection including lighting system	1,524.37	901.65	59.15	2021
2. Conversion of Overhead Line to Underground System Project, Ratchadaphisek-Asoke Route	Converse of Overhead Line to Underground	2,205.42	1,798.87	81.57	2022
3. Ditch improvement Vibhavadi Rangsit Road Section phase km.5+500.000-km.10+700.00	Improvement of roadside drainage system, lighting system and water supply of Vibhavadi Rangsit Road	697.07	449.32	64.46	2021
4. Conversion of Overhead Line to Under ground System Project, Rama IV Route	Converse of Overhead Line to Underground	517.76	512.22	98.93	2021
5. The Construction of the Medical Building for Thabo Crown Prince Hospital Project	Construction of a ten-storey hospital building	691.44	664.55	96.11	2022
6. The restoration of highway network connecting region , Highway Route No.41, Ban Mai Siap – Phatthalung	Construction and restoration of highway including lighting system	831.18	818.55	98.48	2023
7. The restoration of Motorway No. 9, Outer Ring Road Western Bangkok	Construction of highways	480.36	469.51	97.74	2021
SAHAHYDRO PATTAYA Joint Venture					
Drainage system on the east side of railway-parallel road Phase 1 Pattaya city, Chonburi Province	Construction of drainage system	580.37	580.37	100	2022

Shareholding Structure of Company Group

TRC Construction Public Company Limited (the Company or TRC) was incorporated on 20 November 1998 by group of Mr. Paitoon Goserakwong as a service provider in pipeline engineering system installation and construction for petrochemical industry. Afterwards, on 25 April 2005, the Company transformed into public company limited and listed in the Market for Alternative Investment (mai) with registered capital of

Baht 154.50 million and paid-up capital of Baht 151 million. Then 8 years later on 23 April 2013, the Company transferred TRC securities to the Stock Exchange of Thailand (SET)'s trading board. From the start as a construction service contractor, the Company continually expanded investment in other relevant affairs and became group of companies that operate its businesses in various industries.



Subsidiary companies

1. Sahakarn Wisavakorn Company Limited (SKW) was established on 2 February 1954. Later in 2007, TRC acquired SKW shares from exiting shareholders resulting TRC to hold 99.99% of shares. SKW's current registered and paid-up capital were Baht 500 million. SKW's business is to provide infrastructure and general construction services.
2. TRC International Limited (TRC Inter) was established in Hong Kong on 10 January 2008. TRC indirectly holds 100% of shares through TRC Invest. At present, TRC Inter's registered capital was HKD 10,000 of which HKD 10 was paid up. TRC Inter's business is to invest in other companies.
3. TRC Investment Limited (TRC Invest) was established in Mauritius on 2 April 2008. TRC holds 100% of shares. Its current registered and paid-up capital was USD 1. TRC Invest's business is to invest in other companies.
4. TRC Utility Company Limited (TRC-UT) was established on 20 June 2017. TRC holds 99.97% and the management holds 0.03% of shares. At present, TRC-UT's registered capital was Baht 1 million of which Baht 0.25 million was paid up. TRC-UT's business is to produce and distribute tap water.
5. OLIVE TECHNOLOGY Company Limited (OLIVE) was incorporated on 9 March 2020. TRC holds 49.97% while the management holds 0.03% and Xsense Information Service Company Limited holds 50% of shares. At present, OLIVE's registered capital was Baht 1 million of which Baht 0.25 million was paid up. OLIVE's business is to provide R&D service for inspection, control and analysis system including processing of Big Data.
6. MAHAT Company Limited (MAHAT) was incorporated on 23 November 2020. TRC indirectly holds 59.98% through OLIVE while the management holds 0.02% and WEWITSARN Company Limited holds 39.99% of shares. MAHAT's current registered and paid-up capital were Baht 1 million. MAHAT's business are to produce, distribute and provide services of information technology management and platform development.
7. SAHAHYDRO PATTAYA Joint Venture (SAHAHYDRO PATTAYA) consisted of SKW (subsidiary), Hydrotek Public Company Limited and Samprasit Limited Partnership that entered into joint venture agreement on 29 April 2020 with investment proportion of 50%, 20% and 30% respectively. Its business is to contract for the project of drainage system on the east side of railway-parallel road Phase 1, Pattaya city, Chonburi Province.

Associate Company

ASEAN Potash Chaiyaphum Public Company Limited (APOT) was established in 1991. TRC indirectly holds 25.13% of shares through TRC Invest and TRC Inter at 22.46% and 2.67% respectively. With the Ministry of Finance holds 20% and other

shareholders hold 54.87% of shares. APOT's registered capital was Baht 29,472.04 million of which Baht 2,805.80 million was paid up. APOT's business is potash mining (not in commercial stage yet).

Joint Venture

1. SINOPEC-TRC Joint Venture (SINOPEC-TRC) consisted of TRC and Sinopec International Petroleum Service Corporation (China) that entered into joint venture agreement on 20 November 2013 with investment proportion of 30% and 70% respectively. Its business is to contract for the project of EPC for Provincial Gas Transmission Pipeline Project to Nakorn Ratchasima.
2. SH Crossings Company Limited (SHC) was incorporated on 17 November 2017. TRC indirectly holds 51% through SKW and HUAYUAN INNOVATIVE DEVELOPMENT (HONGKONG) Company Limited holds 49% of shares. SHC's current registered and paid-up capital were Baht 40 million. SHC's business is to operate construction of underground electrical conduits, including and pipe jacking work.
3. AT Energy Solution Company Limited (AT) was incorporated on 14 August 2019. TRC and Asia Green Energy Public Company Limited each holds 50% of shares. AT current registered and paid-up capital were Baht 200 million. AT's business is to provide service on energy and utility to the general industrial factories and power plant.
4. SAHAKARN UNDERGROUND Joint Venture (SAHAKARN UNDERGROUND) consisted of SKW (subsidiary) and Underground Construction Specialist Company Limited that entered into joint venture agreement on 20 April 2020 with investment proportion of 50% each. Its business is to contract for the project of Construction of Manhole and Underground Duct Bank.

Capital Structure

Securities and shareholders

Registered and paid up capital

As of 31 December 2020, the Company's registered and paid up capital were Baht 1,198,383,354.75 consisting of 9,587,146,838 ordinary shares at par value of Baht 0.125 per share.

Shareholders

The shareholding structure of the Company 2020 as follows:

	No. of Shareholders	No. of Ordinary Shares	% of Shares
Thai Shareholder	10,201	8,378,818,147	87.40%
Foreign Shareholder	14	1,208,328,691	12.60%
Total	10,215	9,587,146,838	100.00%

Top 10 major shareholders were as below:

No.	Shareholder	Number of Shares	% Shares
1.	Mrs. Paichit Rattananon's Group	2,747,711,285	28.660%
	1.1 Mrs. Paichit Rattananon	34,913,971	0.364%
	1.2 KPK 1999 Co., Ltd. ⁽¹⁾	2,712,797,314	28.296%
2.	UBS AG SINGAPORE BRANCH	465,449,533	4.855%
3.	SMPR Holding Pte. Ltd. ⁽²⁾	348,434,992	3.634%
4.	Thai NVDR Company Limited	247,468,959	2.581%
5.	Mr. Sangchai Wasunthara	218,809,020	2.282%
6.	Leesakul Group	156,781,301	1.635%
	6.1 Mr. Smai Leesakul	117,631,494	1.227%
	6.2 Mr. Pasit Leesakul	10,919,998	0.114%
	6.3 Miss Pavita Leesakul	17,645,411	0.184%
	6.4 Miss Pasita Leesakul	10,584,398	0.110%
7.	NOMURA PB NOMINEES LTD.	153,726,531	1.603%
8.	Mr. Anonchai Weeraprawat	150,000,000	1.565%

No.	Shareholder	Number of Shares	% Shares
9.	Mr. Boontham Kraiwattanapong	132,416,665	1.381%
10.	Mr. Ayuth Potchanant	123,977,777	1.293%
Total		9,587,146,838	100.00%

- หมายเหตุ 1. KPK 1999 Co., Ltd.'s business involves real estate rental and management with 50.50% of its share held by Mrs. Paichit Rattananon, the Chairman.
2. The Ultimate Shareholder of SMPR Holding Pte. Ltd. is SP International Group Limited. (holds 100% of SMPR Holding Pte. Ltd.'s shares)

Dividend Policy

1. Dividend policy of the Company

The Company has a policy to pay dividends approximately 40% of its net profit after tax and legal reserve. However, the dividend payout may be changed subject to future investment plans, and any other actions that deem necessary and appropriate under the condition that those actions must be taken for the best interests of shareholders such as the provision for loan repayment, funding for business expansion, or in the case of any adverse change of marketing situation that may affect the Company's future cash flow. The board of directors is authorized to consider the dividend payment, nonetheless, the resolution of dividend payment must be further proposed for approval of shareholders' meeting except for the case of

interim dividend payment as the board of directors has the authority to approve prior to informing the interim payment to the subsequent shareholders' meeting.

2. Dividend policy of subsidiaries, joint ventures and related companies

The Company's subsidiaries, joint ventures and related companies have not yet set out any dividend policy.

	Y 2013	Y 2014	Y 2015	Y 2016	Y 2017	Y 2018	Y 2019
Net (loss) profit margin (Baht per Share)	0.15	0.05	0.07	0.05	0.02	-0.33	-0.04
Dividend payout ratio (Baht per Share)	0.05	0.0347 ⁽¹⁾	0.0256 ⁽¹⁾	0.0219 ⁽¹⁾	0.0082 ⁽¹⁾	-	-
Ratio of dividend payment to net profit of the separate financial statement after statutory reserve (%)	52.85%	45.63%	30.48%	32.84%	47.86%	-	-
Dividend payment	23 May 2014	28 May 2015	26 May 2016	26 May 2017	25 May 2018	-	-

Note ⁽¹⁾ Dividend consist of stock dividend and cash dividend

Risk Factors

The Company realizes and places importance on risk management as a significant tool to prevent and reduce impact from both internal and external risk factors. By continuously performing risk management, risk factors occurred during the year were in acceptable standard. Significant risk factors in 2020 were as follows:

1. Strategic Risk

1.1 Risk associated with competition in core business

Nature of construction business is price-based. Project owner will select bidders who passed the pre-qualification process that proposed the lowest price. Even though the overall construction business seems to be growing, when looking into our customers, both public and private sectors, there were changes in the projects the Company received. Previously, most of our customers were private sectors concerning turnkey pipeline construction but presently they were public sectors concerning basic infrastructure. Since the past 3-4 years, growth rate of energy and petrochemical business slowed down while the government pushed more on the mega projects for transportation infrastructure. It intensified competition in energy and petrochemical business even more resulting to lower gross profit or better condition to be proposed to project owner. If the Company cannot manage to get the new projects, it will effect market share and the operating goal. The Company has to face existing and new competitors both local and foreign companies that have strong investment fund, technology and operating capability. To enhance competitiveness, the Company and SKW seek new alliances that have high potential in investment fund and updated technology and maintain long-term relationship with customers from both public and private sectors to ensure opportunity in the future. For instance, we improved quality standard, focused on occupational health and safety, delivery within deadline and ensure advantages in the competition by providing training courses to employees to build up skills and proficiency, making changes in organization with digital transformation to create fast and accurate operation.

1.2 Risk associated with economy

Economy has direct impact to construction industry. Whether the economy grow or shrink, it effects to both public and private sectors' investment, which is the main factor of the Company's

source of income. As a result, it is mandatory for the Company to consider risk associated with economy.

Nonetheless, the Company has 20 years of experience and expertise in construction, natural gas pipeline and engineering design to companies in petrochemical industry as contractor and subcontractor. The Company receives trust from various organizations from both public and private sectors including from overseas. In parallel, the Company expands customer base to neighboring countries especially in CLMV to reduce risk from economy

2. Risk associated with business sustainability

The Company determines investment strategy to seek new business opportunity that can be extensible from current business so that it can help the organization to grow strongly and sustainably in long term. The investment projectst as follows;

1. Energy business: i.e. solar farm project
2. Smart Warehouse business: the continuous growth in E-Commerce has given positive force to logistics and transportation industry worldwide. Siam Commercial Bank's strategic unit, Economic Intelligence Center (EIC), evaluated that the complete use of robot and automated system tend to be widespread due to E-Commerce business that

expect to grow from Baht 65 billion in 2019 to 85 billion in 2021. (reference from <https://www.scbeic.com/th/detail/product/4863>)

3. Big Data R&D business: described as innovative technology that gather equipment, advanced analysis system and human to work together through network to deliver beneficial-for-decision information at a faster speed ได้
4. Infrastructure business: i.e. acquisition of water for consumption

The abovementioned projects are joint investment between the Company and business partners who has knowledge and expertise which can reduce risk in investment. These projects are expected to have commercial operation in 2021-2022.

3. Financial Risk

3.1 Risk associated with liquidity

Construction industry needs high volume of working capital for purchasing of materials, equipment, wages and other expenses. The Company would receive payment after each work completion and delivery, therefore, when the payment was delayed or working capital was not properly handled, the ongoing projects will be effected. The Company group's businesses have more customers from public sectors in line with national economic policy that invested in basic structure and infrastructure system, however; public sector requires more procedure than private sector resulted in delay payment later from the given credit term. Therefore, to prevent possible risk, the Company negotiated for payment condition

by requesting for advance payment from project owner and determining that every related parties preparing cash estimation of each project so that liquidity and contingency can be properly managed. The Company has policy to acquire loan from financial institution such as credit loan and project finance and prepare monthly cash-flow forecast then report actual cash flow statement to executive committee every month with attentive manner for sufficient and appropriate liquidity management that cause minimum financial cost.

3.2 Risk associated with financial stability and ability to get loan

According to the Company's strategic plan that focuses on organization's sustainable growth, the Company proceed with new project development by investing in joint venture company that differ from main business, construction services. Hence, the Company needs to keep liquidity and reserve working capital that is adequate to operation as well as to secure short and long-term fund in advance such as issuing promissory note, issuing capital increase ordinary share and etc. Nonetheless, the Company strives to maintain strong financial status in complying with defined loan-obtaining condition in consistent manner.

4. Operation Risk

4.1 Risk associated with operation and project delivery

Most of the Company's awarded works were middle and big projects with average construction period of 2 years of which the Company has followed construction procedure and standard. Delay of project happened from various reasons e.g. delay in work area hand-over due to people in nearby community protesting the project in environmental issue, condition change by project owner during construction, labor lack of expertise or experience, subcontractor lack of experience, use of incomplete equipment and machinery, misuse of machinery, damage of project owner or external party's property, obstacle arising from survey etc. Delay in project delivery caused damages to the Company from increasing of cost and time. The Company tries to prevent and reduce such risk by surveying construction area, supervising operation plan regularly, and monitoring related measures. In case of complaint or problem occur, the Company shall rapidly investigate and solve. Moreover, the Company has Contractor All Risk insurance in every projects and meeting with project owner for impact happened to come up with conclusion for further management.

4.2 Risk associated with COVID-19 pandemic

The spread of COVID-19 has become public health problem that effect people in broad area. The rapid spread of the virus made people around the world in panic and with that, the government has announced Emergency Decree on Public Administration in Emergency Situation and formed the Centre for the Administration of the Situation due to the Outbreak of the Communicable Disease Coronavirus (CCSA) to specifically manage and control the outbreak of coronavirus or COVID-19. In consequence, the Company faced problem in transportation of equipment purchased from overseas and failed to deliver the work in time. Currently, some measures are relieved and the international logistics is allowed. For domestic construction project, there was no effect from such measure since the Company received permission from each province's authorized units to travel across restricted areas. For working during curfew, the Company also received permission from relevant authorized organization.

4.3 Risk associated with social and environment

The Company aware of safety, occupational health and environment's management and give precedence to considering of stakeholders inside and outside of organization, in working area and nearby area as well as social and environment by ensuring minimum impact from construction. The Company brought management standard of ISO 9001:2015, ISO 14001:2015 and developed from OHSAS 18001:2007 to ISO 45001:2018, an accepted international standard. These standards are continuously used to manage and improve in operation process to minimize impact from construction i.e. control environmental effect such as dust, wastewater, noise and vibration from machinery to be in accordance with specified laws.

In addition, relationship building policy with neighboring community by coordinating with community leader to survey and inquire opinions on environmental issues and anxiety on construction impact and promoting activities concerning social and environment helped creating good relationship and better quality of life to stakeholders.

4.4 Risk associated with information technology

The Company needs technology to keep up with competitor and data management has risk in information leak, lost or obstruct business. The Company has plan to handle such incident by preparing sufficient uninterrupted power supply system, providing server room monitoring system, installing firewall/LOG to protect network both in head office and project office, installing VPN join domain to connect with Active Directory Server to manage security

of both head office and project office's internal computer system, having recovery plan for damaged data and regularly practice information technology emergency plan. In case of incident that cause operation stop, IT staff shall look after the system according to information technology security policy (24 hours) and follow information technology management manual.

4.5 Risk associated with government budget disbursement Government

Due to the fact that construction work in process following government policy has high value, if budget disbursement is delay, it may effect company's liquidity from late payment and eventually become the reason of late work delivery.

Notwithstanding, construction business has risk associated with government budget disbursement because of not having enough reserve credit limit to pay for wages and equipment resulting to temporary stop work. As for the Company, we did not have much effect from the delay of government budget disbursement.

5. Shareholder's Risk

5.1 Risk associated with the Company having large amount of accumulated loss and not able to pay dividend in the near future

In 2020 accounting period, the Company has net loss on operation according to separate financial statement at the amount of Baht 220.13 million that was net loss for 3 consecutive years. As a result, the Company has accumulated loss according to separate financial statement at at 31 December 2020 at the amount of Baht 771.50 million. Main reason of such

accumulated loss was from 2018 when one of the Company's customer suffered from financial problem and not able to pay outstanding debt. The Company, therefore, recorded bad debt for all construction cost and loan that lent to subsidiary to invest in the said customer's project. This record caused negative effect to separate financial statement at the amount of Baht 2,335 million. In addition, the Company confronted price competition in project bidding where the Company was unavoidably have to accept lower gross profit and eventually resulted less net profit in the Company's separate financial statement. In 2020, construction cost estimation for smart warehouse was increased. The increasing cost came from 700-tonnage rocks found during exploration drilling which was not appear during bidding process. The Company operated according to engineering and legal standard and hired expertise in structure and foundation to solve the problem. Apart from large amount of big rocks, horizon underneath construction area was soft soil, which made foundation work and piling more difficult and slow. Construction of large smart warehouse of 40 meter height needed to be very careful; solving the mentioned problem caused effect to cost of wages, equipment and others to be higher as well as consequential steps. Due to the complication that increased, the Company had to extend construction period and the COVID-19 pandemic made higher expense significantly. During 2018-2020, net profit was equivalent to -172.68%, -20.21%

and -17.26% respectively. By having large amount of accumulated loss, the Company is not able to pay dividend to shareholders according to laws and shareholders are at risk of not receiving dividend according to dividend payment policy for another 2 years.

At present, the Company follows strategic plan and properly manages cost and expense control for the operation to gain profit within 2021 and able to recover from accumulated loss within few years so that the Company can have accumulated profit and able to pay dividend to shareholders from the year gaining net profit from operation onwards.

5.2 Risk associated with major shareholder holding more than 25% of shares

As at 31 December 2020, KPK 1999 Company Limited holds 2,712,797,314 shares equivalent to 28.30% of total paid-up shares (50.50% of KPK 1999 Co., Ltd.'s shares hold by Mrs. Paichit Rattanont, chairman of the board of directors). The shareholding proportion may be significant in decision making for any other agenda that requires major of vote in the meeting of shareholders except agenda that requires not less than 3 out of 4 of the total vote in the meeting of shareholders as required by laws or company's regulations. Therefore, other shareholders may have risk from not able to gather enough votes to balance or check the matter that major shareholder proposed.

Nonetheless, to ensure that the Company's business operates according to good corporate governance with power balance, the Company defines clear and transparent limit, duties and responsibilities of each subcommittee including policy for connected transaction between director, major shareholder, executive, controlling person and person with potential conflict of interest in which certain person will not have right to vote in certain agenda. Independent audit committee is also appointed to supervise operation and balance the power as shareholder's representative and screen any matters prior to proposing to the meeting of shareholders.

Management Discussion and Analysis

Economic Situation

The COVID-19 was so severe and rapid that the World Health Organization declared it as a pandemic. Many countries using lockdown as preventive measure but it was unavoidably changing people's lifestyle and economic activities resulting worldwide economic and trading to decelerate.

Thailand is a foreign-economic dependent country especially in tourism and export. The COVID-19 pandemic forced various businesses to adjust, some reduced their production capacity or even closed down temporarily, unemployment rate was then higher. Private sector lost the confidence in investment and decided to delay the construction project awaiting the overall situation and to maintain their cashflow. With limited number of construction project, the competition was intense and became one of the factor that the profit rate was lessening. Lockdown procedure effected supply chain, sourcing of machinery and equipment and less working hours per day.

2020 Operation Results

TRC Construction Public Company Limited is a construction company providing contracted integrated

construction services to fit the clients' needs. This consists of engineering design, the supply of industrial machinery and equipment, and total - solution construction. equipment and For subsidiaries, their businesses include 1) Construction Business 2) Utilities & Investment and 3) Smart IoT Ecosystem

In 2020, the Company and subsidiaries obtained 16 projects, total work value of Baht 3,868.85 million. It can be divided into 9 projects in private sector and 7 projects in public sector, work value of Baht 1,139.68 million and Baht 2,729.18 million, respectively.

Construction business, core business, has income that not yet recognized as at 1 January 2020 at the total value of Baht 8,313.69 million. During the year, the Company and subsidiaries received the construction projects with total value of Baht 3,868.85 million. Additional work in backlog projects with total value of Baht 232.54 million. The Company and subsidiaries recognized construction work for the year 2020 at the amount of Baht 3,117.87 million with the remaining backlog on hand at 31 December 2020 at the amount of Baht 9,297.21 million (contract value of Baht 14,417.02 million).

Income Statement	2020 MB.	2019 MB.	Change	
			MB	%
Revenues from Construction Work, Sales and Services	3,145.93	3,378.46	(232.53)	-6.88%
Other income	50.11	48.15	1.96	4.07%
Total revenues	3,196.04	3,426.61	(230.57)	-6.73%
Gross profit (loss)	(178.72)	57.29	(236.01)	-411.96%
Other income	50.11	48.15	1.96	4.07%
Administrative expenses	(312.90)	(376.68)	63.78	-16.93%
Share of profit (loss) from investments in joint venture	(2.85)	1.61	(4.46)	-277.02%
Finance cost	(23.48)	(31.56)	8.08	-25.60%
Profit (loss) before income tax expenses	(467.84)	(301.19)	(166.65)	55.33%
Income tax income (expenses)	20.73	6.10	14.63	239.84%
Loss for the year	(447.11)	(295.09)	(152.02)	51.52%
Loss attributable to Equity holders of the Company	(444.17)	(293.28)	(150.89)	51.45%

The company and subsidiaries had total revenues of Baht 3,196.04 million, decreasing of Baht 230.57 million or representing 6.73%. The operating result was loss of Baht 444.11 million which was the equity of the parent company amount of Baht 444.17 million decreasing of Baht 150.89 million or representing 51.45%. Performance could be conclude as follows:

Operating Results

1. 1.Revenues

Revenues	2020	2019	Change		% per total revenues	
	MB.	MB.	MB.	%	2020	2019
1. Construction services						
Civil work	1,962.72	2,017.51	-54.79	-2.72%	61.41%	58.88%
Piping work	911.65	958.60	-46.95	-4.90%	28.52%	27.98%
Engineering work	240.99	388.57	-147.58	-37.98%	7.54%	11.34%
Other services	2.51	0.72	1.79	248.61%	0.08%	0.02%
Total Construction services	3,117.87	3,365.40	-247.53	-7.36%	97.55%	98.22%
2. Other services	20.55	13.06	7.49	57.35%	0.64%	0.38%
3. Sales income	7.51	-	7.51	N/A	0.24%	-
Revenues from Construction Work, Sales and Services	3,145.93	3,378.46	-232.53	-6.88%	98.43%	98.60%
Other income	50.11	48.15	1.96	4.07%	1.57%	1.40%
Total revenues	3,196.04	3,426.61	-230.57	-6.73%	100.00%	100.00%
Construction service income form Government Sector	1,667.73	1,826.87	-159.14	-8.71%		
Construction service income form Private Sector	1,450.14	1,538.53	-88.39	-5.75%		

- Construction services income was recorded at Baht 3,117.87 million, decreasing of Baht 247.53 million from the same period of last year or representing 7.36% because the discontinuity of operation work for few big projects including the impact from widespread of COVID-19 that the owners strictly implemented the rule and regulation of construction area entry, decreasing working hours per day and the impact on supply chains such as the postponement of travelling schedule of specialist from overseas and the supply of equipment and machinery that affected the recognition of construction service income was inconsistent with the revenue forecast. The revenue of this period was recognized from civil work at Baht 1,962.72 million, piping work at Baht 911.65 million and engineering work at Baht 240.99 million that came from the significant projects such as the Raw Water Pipeline System

Klong Luang Reservoir-Chonburi Project, the Block valve & facility stations of the 5th Transmission Pipeline Project Phase 1 of PTT Public Company Limited that has been awarded from Sinopec International Petroleum Service Corporation which was the main contractor and the construction of overpass bridge Na Ranong intersection with underground electrical cable system project.

- Other services income were recorded at Baht 20.55 million, increasing of Baht 7.49 million or representing 57.35%. Other service income consist of water selling to industry and community in Pluak Daeng District, Rayong Province of TRC Utility Company Limited (subsidiary) amount of Baht 17.10 million and data analysis service and platform management through IoT system of Olive Technology Company Limited (subsidiary) which registered on 9 March 2020 and started to operate in the 3rd quarter 2020.

2.2. Cost, Administrative expenses and Finance cost

	2020	2019	Change	
	MB.	MB.	MB.	%
1. Cost of construction services	3,304.51	3,312.21	(7.70)	0.23%
2. Cost of other services	13.77	8.96	4.81	53.68%
3. Cost of sales	6.37	-	6.37	N/A
Total cost	3,324.65	3,321.17	3.48	0.10%
Administrative expenses	312.90	376.25	(63.35)	-16.84%
Finance cost	23.48	31.56	(8.08)	-25.60%

- Total cost of Baht 3,324.65 million, increasing of Baht 3.48 million or representing 0.10%. Major cost of the Company was cost of construction services of Baht 3,304.51 million, decreasing of Baht 7.70 million from the same period of last year but when compared to the construction income that was lower, it showed that the amount of construction cost portion was significantly higher due to the increase of budgeted cost of the Smart Warehouse project. Moreover, during the groundwork construction, piling was damaged and additional exploration drilling was needed to be done. We found many huge rocks of more than 700 tons during the soil boring test which did not show on bidding document. Once the problem was found, the Company executed the operation according the engineering and legal procedure and hired specialist in foundation and structural work to solve it. Besides many huge rocks, soft soils beneath construction area was also obstructed the operation since it was the construction of 40-meter height smart warehouse. The solution of construction impacted on labor cost, material cost and other related

cost as well as other consequential works because the construction was more complicated. The Company requested to extend the project period which caused the expenses to significantly increase. As a result, in 2020, the Company recognized the total loss estimation of the project at the amount of Baht 314 million.

- Administrative expense was Baht 312.90 million, decreasing of Baht 63.35 million from the same period of last year or representing 16.84%. From the situation of COVID-19 since the end of 2019, the company foreseen the possible impact and proceed with necessary expenditure control but still maintain productive operation. In 2020, from the said operating result, the Company able to successfully reduced and controlled cost according to the budget.
- Finance cost was Baht 23.48 million, decreasing of Baht 8.08 million or representing 25.60%. Most finance cost was interest of short-term loan from financial institution for working capital. Interest paid decreased in line with market interest rate. As of 31 December 2020, the short-term loans were at Baht 709.46 million.

Analysis of Financial Position

● Total Asstes

As at 31 December 2020, the Company and subsidiaries has total assets of Baht 3,679.24 million, decreased of Baht 36.39 million or equivalent to 0.98% compared to 31 December 2019. Details as tabulated below:

Statement of Financial Position	2020	2019	Change	
	MB.	MB.	MB.	%
Current assets	2,809.07	3,011.58	(202.51)	-6.72%
Investments in joint ventures	123.58	51.61	71.97	139.45%
Non-current assets	746.59	652.44	94.15	14.43%
Total Assets	3,679.24	3,715.63	(36.39)	-0.98%

Significant items of Assets were as follows:

1. Current asset decreased significantly from cash and deposits at banks and trade account receivable of Baht 92.41 million and 416.88 million respectively due to number of works in a project that was more than the amount specified in contract value and still under negotiation with project owner. For the meantime, the actual construction cost was paid by the Company to vendors according to credit term and not able to invoice such amount to customer until the negotiation is finalized.
2. Investments in joint ventures increased of Baht 71.97 million from the payment of outstanding capital increase ordinary shares to AT Energy Solution Company Limited during the year.

● Liabilities and Shareholders' equity

Statement of Financial Position	2020	2019	Change	
	MB.	MB.	MB.	%
Current Liabilities	3,164.76	2,779.35	385.41	13.87%
Non-current liabilities	117.78	96.70	21.08	21.80%
Total Liabilities	3,282.54	2,876.05	406.49	14.13%
Equity	396.70	839.58	(442.88)	-52.75%
Liabilities and Shareholders' equity	3,679.24	3,715.63	(36.39)	-0.98%

Significant items of Liabilities and Shareholders' equity are as follows:

1. Current liabilities was increased significantly from short-term loan from financial institution of Baht 236.41 million. By not able to collect payment of project construction, the Company faced liquidity problem and needed to get short-term loan from financial institution.
2. Shareholder's equity was decreased due to the loss in operating result of Baht 444.17 million.

Liquidity and Fund Adequacy

The balance of cash and cash equivalents of the Company and its subsidiaries as of 31 December 2020 was Baht 89.78 million, decreasing of Baht 182.19 million from the previous year; details as shown in the table below:

Statement of Cash Flows	2020	2019
Net cash flows provided by (used in) operating activities	(72.84)	61.25
Net cash flows used in investing activities	(193.55)	(95.08)
Net cash flows provided by financing activities	169.75	130.10
Increase in translation adjustment	4.23	3.66
Net increase (decrease) in cash and cash equivalents	(92.41)	99.93
Cash and cash equivalents at the beginning of the year	182.19	82.26
Cash and cash equivalents at the end of the year	89.78	182.19

Changes in cash and cash equivalents, based on activity, for the year ended 31 December 2020 were as follows.

- Cash flows used in operating activities at the amount of Baht 72.84 million were attributable to the current year's operating performance.
- Cash flows used in investing activities of Baht 193.55 million, mostly used in equipment investment of Baht 93.65 million which was for machinery and fabrication shop and payment of the remaining capital increase shares amount of Baht 74.63 million, resulting in an investment AT totaling of Baht 100 million or 50% shareholding. At present, AT registered and paid-up capital was Baht 200 million.
- Cash flows provided by financing activities of Baht 169.75 million, mostly from short-term loan from financial institutions of Baht 263.40 million. Repayment debentures of Baht 30 million and paid interest and lease liabilities of Baht 36.66 million.

Capital Adequacy Ratio

Financial Ratio	2020	2019
Debt to equity ratio (times)	8.27	3.43
Interest Coverage Ratio (times)	-15.08	-4.89

Ending Year 2020, The Company and subsidiaries has debt to equity ratio at 8.27 times, increasing from the same period of last year which was at 3.43 times and interest coverage ratio at -15.08 times, decreasing from last year which was at -4.89 times as a result from significant loss from operation in construction business.

The Company and subsidiary have source of fund from operation income and short-term loan from commercial banks. Loans for project management were short-term or middle-term categorized as Project Finance. Banks that provide credit would request the Company to allow certain conditions, for instance, once the project owner pay the amount of money into the Company's account and the Company complied to credit usage rules and conditions without overdrawn liability, only then the Company can withdraw.

Liability Commitments and Off-Balance Sheet Arrangements

The details were disclosed in Note 38 to the financial statements: Commitments and Contingent Liabilities.

Factors Affecting Future Operations Results

Marketing competition was the important factor that effect operation. With intense competition in small and middle-sized construction business, the profit was unavoidably lower. Construction company needed to adjust into current situation such as COVID-19 pandemic, construction equipment price fluctuation and supply chain problems.

The expansion of energy and petrochemical business and basic infrastructure depend on finance and investment policy, nation development plan, economic direction as well as politics direction. The government change has direct effect to the continuation of investment

in mega construction project and private sector's confidence and investment decision. The Company's operation also depends on continuation of new projects that are uncertain. Most construction works require pre-qualification, price bidding and condition compliance prior to enter into contract. Some project that previously expected to open for bidding were postponed because of various reasons according to the changing market circumstances.

Cost management and liquidity management were essential in construction business. Most of the Company's construction projects were more than Baht 300 million value with construction period of 1-2 years. The Company gradually invested in equipment, machinery and expanded product assembly factory in order to reduce cost and make the most of existing resources as well as adjusting strategic plan to be in conformity with surrounding and business direction to lessen impact as much as possible.

General and Other Significant Information

1 General Information

1.1 Company profile

Name	TRC Construction Public Company Limited		
Stock Symbol	TRC		
Registration Number	0107548000293		
Nature of Business	A contractor whose works engage with pipeline system construction, engineering system installation in energy and petrochemical industries including project development and investment business in utility, power plant and petrochemical		
Head Office Address	8 Soi Sukhaphiban 5 Soi 32, Tha Raeng, Bang Khen District, Bangkok 10220		
	Telephone : 0-2022-7777	Facsimile : 0-2022-7788	
	Website : www.trc-con.com		
Registered Capital	Baht 1,198,383,354.75		
Issued and Fully Paid-up	Baht 1,198,383,354.75		
Issued Ordinary Shares	9,587,146,838 Shares		
Par Value	Baht 0.125		
Company Secretary	Telephone : 0-2022-7777 ext 3207		Facsimile: 0-2022-7778
	E-mail : CoporateSecretary@trc-con.com		

1.2 References

- **Securities Registrar**

- Thailand Securities Depository Co., Ltd.**

- 93 The Stock Exchange of Thailand Building, Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400

- Telephone : 0-2009-9000

- Facsimile : 0-2009-9992

- **Auditor**

- DHARMNITI AUDITING Co., Ltd.**

- 178 Dharmniti Building, 6th-7th Floor, Soi Prachachuen 20, Prachachuen Road, Bangkok 10800

- Telephone : 0-2596-0500

- Facsimile : 0-2596-0560

1.3 Information of Companies with Investment Exceeding 10%

● Investment in subsidiaries

Company name and Address	Registration Number	Nature of Business	Registered Capital (Baht)	Paid-up Capital (Baht)	Number of Paid-up shares (Shares)	Par Value (Baht per share)	Shareholding (%)
Sahakarn Wisavakorn Co., Ltd. 8 Soi Sukhaphiban 5 Soi 32, Tha Raeng, Bang Khen District, Bangkok 10220 Tel : 0-2022-7777 Fax : 0-2022-7788	0105497000257	Construction of infrastructure and all categories	500,000,000	500,000,000	50,000,0000	10	99.99
TRC Investment Limited 10 th Floor, Standard Chartered Tower, 19 Cybercity, Ebene, Republic of Mauritius	079207 C1/GBL (Registered in Mauritius)	Holding company	1 USD	1 USD	1	1 USD per share	100.00
TRC International Limited Room 2101, Hong Kong Trade Centre, 161-7 Des Voeux Road, Central, Hong Kong	1202588 (Registered in Hong Kong)	Holding company	10,000 HKD	10,000 HKD	1	10 HKD per share	100.00 (Shareholding through TRC Investment Limited)
TRC Middle East LLC* Office No. 41, Fourth Floor, Ghoubra Plaza, Building No. 19, Plot No. 105, Muscat, Sultanate of Oman, P.O.Box 659, Mina Al-Fahal, Muscat P. Code 116	1070009 (Registered in Oman)	Construction Service	150,000 Oman Rial	150,000 Oman Rial	150,000	1 Oman Rial per share	70.00 (Shareholding through TRC International Limited)
TRC Engineering LLC* Office No. 41, Fourth Floor, Ghoubra Plaza, Building No. 19, Plot No. 105, Muscat, Sultanate of Oman, P.O.Box 659, Mina Al-Fahal, Muscat P. Code 116	1108601 (Registered in Oman)	Construction Service	250,000 Oman Rial	250,000 Oman Rial	250,000	1 Oman Rial per share	70.00 (Shareholding through TRC International Limited)

Company name and Address	Registration Number	Nature of Business	Registered Capital (Baht)	Paid-up Capital (Baht)	Number of Paid-up shares (Shares)	Par Value (Baht per share)	Shareholding (%)
HYDROTEK SAHAKARN JOINT VENTURE* comprising Sahakarn Wisavakorn Co., Ltd. and HYDROTEK Public Company Limited 1 TP&T Tower, 14 th floor, Soi Vibhavadi Rangsit 19, Chatuchak, Bangkok 10900 Tel : 0-2936-1661-2 Fax : 0-2936-1669	0993000342674 (Tax Identification Number)	Construction, Improvement and Expansion of Waterworks, Koh Samui Branch, Koh Samui District, Surat Thani Province					49% invested by Sahakarn Wisavakorn Co., Ltd.
TRC Utility Co., Ltd. 8 Soi Sukhaphiban 5 Soi 32, Tha Raeng, Bang Khen District, Bangkok 10220 Tel : 0-2022-7777 Fax : 0-2022-7788	0105560100101	Production and distribution of tap water	1,000,000	250,000	10,000	100	99.97
OLIVE TECHNOLOGY Co., Ltd. 8 Soi Sukhaphiban 5 Soi 32, Tha Raeng, Bang Khen District, Bangkok 10220 Tel : 0-2022-7777	0105563043435	R&D service for inspection, control and analysis system including processing of Big Data	1,000,000	250,000	10,000	100	49.97
MAHAT Co., Ltd. 8 Soi Sukhaphiban 5 Soi 32, Tha Raeng, Bang Khen District, Bangkok 10220 Tel : 0-2022-7777	0105563170399	Production, distribution and service provider of information technology management and platform development	1,000,000	1,000,000	10,000	100	59.98 (Shareholding through OLIVE TECHNOLOGY Co., Ltd.)
SAHAHYDRO PATTAYA Joint Venture comprising Sahakarn Wisavakorn Co., Ltd., HYDROTEK Public Company Limited and Samprasit Ltd., Part. 8 Soi Sukhaphiban 5 Soi 32, Tha Raeng, Bang Khen District, Bangkok 10220 Tel : 0-2022-7777 Fax : 0-2022-7755	0993000441923 (Tax Identification Number)	Drainage system on the east side of railway- parallel road Phase 1 Pattaya City, Chonburi Province					50% invested by Sahakarn Wisavakorn Co., Ltd.

Note * Under liquidation process

● Investment in associate:

Company name and Address	Registration Number	Nature of Business	Registered Capital (Baht)	Paid-up Capital (Baht)	Number of Paid-up shares (Shares)	Par Value (Baht per share)	Shareholding (%)
ASEAN Potash Chaiyaphum Public Company Limited 8 TRC Building, 5 th Floor, Soi Sukhaphiban 5 Soi 32, Tha Raeng, Bang Khen District, Bangkok 10220 Tel : 0-2001-7733 Fax : 0-2001-7739	0107547000478	Potash mining	29,472,035,900	2,805,797,300	28,057,973	100	25.13 (22.46 & 2.67 shareholding through TRC Investment Limited and TRC International Limited respectively)

● Investment in Joint Venture:

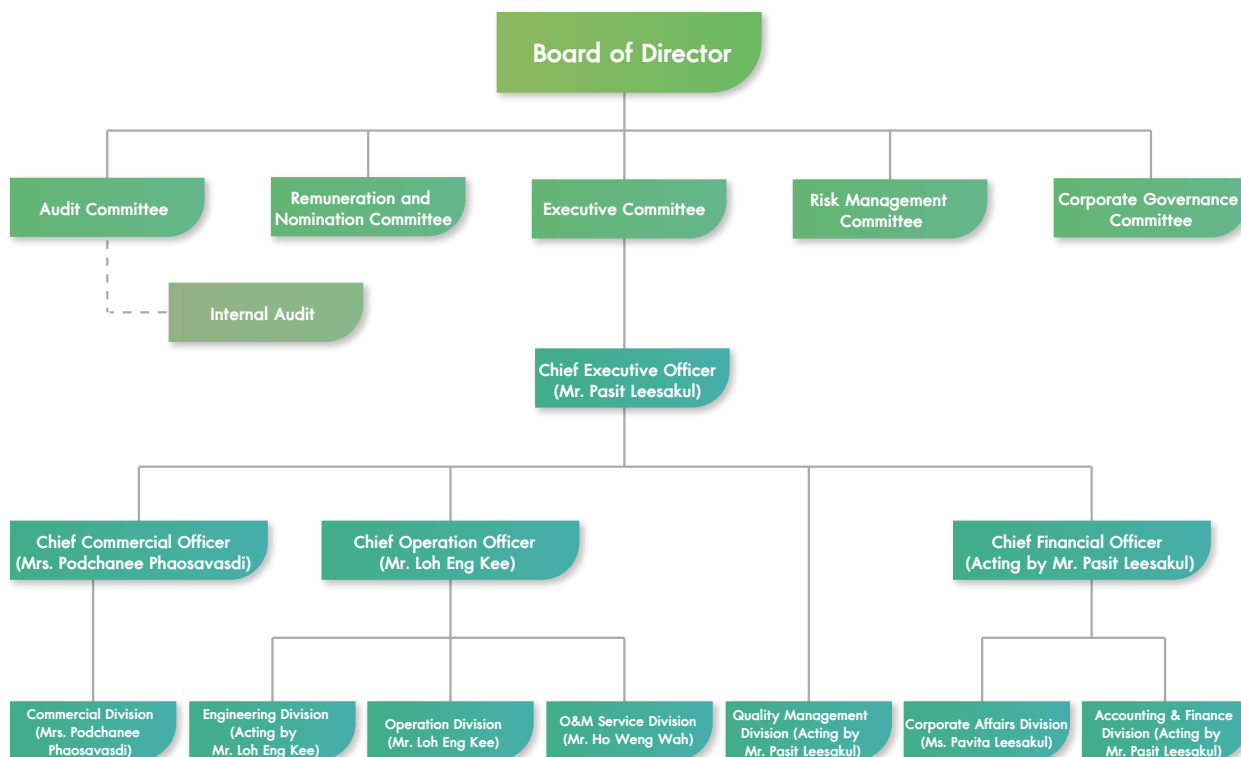
Company name and Address	Registration Number	Nature of Business	Registered Capital (Baht)	Paid-up Capital (Baht)	Number of Paid-up shares (Shares)	Par Value (Baht per share)	Investment Ratio (%)
SINOPEC-TRC Joint Venture comprising of TRC Construction Public Company Limited and Sinopec International Petroleum Service Corporation 8 Soi Sukhaphiban 5 Soi 32, Tha Raeng, Bang Khen District, Bangkok 10220 Tel : 0-2022-7777 Fax : 0-2022-7788	0993000315961 (Tax Identification Number)	EPC for Provincial Gas Transmission Pipeline Project to Nakorn Ratchasima					30
SH Crossings Co., Ltd. 8 Soi Sukhaphiban 5 Soi 32, Tha Raeng, Bang Khen District, Bangkok 10220 Tel : 0-2022 7777 Fax : 0-2022 7788	0105560194041	Construction of underground electrical conduits, including and pipe jacking work	40,000,000	40,000,000	400,000	100	51 (Shareholding through Sahakarn Wisavakorn Co., Ltd.)
AT Energy Solution Co., Ltd. 8 Soi Sukhaphiban 5 Soi 32, Tha Raeng, Bang Khen District, Bangkok 10220 Tel : 0-2022 7777 Fax : 0-2022 7755	0105562139846	Procurement and service provider of energy and utility to general industrial factories and power plant	200,000,000	200,000,000	2,000,000	100	50

Company name and Address	Registration Number	Nature of Business	Registered Capital (Baht)	Paid-up Capital (Baht)	Number of Paid-up shares (Shares)	Par Value (Baht per share)	Investment Ratio (%)
SAHAKARN UNDERGROUND Joint Venture comprising Sahakarn Wisavakorn Co., Ltd. and UNDERGROUND Construction Specialist Co., Ltd. 8 Soi Sukhaphiban 5 Soi 32, Tha Raeng, Bang Khen District, Bangkok 10220 Tel : 0-2022 7777 Fax : 0-2022 7755	0093000430859 (Tax Identification Number)	Construction of Manhole and Underground Duct Bank					50

2 Other Significant Information

- None -

Management Structure



1. The Board of Directors

Composition of the Company's Board of Directors

The Board of Directors consists of knowledgeable, competent members whose qualifications fully meet the requirements as per Section 68 of the Public Company Limited Act B.E. 2535 (1992) and the relevant notifications of the Capital Market Supervisory Board. The Board of Directors plays an important role in determining the Company's policies, overseeing, monitoring and assessing the Company's operating performance, independently evaluating performance of the Company's top management, and working with top management in developing both short and long term operational plans, corporate vision, mission, and management targets.

As at 31 December 2020, the Board of Directors and the subcommittees are listed below;

Name-List of Board of Directors and Managements			Directors	Subcommittees				
				Audit Committee	Remuneration and Nomination Committee	Corporate Governance Committee	Risk Management Committee	Executive Committee
1.	Mrs. Paichit Rattananon ⁽¹⁾	Chairman	<input checked="" type="checkbox"/>					
2.	Mrs. Rachadaporn Rajchataewindra	Independent Director and Chairman of Audit Committee	✓	<input checked="" type="checkbox"/>	✓		✓	
3.	Assoc. Prof. Kamjorn Tatiyakavee, M.D.	Independent Director and Chairman of Risk Management Committee	✓	✓	✓		<input checked="" type="checkbox"/>	
4.	Mrs. Puangthip Silpasart	Independent Director and Chairman of Corporate Governance Committee	✓	✓	✓	<input checked="" type="checkbox"/>		
5.	Assoc. Prof. Pises Sethsathira	Independent Director and Chairman of Remuneration and Nomination Committee	✓		<input checked="" type="checkbox"/>	✓		
6.	Mr. Smai Leesakul	Director and Chairman of Executive Committee	✓					<input checked="" type="checkbox"/>
7.	Mr. Pasit Leesakul	Director and Chief Executive Officer	✓		✓		✓	✓
8.	Mrs. Podchanee Phaosavasdi	Director and Chief Commercial Officer	✓		✓	✓	✓	✓
9.	Ms. Pavita Leesakul	Director and Vice President, Corporate Affairs Division	✓			✓		
10.	Mr. Loh Eng Kee	Chief Operating Officer						✓
Total			9	3	6	4	4	4

☒ Chairman ✓ Committee

Authorized Directors consist of Mrs. Paichit Rattananon, Mr. Smai Leesakul, Mr. Pasit Leesakul and Mrs. Podchanee Phaosavasdi. Two of four directors sign together with the Company's seal.

● **The Board of Directors of Sahakarn Wisavakorn Company Limited** consists of 5 members as follows:

Name-List of Board of Directors			Directors	Authorized Directors*
1. Mrs. Paichit Rattananon	Chairman		☑	⊙
2. Mr. Smai Leesakul	Director		✓	⊙
3. Mr. Pasit Leesakul	Director		✓	⊙
4. Mrs. Podchanee Phaosavasdi	Director		✓	⊙
5. Mr. Sakda Tantiwattanakul	Director		✓	
Total			5	4

☑ Chairman ✓ Committee ⊙ Authorized Directors

* Two of four directors sign together with the Company's seal.

● **The Board of Directors of TRC Utility Company Limited** consists of 3 members as follows:

Name-List of Board of Directors			Directors	Authorized Directors*
1. Mr. Pasit Leesakul	Chairman		☑	⊙
2. Mrs. Podchanee Phaosavasdi	Director		✓	⊙
3. Ms. Pavita Leesakul	Director		✓	⊙
Total			3	3

☑ Chairman ✓ Committee ⊙ Authorized Directors

* Two directors sign together with the Company's seal.

● **The Board of Directors of SH Crossings Company Limited** consists of 3 members as follows:

Name-List of Board of Directors			Directors	Authorized Directors*
1. Mr. Pasit Leesakul	Chairman		☑	⊙
2. Mrs. Podchanee Phaosavasdi	Director		✓	⊙
3. Mr. Cong Chen	Director		✓	⊙
Total			3	3

☑ Chairman ✓ Committee ⊙ Authorized Directors

* Two directors sign together with the Company's seal.

- **The Board of Directors of Olive Company Limited** consists of 3 members as follows:

Name-List of Board of Directors		Directors	Authorized Directors*
1. Mr. Pasit Leesakul	Chairman	<input checked="" type="checkbox"/>	⊙
2. Ms. Pavita Leesakul	Director	✓	⊙
3. Mr. Smai Leesakul	Director	✓	⊙
Total		3	3

☒ Chairman ✓ Committee ⊙ Authorized Directors

* Two directors sign together with the Company's seal.

- **The Board of Directors of Mahat Company Limited** consists of 3 members as follows:

Name-List of Board of Directors		Directors	Authorized Directors*
1. Mr. Pasit Leesakul	Chairman	<input checked="" type="checkbox"/>	⊙
2. Ms. Pavita Leesakul	Director	✓	⊙
3. Mr. Todsanai Chumwatana	Director	✓	⊙
Total		3	3

☒ Chairman ✓ Committee ⊙ Authorized Directors

* Two directors sign together with the Company's seal.

- **The Board of Directors of AT Energy Solution Company Limited** consists of 4 members as follows:

Name-List of Board of Directors		Directors	Authorized Directors*
1. Mr. Smai Leesakul	Chairman	<input checked="" type="checkbox"/>	⊙
2. Mrs. Puangthip Silpasart	Director	✓	⊙
3. Mr. Panom Kuansataporn	Director	✓	⊙
4. Ms. Ni-Orn Junjamsang	Director	✓	⊙
Total		4	4

☒ Chairman ✓ Committee ⊙ Authorized Directors

* either Mr. Smai Leesakul or Mrs. Puangthip Silpasart with either Mr. Panom Kuansataporn or Ms. Ni-Orn Junjamsang sign together with the Company's seal.

● Summary of directors attendance in 2020 Board of Directors Meeting

In 2020, the Company arranged the total of 7 meetings of board of directors and percentage of directors' attendance was 95.2%. Various sub-committee meetings were also arranged. Details of directors' meeting attendance can be found as follows;

Name-List of Board of Directors	Attendances in 2020 (time)						
	General Meeting	Directors	Audit Committee	Remuneration and Nomination Committee	Corporate Governance Committee	Risk Management Committee	Executive Committee
1. Mrs. Paichit Rattananon	1/1	6/7	Not a member	Not a member	Not a member	Not a member	Not a member
2. Mrs. Rachadaporn Rajchataewindra	1/1	7/7	4/4	2/2	Not a member	3/3	Not a member
3. Assoc. Prof. Kamjorn Tatiyakavee, M.D.	1/1	5/7	4/4	1/2	Not a member	3/3	Not a member
4. Mrs. Puangthip Silpasart	1/1	7/7	4/4	2/2	2/2	Not a member	Not a member
5. Assoc. Prof. Pises Sethsathira	1/1	7/7	Not a member	2/2	1/2	Not a member	Not a member
6. Mr. Smai Leesakul	1/1	7/7	Not a member	Not a member	Not a member	Not a member	16/17
7. Mr. Pasit Leesakul	1/1	7/7	Not a member	2/2	Not a member	3/3	17/17
8. Mrs. Podchanee Phaosavasdi	1/1	7/7	Not a member	2/2	2/2	3/3	16/17
9. Ms. Pavita Leesakul	1/1	7/7	Not a member	Not a member	2/2	Not a member	Not a member
10. Mr. Loh Eng Kee	-	Not a member	Not a member	Not a member	Not a member	Not a member	17/17

● Summary of Director Appointment

Name-List of Board of Directors	Appointed Year	Latest Appointment	Type of Directorship	Nomination/ Appointment in 2020	Next Appointment
1. Mrs. Paichit Rattananon	2005	2019	Chairman of the Boards	No	2022
2. Mrs. Rachadaporn Rajchataewindra	2019	-	Independent Director	No	2021
3. Assoc. Prof. Kamjorn Tatiyakavee, M.D.	2019	-	Independent Director	No	2022
4. Mrs. Puangthip Silpasart	2016	2020	Independent Director	Yes	2023
5. Assoc. Prof. Pises Sethsathira	2005	2018	Independent Director	No	2021
6. Mr. Smai Leesakul	2007	2020	Executive Director	Yes	2023
7. Mr. Pasit Leesakul	2013	2020	Executive Director	Yes	2023
8. Mrs. Podchanee Phaosavasdi	2007	2018	Executive Director	No	2021
9. Ms. Pavita Leesakul	2018	2019	Executive Director	No	2022

The Company organizational structure consists of 6 committees; Board of Directors, Audit Committee, Remuneration and Nomination Committee, Corporate Governance Committee, Risk Management Committee and Executive Committee as details shown below:

1.1 The Board of Directors of the Company as of 31 December 2020

● **Board of Directors of TRC Construction Public Company Limited** consists of 9 members as follows:

1. Mrs. Paichit Rattananon	Chairman, a representative from KPK 1999 Co., Ltd., the Major Shareholders
2. Mrs. Rachadaporn Rajchataewindra	Independent Director
3. Assoc. Prof. Kamjorn Tatiyakavee, M.D.	Independent Director
4. Mrs. Puangthip Silpasart	Independent Director
5. Assoc. Prof. Pises Sethsathira	Independent Director
6. Mr. Smai Leesakul	Executive Director
7. Mr. Pasit Leesakul	Executive Director
8. Mrs. Podchanee Phaosavasdi	Executive Director
9. Ms. Pavita Leesakul	Executive Director

Charter of the Board of Directors was published on the Company's website under "Sustainability/CG Report and Download/ Charter" consisted of 10 topics which were composition, qualifications, scope of duties and responsibilities, scope of authority, terms of office, meetings, quorum, authorization, remuneration and performance appraisal.

Scope of Duties and Responsibilities of the Board of Directors

1. Perform duties in accordance with laws, objectives, article of association as well as the resolutions of the Shareholders' Meeting except for the transactions that shall be approved by the Shareholders' Meeting such as the connected transaction, the acquisition and disposition of assets, the purchasing and selling of significant assets as per the regulations of the Stock Exchange of Thailand or any other relevant authorities.
2. Specify and review the Board of Directors structure with regards to number of directors, the proportion of independent directors, including diverse knowledge, skills, expertise which would be appropriate to the Company's business.
3. Appoint or change the authorized directors of the Company.
4. Specify the corporate vision and mission statements, policies, strategies, objectives and direction of business operations and review it yearly. Supervise and monitor the management to ensure they operate effectively and productively in the same direction as the corporate policies, strategies and objectives in order to achieve the most economic benefits for the shareholders and to support sustainable business growth. This excludes policies and operations which require prior shareholders' approval at the shareholders' meeting.
5. Review and approve the significant transactions such as business plan, budget, large investment, management's authorities and any other transactions required by laws.
6. Monitor to ensure the Company's business strategies are being implemented accordingly. Evaluate the outcomes of the business operations by requiring regular operations results reports. Specify policy to develop / improve business operations while ensuring compliance to safety, health / sanitation, environmental regulations and social responsibility obligations, as well as the Company's human resource development.
7. Oversee and support innovations which can create value-added products or service for the Company and stakeholders.
8. Ensure that the Company's information technology system is secured and properly managed.
9. Establish the Company's policy on risk management and ensure that the Company's risk management system is effective. Review and evaluate the risk management system regularly to ensure effectiveness in dealing with changes in potential risks.
10. Ensure the Company's operations are in compliance with the listed companies' good corporate governance principles which can also help guide the Company's business operations. Regularly monitor compliance to good corporate governance principles.
11. Encourage all employees to adhere to the Company's written Business Ethics and Code of Conduct; monitor to ensure strict compliance with the Business Ethics and Code of Conduct, as well as the Company's anti-fraud and anti-corruption policy.
12. Be responsible for the operating result and the management performance with good intention and care.
13. Ensure that the Company has reliable accounting system, financial reports and auditing process as well as to provide the measurement to assess the appropriateness of the internal control system and the efficiency and effectiveness of internal auditing, risk management and financial reporting.

14. Monitor the Company's financial liquidity position and ability to repay debts, including plans or mechanisms to tackle potential problems.
15. Ensure the shareholders are involved in decision-making process of important issues of the Company. Treat major and minor shareholders, vested parties equally, in transparent manner and with the same respect. Establish convenient channels for filing / receiving of complaints from informants, or stakeholders, and provide stakeholders with access to directly contact the Board of Directors directly about issues which need to be resolved.
16. Consider the succession plan for the position of Chief Executive Officer and appointment of Chief Executive Officer, Executive Director and high level executive ranked a level under the Chief Executive Officer.
17. Establish annual performance evaluation process for the Chairman of the Board of Directors, the Chief Executive Officer and high level executives and approve the remuneration for the Chairman of the Board of Directors and the Chief Executive Officer.
18. Monitor the transparent process for the nomination, selection and appointment of the Company's directors; determine the appropriate remuneration for directors and sub-committees members.
19. Devote adequate time to perform duties and to participate in the Board of Directors' meetings and shareholders' meetings. If the director could not attend such meeting due to any force majeure, he / she must notify the Chairman of the Board of Directors, or the Company secretary prior to the start of the scheduled meeting.
20. Ensure that the conflict of interests between the Company and related persons does not exist.
21. Report the Board of Directors' responsibilities for financial reports together with external auditor's report in the Company's annual report. Such Board of Directors' report shall include all the subjects as specified in the code of conduct for directors of the listed company.
22. The Board of Directors shall be able to authorize the following transactions after they receive the Shareholders' Meeting approval to do so. For the transactions that might lead to any conflicts of interests, the director who might have such conflict of interest must not vote on that transaction.
 - (a) The transactions that are required by law to receive the Shareholders' Meeting approval.
 - (b) The transactions that might lead to any conflict of interests as well as are required by laws and/ or regulations of the Stock Exchange of Thailand to receive the Shareholders' Meeting approval.
23. Regularly seek new knowledge and develop new skills which would complement job duties as board members by attending special courses / seminars.
24. The Board of Directors may appoint directors and executives as deemed appropriate to serve as members of other subcommittees, to perform duties as assigned by the Board of Directors, to participate in approving the charter for each subcommittees which have to be reviewed regularly and annually, as well as the measures / procedures for approving connected transactions.

However, the abovementioned authorization to directors does not include an authorization that enables the members of each sub-committee to approve every transaction engaged with their own, or other's conflicts of interest with the Company, or subsidiary company (if any). In addition, for very connected transaction and acquisition and disposition of asset, they are also required to obtain an approval of shareholders meeting as prescribed in the Stock Exchange of Thailand's rules.

25. Prohibited acts of the Board of Directors;

25.1 The Board of Directors shall not interfere in decision-making of the Company's management for the matters that the management is responsible to handle and as assigned by the Board, such as procurement, employee recruitment, day-to-day operation, etc.

25.2 The Board of Directors shall carefully approve every connected transaction and / or any transaction with conflicts of interest and in the approval of the related transaction, directors with vested interests shall leave the meeting.

Scope of Duties and Responsibilities of the Chairman

The Chairman has the role of overseeing policy advocacy and strategic performing manner of the Company's management including giving recommendation and support the operating of the Company's management. However, this entitle shall not participate in the daily operation. She or he shall preside as chairman of the Board of Directors meeting and shareholders' meeting, encourage all directors to participate in the meeting as well as monitoring the Board of Directors meeting and shareholders' meeting effectively and successfully.

1.2 Audit Committee

As of 31 December 2020, the Audit Committee consists of 3 independent directors as follows:

1. Mrs. Rachadaporn Rajchataewindra as the Chairman of the Audit Committee
2. Assoc. Prof. Kamjorn Tatiyakavee, M.D.
3. Mrs. Puangthip Silpasart

Ms. Rewadee Ardarn, Senior Accounting Manager, as the Secretary to the Audit Committee.

Mrs. Rachadaporn Rajchataewindra, Chairman of the Audit Committee, had extensive experience in financial statement review.

Audit Committee has 3-year term.

The latest version of this committee's charter was posted on TRC Group's website. The charter contains 9 topics – objectives in forming the Audit Committee, the scope of authority and responsibilities, composition and qualifications, tenure, meeting, quorum, remuneration of the audit committee director, the responsible division, and maintaining of audit standards and quality.

Scope of duties and responsibilities of the Audit Committee

1. Review and ensure that the disclosure of information in financial statements is accurate and adequate by cooperating with the Company's external auditor and management who is responsible for the quarterly and annually financial statements. Moreover, to recommend the external auditor to review or audit any transactions deemed significant during the auditing period.
2. Consider, approve the internal audit plan, budget, and manpower of the internal audit work or select / propose the appointment of an internal auditor in the case of using an outsourcing service.
3. Review the Company's internal control system and internal audit system to ensure appropriateness and effectiveness and consider the independence of the internal audit function as well as approve the appointment, transfer, recognition, and termination of the Head of Internal Audit and the change of internal auditor in the case of using an outsourcing service.

4. Review and ensure that the Company's operations are in compliance with the rules and regulations of the Securities Exchange Commission and the Stock Exchange of Thailand, as well as relevant laws.
5. To consider, select and nominate the external auditor and also propose the external auditor's remuneration including attend the meeting with the external auditor without participation of the Company's management at least once per year.
6. To consider the connected transactions or transactions that may lead to any conflict of interest and non-compliance with the laws and the Stock Exchange of Thailand's regulation to ensure that those transactions are reasonable and bring highest benefit to the Company.
7. To perform any duties as assigned by the Board of Directors and agreed upon by the Audit Committee such as reviewing the financial management and risk management policy, compliance with business ethic of the management and review with the management the important reports required for disclosure to the public according to the laws i.e. Management's report and analysis, etc.
8. Prepare the corporate governance report of the Audit Committee for disclosure in the Company's Annual Report in which has been signed by the Chairman of the Audit Committee and consisting of at least;
 - 8.1 Comment on appropriateness and completeness and reliability of the Company's Financial statements.
 - 8.2 Comment on sufficiency of the Company's internal control system.
 - 8.3 Comment on compliance with the rules and regulations of the Securities Exchange Commission and the Stock Exchange of Thailand as well as relevant laws.
 - 8.4 Comment on appropriateness of the auditors.
 - 8.5 Comment on connected transactions.
 - 8.6 A number of Audit Committee Meetings and attendances of each member.
 - 8.7 Comment or overview observation from which the Audit Committee has been gained after performing in compliance with the charter.
 - 8.8 Any reports which deem appropriate to be reported to the shareholders and other general investors under the scope of works and responsibility as assigned by the Board of Directors.
9. Report all regular activities as scheduled in order that the Board of Directors can acknowledge the Committee's activities as follows:
 - 9.1 The Audit Committee's Minutes of Meetings clearly specify the Committee's comment in various issues.
 - 9.2 The report of the Committee's comment on financial statements, internal audit and internal audit process.
 - 9.3 Any report which deem appropriate for acknowledgement of the Board of Directors.
10. During performing their duties, if the Committee finds any doubtful transactions or behaviors as shown below which may cause a significant impact to the Company's financial status and operating result, the Committee should report to the Board of Directors for further improvement as deem appropriate:
 - 10.1 Conflict of interest transactions.
 - 10.2 Any suspicion or presumption of corruption, paradox or default which are significant for internal audit system.
 - 10.3 Any suspicion that there are non-compliance with the rules and regulation of the Securities Exchange Commission and the Stock Exchange of Thailand or relevant laws.

In case that the abovementioned report has been and informed submitted to and discussed among the Board of Directors, the Committee and the Company's management for further improvement, however, after the due date, should the Committee finds that there is any negligence without inappropriate reason, one of the Committee's members can further report this to the Securities Exchange Commission and the Stock Exchange of Thailand.

11. In case that the auditor finds any doubtful acts which are noncompliance with the laws done by director, manager or any person who are responsible for the Company's operating and the matters of fact has been reported to the Committee for acknowledgement and prompt inspection. The Committee should then report the outcome of preliminary inspection to the Securities Exchange Commission, the Stock Exchange of Thailand and the auditor for acknowledgement within 30 days after getting the auditor's report. Any doubtful acts required to be reported including the procedure to gain the matters of fact should be in line with the Capital Market Commission's regulation.
12. Have authorization to invite directors, management, department heads or employees for discussion or clarification on the Committee's inquiry.
13. Review the scope of works and responsibility as well as appraise the Committee's performance on yearly basis.
14. Perform any other duties as assigned by the Board of Directors and agreed upon by the Audit Committee.

1.3 Remuneration and Nomination Committee

As of 31 December 2020, the Remuneration and Nomination Committee consists of 6 members of which 4 were independent directors and 2 were executive directors as follows:

1. Assoc. Prof. Pises Sethsathira as the Chairman of the Remuneration and Nomination Committee
2. Mrs. Rachadaporn Rajchataewindra
3. Assoc. Prof. Kamjorn Tatiyakavee, M.D.
4. Mrs. Puangthip Silpasart
5. Mr. Pasit Leesakul
6. Mrs. Podchanee Phaosavasdi

Ms. Fungfun Chansiri, Company secretary, as the Secretary to the Remuneration and Nomination Committee Remuneration and Nomination Committee has 3-year term.

The latest version of this committee's charter was posted on TRC Group's website. The charter contains 6 topics - objectives in forming the Audit Committee, the scope of authority and responsibilities, composition, tenure, meeting, report the results of assigned job duties and work performance evaluation.

Scope of duties and responsibilities of the Remuneration and Nomination Committee

1. Remuneration

- 1.1 Consider and set the scope of the budget for increase of monthly salary and annual bonus for the Company, subsidiaries and Sahakarn Wisavakorn Co., Ltd. at appropriate rates in line with the overall operations results of TRC Group.
- 1.2 Specify the job performance evaluation criteria and participate in the annual job performance evaluation of the Chairman of the Executive Committee and the Chief Executive Officer and submit the evaluation results to the Board of Directors to consider and approve the appropriate remuneration accordingly.

- 1.3 Consider whether the remuneration form and criteria for directors, Chairman of Executive Committee and Chief Executive Officer are commensurate and reasonable to their obligations, performance, the Group's performance and size of business operations relative to other companies in the same industry.
- 1.4 Determine the annual remuneration rates for members of the Board of Directors and other committees, Chairman of the Executive Committee, and Chief Executive Officer before proposing only the rates for Chairman of the Executive Committee and Chief Executive Officer to the Board of Directors for approval while the rates for members of the Board of Directors and other committees are to be approved by the meeting of shareholders after being presented to the Board of Directors for preliminary consideration.
- 1.5 In case of public offering of securities or offering of warrants to directors and employees under the Employees Stock Option Program (ESOP), the Remuneration and Nomination Committee is responsible for considering the appropriateness of conditions and criteria for issuance and allotment of warrants to ensure fairness to both employees and shareholders and, in case where the warrant allotment to directors exceeds 5% of all warrants offered, giving endorsement to the transaction. In any circumstances, no members of the Remuneration and Nomination Committee shall be allowed to obtain warrants in a quantity larger than 5%.

2. Nomination of directors

- 2.1 Set the qualifications of directors, Chairman of Executive Committee, and Chief Executive Officer and executives at one level lower than Chief Executive Officer, such as Chief Financial Officer, Chief Marketing Officer, Chief Operation Officer and other executives (if any), in terms of knowledge, experience, and expertise in alignment with the Company's requirements. Any individual to be nominated as director shall be able to dedicate his / her time and effort to the fulfillment of directorship duties.
- 2.2 Recruit, select person(s) with qualifications appropriate to serve as directors, Chairman of Executive Committee, and Chief Executive Officer and executives ranked one level lower than the Chief Executive Officer as mentioned in clause Considerations for the appointment are as follows:
 - The Board of Directors for consideration in case of vacancy due to expiration of term and/or addition of director; after the Board's consideration, the nominated candidate will be presented to the meeting of shareholders for official appointment.
 - The Board of Directors' meeting for official appointment in case of vacancy due to resignation or inability to serve as director.
 - Propose at the Board of Directors' meeting that the Board appoints the Chairman of Executive Committee, and Chief Executive Officer and management executives at one level below the Chief Executive Officer.
- 2.3 Consideration of the succession plan of Chief Executive Officer to propose to the Board of Directors for approval.

In addition, the Remuneration and Nomination Committee shall perform any other duties as assigned by the Board of Directors. The Board of Directors has the right to adjust the scope of duties and responsibilities of the Remuneration and Nomination Committee as deemed necessary or appropriate.

1.4 Corporate Governance Committee

As of 31 December 2020, the Corporate Governance Committee consists 4 members of which 2 were independent directors and 2 were executive directors as follows:

1. Mrs. Puangthip Silpasart as the Chairman of Corporate Governance Committee
2. Assoc. Prof. Pises Sethsathira
3. Mrs. Podchanee Phaosavasdi
4. Ms. Pavita Leesakul

Ms. Fungfun Chansiri, Company secretary, as the Secretary to the Corporate Governance Committee
Corporate Governance Committee has 3-year term.

The Corporate Governance Charter was posted on TRC Group's website; comprising of 6 topics – scope of authority and responsibilities, composition, tenure, meeting, report the results of assigned job duties and work performance evaluation.

Scope of duties and Responsibilities of Corporate Governance Committee

1. Review the corporate governance policy, business ethic including policy and guideline practice on corporate and social responsibility which has been reviewed and proposed by the Company's management in term of compliance with the good corporate governance practice prior to being proposed to the Board of Directors.
2. Propose the guideline and/or policy related to the good corporate governance to the Board.
3. Suggest the Board on the good corporate governance issues.
4. Monitor the Company's management to conduct the good corporate governance practically.
5. Follow up and report corporate social responsibility activities to the Board.

In addition, the Corporate Governance Committee has to perform tasks as assigned by the Board of Directors and the Board of Directors has its authority to change scope of duties and responsibilities of the Committee as deemed necessary or appropriate.

1.5 Risk Management Committee

As of 31 December 2020, the Risk Management Committee consists of 4 members of which 2 were independent directors and 2 were executive directors as follows:

1. Assoc. Prof. Kamjorn Tatiyakavee, M.D. as the Chairman of Risk Management Committee
2. Mrs. Rachadaporn Rajchataewindra
3. Mr. Pasit Leesakul
4. Mrs. Podchanee Phaosavasdi

Ms. Pavita Leesakul, Vice President, Corporate Affairs Division, as the Secretary to the Risk Management Committee.

Risk Management Committee has 3-year term.

The Risk Management Committee Charter was posted on TRC Group's website; comprising of 6 topics - composition, qualification, tenure, scope of authority and responsibilities, meeting, report the results of assigned job duties and work performance evaluation.

Scope of duties and Responsibilities of the Risk Management Committee

1. To formulate a risk management policy as well as a framework for managing the Company's overall exposure to a range of significant risks e.g. bid risk, risk related to supply of materials/equipment, construction risk, financial risk, personnel risk, etc. and to provide to the Board of Directors and the management the consultation, advice and recommendations in relation to risk management.
2. To develop a risk management plan and to ensure the proper implementation of the plan.
3. To oversee the undertaking of tasks related to risk management and to develop a strategy in alignment with the corporate vision, mission, and goals.
4. To oversee, support, and encourage the cooperation of all units across the organization in managing risks and to review, on a regular and continual basis, the adequacy of the risk management system to ensure optimal efficiency.
5. To report and update the following matters to the meeting of Board of Directors:- a list of significant risks, risk assessment, risk management, impacts on business operation, preventive and remedial measures, and other events that materially affect the Company (this last matter must be brought to the Board of Directors' attention without delay).
6. The Risk Management Committee has the authority to establish a working group responsible for executing risk management and reporting to the Risk Management Committee.
7. To perform other tasks as assigned by the Board of Directors.

1.6 Executive Committee

As of 31 December 2020, the Executive Committee consists of 4 executive directors as follows:

1. Mr. Smai Leesakul as the Chairman of the Executive Committee
2. Mr. Pasit Leesakul
3. Mrs. Podchanee Phaosavasdi
4. Mr. Loh Eng Kee

Ms. Rungnapa Bupparit, the Executive Secretary, as the Secretary of the Executive Committee

The charter of the Executive Committee was posted on TRC Group's website; comprising of 5 topics - composition, scope of authority and responsibilities, tenure, meeting and report the results of assigned job duties.

Scope of duties and responsibilities of the Executive Committee

1. Set policies, targets, strategies, business and operations plans, allocate annual expense and investment budgets, scope of authorization chart, scope of authority of management authority and management structure for the Company's core business operations, including consideration to revise / improve various functions to support changes in the economic and competitive environment; for proposal to the Board of Directors for consideration and approval.
2. Oversee to ensure business operations are proceeding efficiently and effectively in accordance to corporate policies, objectives, business plans / strategies and annual budgets approved by the Board of Directors; provides advice / suggestions to the management when necessary.

3. Responsible for establishing current / savings, loan / credit line accounts, bank guarantee, collateral, mortgage, etc. with banks / financial institutions, including purchase / sale and registration of land plots in accordance to the corporate business operations objectives which must receive approval from Board of Directors.
4. Responsible for entering into business contractual agreement on behalf of the Company, including contracts pertaining to purchase of assets, or rights to the use of assets for the benefits of the Company; specify how to negotiate in establishing such contractual agreements.
5. Consider profit and loss of the Company and propose the interim or annual dividend and propose to the Board of Directors.
6. Review the actual operations results of the Company and subsidiaries every quarter and compare it to the planned budget figures prior to proposing it to the Board of Directors.
7. Has the authority to hire, appoint, transfer, remove, terminate employment, set the remuneration, grant rewards, increase salaries, compensation, bonus for managerial level staffs (from the assistant division manager up). However, the authority to hire, appoint, transfer, remove, terminate employment high level executive (1 level below the Chief Executive Officer) rest with the Remuneration and Nomination Committee.
8. Proceed with other matters to lend support, or as assigned by the Board of Directors.
9. Consider and report to the Board of Directors the transactions which are in questions of fraud or illegitimate or irregular activities.
10. To perform any other duties as assigned by the Board of Directors.

The Executive Committee is authorized to empower the management of the Company to approve any financial transactions as appropriate.

Budget Authorization Authority of the Executive Committee and Chief Executive Officer

The Executive Committee and the Chief Executive Officer are authorized to approve budgets for various expenses in accordance to the handbook on authorization authority and implementation, such as:

Items	Management Committee	Chief Executive Officer
- Approval of project budget	-	Unlimited
- Allowance for bad debts	5-10 Million Baht	< 5 Million Baht
- Advances	-	> 100,000 Baht/Time
- Accommodation budget, public relations, donations	-	> 50,000 Baht/Time
- Intercompany short-term loans	50-100 Million Baht	< 50 Million Baht

Nomination Process of Director and Top Management

(1) Independent Director

Criteria of Independent Director Selection

- Process of Independent Director Nomination

The Remuneration and Nomination Committee shall preliminary consider suitable persons whose qualifications are in accordance with the regulations of the Securities Exchange Commission and the Stock Exchange of Thailand. The candidates shall have knowledge and capability that are useful for the Company. The suitable candidates will be proposed to the Board of Directors and the Shareholders' Meeting for approval, respectively. (Only the increase of the number of directors and the appointment of directors in replacement of directors retiring by rotation shall be approved by the Shareholders' Meeting.)

- Qualifications of the Independent Director

The qualifications of the independent director are set out in accordance with the regulations of the Securities Exchange Commission as follows:

1. Not hold shares exceeding 0.75% of the total number of voting shares of the Company, its parent company, subsidiary, affiliate, major shareholder or controlling person including shares held by related persons of the independent director.

2. Neither be nor have been an executive director, officer, employee, controlling person or advisor who receives a salary of the Company, its parent company, subsidiary, joint venture, major shareholder or controlling person.

3. Not be a related person by blood or registration under law, such as a father, mother, spouse, sibling, or legitimate child, including spouses of children, executives, major shareholders, controlling persons, or persons to be nominated as executives or controlling persons of the Company or its subsidiaries.

4. Neither have nor used to have a business relationship with the Company, its parent company, subsidiary, joint venture, major shareholder or controlling person, in a manner which may interfere with his or her independent discretion, and neither being nor having been a substantial shareholder or controlling person of any entity having business relationship with the Company, its parent company, subsidiary, joint venture, major shareholder or controlling person who may have a conflict of interest unless the foregoing status ended not less than two (2) years prior to the date of appointment.

5. Neither be nor have been an auditor of the Company, its parent company, subsidiary, joint venture, major shareholder or controlling person nor be a substantial shareholder, controlling person or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary, joint venture, major shareholder or controlling person, unless the foregoing relationship ended not less than two (2) years prior to the date of appointment.

6. Neither be nor have been any kind of professional advisor including a legal advisor or financial advisor who receives an annual service fee exceeding two (2) million baht from the Company, its parent company, subsidiary, joint venture, major shareholder or controlling person, and not have been a substantial shareholder, controlling person or partner of the professional advisor unless the foregoing relationship ended not less than two (2) years prior to the date of appointment.

2) Director and Top Executive Selection

● Director Selection

Nomination and appointment of director are responsible by the Remuneration and Nomination Committee to nominate and consider a person having suitable qualification, experience of working to be further proposed, for approval of appointment, to the Board of Directors and shareholder meeting, respectively (only the increase of the number of directors and the appointment of directors in replacement of directors retiring by rotation shall be approved by the Shareholders' Meeting.) under the following criteria and procedure :

1. A shareholder is equal to one share one vote.

2. Shareholders will vote for director appointment on individually basis.

3. Candidate gaining the highest votes in sequence will be appointed as director and the number of appointed director subject to required number of director vacancy. In case of a tie of votes and qualified candidates are exceeding the required number, the Chairman of the meeting shall have an additional casting vote.

At the annual general meeting of shareholders, one-third of directors shall retire by rotation. In case the number to be divided cannot be made, the retiring number should be the number nearest to one-third.

For the retiring director in the first and second years after the company's registration, drawing-lots method shall be applied to decide who will retire by rotation whereas for the next year, directors holding the longest service term shall retire and those retiring are eligible to be re- elected for another term.

● Top Executive Selection

The top executive selection shall be undertaken by the Remuneration and Nomination Committee to select candidates having suitable qualification, experience of working to be further proposed to the Board of Directors for approval. The policy and criteria for selection of the top executives including succession plan for emergency case or retirement are set forth to avoid any impact to the Company' s business as follows:

- The Board of Directors approved to set up the succession plan for Chief Executive Officer position as well as experience transfer to their potential subordinates to work in their replacement for emergency case or retirement.

- The basic qualifications of Chief Executive Officer are as follows:

- The education should be not lower than a master degree in engineering field or business administration or other related fields. In case of being educated in lower degree, it is subject to the discretion of the Remuneration and Nomination Committee on his other qualifications.
- Having experience not less than 10 years in the top executive position management.
- Having leadership character with wide vision.
- Be capable in strategic planning and organizational management.
- Having cautious decision making and problem solving with recognition of highest benefit of the Company.

Policy for Chief Executive Officer and directors to hold director position in other companies

The Board of Directors had set up a policy that the Chief Executive Officer and directors holding director position in other companies should be in compliance with the Company's Article of Association, Section 13, paragraph 2 stating that

"A director is prohibited from being a partner or unlimited partner in a business entity or hold a director position in a private company or any other company that conducts a similar type of business or in competition against the Company's business activities, except where the General Meeting of Shareholders is notified prior to the appointment resolution."

And require that each director holds a director position at not more than 4 listed companies. However, should a director and the Chief Executive Officer hold a director position in another company which does not fit the above case, they must notify the Board of Directors accordingly.

Subsidiaries and Joint Venture Performance Monitoring

The Board of Directors has set up the policy and authorized the Company's management to monitor the performance of subsidiaries and joint venture as follows:

- Consider and assign qualified candidates to act as the Company's representatives to be directors and/or executives of subsidiaries and joint venture in proportion of shareholding so as monitor and control those businesses.
- Report for acknowledgement of the Board of Directors about assignment together with their qualifications.
- Monitor subsidiaries and joint venture to perform their operation in compliance with the authority table including disclosure and any action complying with the SET's law, regulation and notifications as well as the guideline practice of connected transaction and acquisition or disposition of assets.
- Report the summary of subsidiaries and joint venture's operating performance to the Board of Directors on quarterly basis. In addition, in case of significant transaction such as an increase or decrease of capital, company dissolution, etc., it is required to being proposed for prior approval of the Board of Directors.

2. Executives

As of 31 December 2020, the Company Management consists of 6 members directors as follows:

1. Mr. Smai Leesakul	Chairman of Executive Committee
2. Mr. Pasit Leesakul	Chief Executive Officer
3. Mrs. Podchanee Phaosavasdi	Chief Commercial Officer
4. Mr. Loh Eng Kee	Deputy Chief Operating Officer
5. Ms. Pavita Leesakul	Vice President, Corporate Affairs Division
6. Ms. Rewadee Ardham	Senior Accounting Manager

Scope of duties and responsibilities of Chief Executive Officer

1. To support operations and administration of Board by advising and informing Board members, interfacing between board and staff.
2. To set the work-system for product & service production and delivery including marketing, bidding, design, procurement.

3. To take responsibility in financial, tax, risk and facility management of the company and also recommends yearly budget for Board approval and prudently manages organization's resources within those budget guidelines according to current laws and regulations.
4. To effectively manage the human resources of the organization according to authorized personnel policies and procedures that fully conforms to current laws and regulations.
5. To manage the community and public relations by assuring that the organization and its mission, programs, products and services are consistently presented in strong, positive image to relevant stakeholders.
6. To oversee fundraising planning and implementation, including identifying resource requirements, researching funding sources, establishing strategies to approach funders, submitting proposals and administering fundraising records and documentation.
7. To perform any other duties as delegated by the Board of Directors.

Chief Executive Officer shall be directed by and report to the Board of Directors. He will also consume the position of Chairman of the Management Committee.

The Chief Executive Officer does not have the authority to undertake any of the Company's or its subsidiary's issues that might create conflict of interest for the Chief Executive Officer or other stakeholders. (according to the Company's regulations stipulated by the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand.)

3. Company Secretary

The Board of Directors appointed Ms. Fungfun Chansiri as the Company Secretary effective from 24 February 2021.

Scope of duties and responsibilities of Company Secretary

1. Prepare and file documents related to
 - Director Registration.
 - Notice of the Board of Directors Meeting including committees for which she acts as secretary to those committees; Remuneration and Nomination Committee and Corporate Governance Committee.
 - Minutes of Meetings of the Board of Directors and those committees' meetings.
 - Notice and Minutes of Shareholder Meetings.
2. Keep record of conflict of interest report and independent certification letters of directors and executives and propose copies to Chairman of the Boards and Chairman of the Audit Committee within 7 days after receipt of such reports.
3. Handle any actions required as per the regulation of the Office of the Securities and Exchange Commission and as assigned by the Company such as
 - Giver advice related to relevant laws and regulations including the code of conduct of corporate governance practice so that any activities of the Board of Directors are undertaken in compliance with those relevant laws.
 - Handle the Board of Directors Meetings, Remuneration and Nomination Committee Meetings, Corporate Governance Committee Meetings and Risk Management Committee Meetings.
 - Act as contact person for completed information disclosure as required by relevant laws to the Securities and Exchange Commission and Stock Exchange of Thailand.
 - Carry out any tasks as assigned by the Company.

4. Directors and Management's Remunerations

● Cash Remuneration

(A) Directors' Remuneration in 2020

In 2020, the directors' remuneration can be summarized as follows:

1. Monthly remuneration: Baht 50,000 per month for Chairman of the Board of Directors, Baht 25,000 per month for Chairman of the Audit Committee, Baht 20,000 per month for each independent director and Baht 10,000 per month for each Executive Directors.

2. Special remuneration or bonus: no special remuneration or bonus for the year 2019

3. Meeting Fee: Baht 10,000 per person per meeting for the Audit Committee, Remuneration and Nomination Committee, Corporate Governance Committee and Risk Management Committee. (for independent director only)

For subsidiaries, in 2020, the director remuneration was arranged and paid for Sahakorn Wisavakorn Co., Ltd. only and in a form of monthly remuneration at the rate of Baht 10,000 per person.

The summary of the directors' remuneration as follows;

(Unit: Baht)

Name-Surname	TRC Director Remuneration					Sahakarn Wisavakorn's Director Remuneration	Total of Remuneration
	Board of Directors (2020 monthly Remuneration)	Meeting Fee					
		Audit Committee	Remuneration and Nomination Committee	Corporate Governance Committee	Risk Management Committee		
1. Mrs. Paichit Rattananon	600,000	Not a member	Not a member	Not a member	Not a member	120,000	720,000
2. Mrs. Rachadaporn Rajchataewindra	300,000	40,000	20,000	Not a member	30,000	Not a member	390,000
3. Assoc. Prof. Kamjorn Tatiyakavee, M.D.	240,000	40,000	10,000	Not a member	30,000	Not a member	320,000
4. Mrs. Puangthip Silpasart	240,000	40,000	20,000	20,000	Not a member	Not a member	320,000
5. Assoc. Prof. Pises Sethsathira	240,000	Not a member	20,000	10,000	Not a member	Not a member	270,000
6. Mr. Smai Leesakul	120,000	Not a member	Not a member	Not a member	Not a member	120,000	240,000
7. Mr. Pasit Leesakul	120,000	Not a member	No Meeting Fee	Not a member	No Meeting Fee	120,000	240,000
8. Mrs. Podchanee Phaosavasdi	120,000	Not a member	No Meeting Fee	No Meeting Fee	No Meeting Fee	120,000	240,000

(Unit: Baht)

Name-Surname	TRC Director Remuneration					Sahakarn Wisavakorn’s Director Remuneration	Total of Remuneration
	Board of Directors (2020 monthly Remuneration)	Meeting Fee					
		Audit Committee	Remuneration and Nomination Committee	Corporate Governance Committee	Risk Management Committee		
9. Ms. Pavita Leesakul	120,000	Not a member	Not a member	No Meeting Fee	Not a member	Not a member	120,000
Total remuneration for TRC directors amounted to Baht 2,380,000	2,100,000	120,000	70,000	30,000	60,000	480,000	
10. Mr. Sakda Tantivatthanakul	Not Director of TRC					120,000	120,000
Total remuneration for SKW directors						600,000	
Grand Total of TRC and SKW directors remuneration							2,980,000

(B) Management Committee's and Management's Remuneration of TRC

Remuneration	2019		2020	
	Persons	Amount (MB)	Persons	Amount (MB)
Salary	6	27.85	5	22.80
Bouns	6	2.38 (2018 Bonus)		0
Total		30.23		22.80

- Note:
- 5 managements consist of Mr. Smai Leesakul, Mr. Pasit Leesakul, Mrs. Podchanee Phaosavasdi, Mr. Loh Eng Kee and Ms. Pavita Leesakul.
 - The management's remuneration consists of salary, bonus, life & group accident insurance, health insurance, commencing year group social security funds and counterpart for provident funds but not include Accounting Manager's and Finance Manager's remuneration.

(C) Remuneration of Chairman of Executive Committee and Chief Executive Officer

The Remuneration and Nomination Committee is responsible for evaluating work performance and determining the remuneration of Chairman of Executive Committee and Chief Executive Officer before proposing it to the Board of Directors for approval.

The remuneration of Chairman of Executive Committee and Chief Executive Officer includes salary, bonus, social security contribution, provident fund contribution, health insurance, a company car with driver, and fuel allowance.

- **Other Remunerations**

(A) Other remuneration of directors

The Chairman of the Boards receives the counterpart for provident funds (total of Baht 42,000 in 2020) life & group accident insurance, health insurance, car, driver and fuel.

(B) Other remuneration of independent directors

The independent directors gain the health insurance

(C) Other remuneration of executives

Provident Fund

Allowance	2019		2020	
	Persons	Amount (MB)	Persons	Amount (MB)
Provident Fund	4	0.95	4	1.07

Note: 4 managements consist of Mr. Smai Leesakul, Mr. Pasit Leesakul, Mrs. Podchanee Phaosavasdi and Ms. Pavita Leesakul.

5. Employees

As of 31 December 2020, the Company and Sahakarn Wisavakorn Co., Ltd. had the total number of 1,573 staffs consisting of 313 permanent and 1,260 temporary as follows:

Division	Number of employees	
	2019	2020
Permanent staffs		
Management (from Vice President upwards)	6	7
Commercial Division	18	18
Engineering Division	51	47
Operation Division	93	92
Construction Service Division	26	16
Corporate Affairs Division	75	82
Quality Management Division	63	31
Accounting & Finance Division	21	20
Total	353	313
Temporary staffs	886	1,260
Grand total	1,239	1,573

● The Employee's Remuneration

In 2020, the Company and Sahakarn Wisavakorn paid the employee's remuneration of Baht 501.31 million consisting of salary, overtime, bonus, social security funds and counterpart for provident funds, etc.

(Unit: Million Baht)

Remuneration (excluding directors and executives named in the preceding section)	2019	2020
Permanent staffs	328.65	309.48
Temporary staffs	182.00	191.83
Total	510.65	501.31

● Provident Fund

The Company has established "TISCO Master Pooled Fund" - a registered provident fund managed by Tisco Securities Co., Ltd. with a view to building employee morale and spirit, and encouraging long-term employment. In 2020, the Company's and Sahakarn Wisavakorn Co., Ltd.'s contributions to this provident fund were Baht 5.90 million and Baht 2.61 million respectively.

● Employees Development Policy

According to TRC Group's philosophy, employees are the organization's most valuable asset. The Company's ongoing commitment and focus has always been around the management of human resources. The Company's policy on human resources development and management is summarized below.

1. The Company's recruitment of new employees is a disciplined process and takes into consideration the qualifications of individual applicant and the requirements of each position. Before starting the job, all new hires are required to attend the orientation in which each will be given clearly-defined job description in details.

2. The presence of remuneration and fringe benefits procedures, in addition, to the minimum employee welfare as required by law, the Company has designed the following benefits for employees.

2.1 Health insurance with coverage spanning in-patient and outpatient medical bills, surgical fee, accident and emergency care, and dental care.

2.2 Group life and accidental insurance.

2.3 Non-compulsory provident fund has been established for employees to accumulate savings for their retirement. Subject to the law, the Company's contribution to this fund is commensurate with the number of employment years and each employee may voluntarily decide, at his/her own discretion, to remit a contribution at a rate of 3 to 10%.

3. Pursuant to the policy earlier approved by the Board, the Remuneration and Nomination Committee is responsible for considering the Company's and Sahakarn Wisavakorn Co., Ltd.'s framework and budget for salary increments and bonuses on a yearly basis. In defining the above framework that is appropriate and in line with short-term and long-term operating performance, the Committee has taken into consideration both external factors (projected inflation rate, economic situation, the average rates of salary increments and bonuses of other companies in construction business) and internal factors (the Company's operating results, long-term investment plan, historical records of salary increase and bonus).

4. Human resources development plan has been continually updated. The objective of this plan is to improve both basic and specific/technical knowledge and skills as follows.

4.1 For new employees

The Company has regularly organized an orientation session in which new employees would be provided with basic knowledge necessary for their job positions, which includes the background and business nature of TRC Group, basics of business models, corporate vision, mission and goals, basics of ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 quality management systems, basics of information technology and operating systems, and practices for safety in workplace.

4.2 For all level permanent employees

It is the Company's policy to encourage employees to periodically attend training courses in order to develop and improve their skills and proficiency in both general management and technical subjects. The Company has also invited outside professionals as guest instructors for in-house trainings.

Trainings in 2020:

- Behavior-Based Safety (BBS) training course to enhance safety-awareness culture within the organization and reduce work-related accident.
- OSH&E training course for staffs who were appointed as OSH&E committee according to Ministerial Regulation on the Prescribing of Standards for Administration and Management of Occupational Safety, Health and Environment B.E.2549 (A.D.2006)
- Basic Fire Fighting and First Aid training course according to Ministerial Regulation Prescribing Standards for Management and Operation on Occupational Safety, Health and Environment in relation to Fire Prevention and Suppression B.E. 2555 (2012)
- Safety, Health and Environment in the Workplace training course for general and newly recruited staffs and for supervisors according to Occupational Safety, Health and Environment Act B.E.2554 (A.D.2011)
- Key Performance Indicators (KPIs) training course which conducted yearly for staffs at all levels to ensure understanding and precise execution that in line with the Company's policy to be able to effectively apply to the Company's achievement plan.
- Confined Space training course according to Ministerial Regulation Prescribing Standards for Management and Operation on Occupational Safety, Health and Environment in relation to confined space works.
- Crane Operator, Signaler and Rigger training course to ensure knowledge and regulation related to crane operation as required by law
- Training on Skills Development in various designing programs such as Solid works, Solid works Flow simulation, GEO-5, Tekla for engineering design to maximize work efficiency

For 2020, the Company encouraged employees at all levels to attend trainings. The training hours can be summarized as follows:

(Unit: Hour)

Training (Excluding to Directors)	2019		2020	
	Internal training	External training	Internal training	External training
Staff level	294	189	189	24
Supervisory level	135	87	87	432
Total training hours	429	276	276	456

5. Employee relations activities. The following activities were held to build, strengthen and enrich relationship in the organization.

5.1 Facilitate communication between the human resource division and employees via establishment of a Group Line – “Mr. Engage”. This is to provide convenient access to information and advices to staffs.

5.2 Lunch Talk. This is the activity giving the Company’s staff an opportunity to socialize with management on such special occasions as Big Cleaning Day, Songkran Festival, etc.

5.3 Establish HRBP (Human Resource Business Partner) to effectively assist employees with problems they may have.

5.4 Five Sor activity to build employees’ discipline and healthy habits. In addition to peer evaluation, the Company’s management has also taken part in evaluating the achievement.

5.5 Organize annual New Year party dinner and activities to foster good relationship between the management and the employees at the head office and their counterparts at the various project work sites amid warm and casual environment.

6. The Company has recognized the importance of intra-organizational communication, especially between the Company and its employees. On the part of the Company, the communication is basically made via the Corporate Communication Department – a central unit responsible for collecting and disclosing, via a variety of channels, corporate information to all employees to ensure their understanding in corporate policies, rules and regulations, news, and events. Communication channels mainly used include the intranet, e-mail, Application Line, and bulletin boards. The information disclosed through intranet is wide-ranging e.g. ERP-based learning content, ISO 9001:2015, ISO 14001:2015, and OHSAS 18001:2007 requirements, photos of staff activities, staff news and updates which include monthly events, reminder of employees’ birthdays, introduction of new employees, etc.

7. The Company has also made the principles of human rights central to the corporate culture. The Company’s practices of human rights non-violation, non-gender discrimination, employment of the disabled, and gender equitable employment opportunities are testament to its true respect of human rights.

8. The Company has made available the channels – that is, HR manager and Suggestion Box – for any employees to express their opinions or submit complaints. HR manager is responsible in collecting employees’ suggestions and complaints made through such channels, and bringing them to the attention of the HR Sub-Committee for consideration and further actions. The complainant’s identity is to be strictly kept confidential.

● Significant Labor Legal Dispute during the past 3 years

None

Corporate Governance



Corporate Governance Policy

Having recognized the importance of effective, transparent and accountable administration that result in all stakeholders' trust and sustainable business growth, the Company, with work ethics and related laws compliance in mind, define good corporate governance policy to promote existing procedure for systematically execution of staffs at all levels and genuinely created good corporate governance culture. With policy or practice that fairly preserve shareholder's right as required by laws or even stricter for the highest benefit of the Company, shareholders and stakeholder in the long run, the Company developed manuals of Good Corporate Governance, Ethics and Code of Conduct and Anti-Corruption Policy for the directors, management and employee to apply with consideration to all stakeholders and compliance to laws and regulations with morality, fairness and equality. These manuals were published in the Company's website under "Sustainability/Corporate Governance" and incorporated as part of employee's Work Regulations.

The Company has strong determination to make sure that the policy and practice are being followed in a stringent manner and to continuously improve the Company's corporate governance. As a result, in 2020, the Company received "Excellent" rating from the Corporate Governance Report of Thai Listed Companies 2020 (CGR 2020) conducted by the Thai Institution of Directors (IOD).

Compliance to Good Corporate Governance

1. Rights of the Shareholders

The Company has a policy to equitably facilitate all shareholders, for instance, shareholder's right to attend and vote at the shareholders' meeting, to receive profit and dividend, to receive enough information, to have opportunities to propose in advance the meeting agenda and nominate qualified person for director position, to freely question and express opinion at the meeting. The Company also encourage all Board of Directors, management and auditors to participate at the meeting.

1.1) Arrangement of Shareholders' Meeting

The Company arranged the 2020 Annual General Meeting of Shareholders on 24 April 2020 at the Company's Multifunction Room, 2nd Floor, No.8, Soi Sukhapiban 5 Soi 32, Tha-Raeng, Bangkok, Bangkok.

1.2) Notice of the Meeting

The Company published the resolution of 2/2020 Board of Directors Meeting on 13 March 2020 regarding the determination of shareholders' meeting schedule and shareholders' right to attend the 2020 Annual General Meeting of Shareholders respectively at the Stock Exchange of Thailand's portal.

Prior to the 2020 Annual General Meeting of Shareholders, the Company has provided opportunities to shareholders to be part of the Company's corporate governance and selection of qualified persons by proposing meeting agenda or proposing suitable persons for director position during 30 September – 31 December 2019. Rules and consideration process were disclosed at the Company's website.

The Company published the invitation to 2020 Annual General Meeting of Shareholders, Thai and English, with supporting document in the Company's website and the Stock Exchange of Thailand's information portal on 24 March 2020 (30 days prior to meeting date). The notice of the meeting was sent out on 16 April 2020 and announced in the daily newspaper for 3 consecutive days before the meeting (during 13-15 April 2020) to ensure sufficient preparation time of shareholders to attend the meeting.

1.3) At the Shareholders' Meeting

Before the meeting started, Chairman introduced directors, legal advisor and auditor to the Meeting. The legal advisor then explained the process of the meeting, vote casting and number of votes required in each agenda. The meeting was held in sequence according to notice of the meeting without additional agenda. For the agenda regarding director's remuneration, remuneration policy and procedure were presented to shareholders by separating into remuneration of the Board of Directors and subcommittee directors. Individual director was proposed to the meeting to cast their votes in the ballot for record of evidence while in other agenda, the ballot was used in case of disapprove or abstain.

Moreover, at the Meeting, Chairman was open for shareholders to express their opinion, suggestion and question freely and equitably. Directors and management presented were together responded and gave detailed information to the meeting prior to each agenda's vote casting.

1.4) Disclosure of Shareholders' Meeting Resolution

The Company disclosed meeting resolution with vote results at the evening of meeting day via the Stock Exchange of Thailand's portal and submitted minutes of the shareholders' meeting which included name and position of directors, management, advisors and auditors who were present at the meeting, voting procedure, vote result of each agenda, summary of inquiries, opinion and suggestion given by shareholders and clarification and answer given by directors and management through SET's disclosure information portal within 14 days after the meeting date. Minutes of meeting in Thai and English including VDO and voice record of the 2020 Annual General Meeting of Shareholders was uploaded on the Company's website on 8 May 2020.

The Company ensure minor shareholding structure to be in accordance with the Stock Exchange of Thailand's requirement. As at 27 March 2020, on which the share register book was closed to determine the shareholders who have the rights to attend the meeting, minor shareholding structure of the Company was accounted for 69.67%.



2. Equal treatment for all shareholders

The Company treated each shareholder, major or minor, equally regardless of gender, age, race, nationality, religious, social status or political point of view and in any case the shareholder unable to attend the meeting, such shareholder can authorize other person as their proxy to attend the meeting on their behalf.

2.1) Proxy

In the case when shareholder cannot attend the meeting, such shareholder can authorize other person or one of the Company's independent director, as stated in proxy form, as their proxy to attend the meeting and cast the vote on their behalf. Proxy form and other details were published in the Company's website 30 days prior to meeting date and shareholders can ask for further information by phone or email.

2.2) Proposal of Meeting Agenda and Person for Director Position

The Company provided communication channel for shareholders to propose additional meeting agenda, name of suitable person for director position and questions prior to the Board of Directors Meeting to consider agenda to be proposed at the shareholders' meeting. Details as mentioned in 1. Rights of the Shareholders.



3. Roles of Stakeholders

The Company realized the importance of those internal and external stakeholders with consideration to effect and equal treatment to all stakeholders. Therefore, guideline of treatment to each group of stakeholders was implemented as follows:

3.1) Employees

Employee is one of the most important stakeholder that drive the organization to its target. The Company then communicate vision, mission and objective to employee at all levels. The Company treats every employee equally, respect human rights according to relevant laws and standard such as promotion opportunity, capability development, work skills, remuneration and fringe benefit. Nonetheless the Company has policy in Safety, Health and Environment that ensure safety in life and property and provided sufficient and appropriate working facility that prevent injury or lost from accident or illness caused from work.

3.2) Shareholders

The Company determined to operate business in transparency, fair and equity to all shareholders' right whether minor shareholders or institution investor. The Company focus to build growth to business to enhance longevity and competitiveness and provide proper and sustainable profit to shareholders. The policy to make dividend payment of not less than 40% of net profit was initiated and the information that is correct, complete and timely was published through various channel i.e the Stock Exchange of Thailand's portal and/or the Company's website.

3.3) Competitors

The Company and subsidiaries has its policy to support the cooperation of the business competition for the highest benefit of the customers under free competitive covenant on fairly basis, has not search for confidential information of the competitors by dishonest and inappropriate method, non-disclosed or neglected until the Company's confidential information leaked to the competitors, not defamed the competitors by calumniating or other inappropriate methods and omitted any unfair persecution or caused lost opportunity against the competitors.

3.4) Customers

The Company commit to serve punctual and quality service with fair price to customers' requirements and strictly perform in accordance with the conditions and contracts. Also, the customers'

confidential information has been protected and not used for their benefits or other persons concerned.

The Company places importance on safety during project execution and completion of works to be delivered as the absolute first priority since nature of business is the service construction of energy and petrochemical industries. The Company also emphasizes training of the Quality Assurance Department continuously in order to obtain standard of works under the highest safety.

Moreover, during the construction, meetings with customers' representatives are held regularly for every project. Site visit by customers is always welcomed for explanation of required clarification in relation to the construction to ensure their confidence towards all process of working. Those services arranged for customers always lead to customers' reliance and satisfaction on the Company's working standard.

3.5) Partners

The Company and subsidiary establish clear direction and practices for procurement agreement and trading partner selection. In addition, the registration of suppliers has been set in order to have fair, transparent, and examinable procurement process. Also, to ensure of no conflict of interest of directors, management and employees, the Board of Directors sets the guideline of practice that directors, management and employees concerned with making decision to any transactions have to submit a confirmation letter of independence to the primary trade partners.

3.6) Creditors

The Company and subsidiaries strictly comply with all agreements made with financial institution creditors and all trading agreements made with trade accounts payable, especially for goods and service payment. In each year, construction site visits are arranged for creditors to acknowledge the progress of the project they have supported the project financing and also the meetings between the Company's management and the creditors have been held to review and consider the appropriate credit line, mortgages, condition and financial fee and to promote good relationship between both parties.

3.7) Society and Community

The Company aware of responsibility to social, community and environmental development and has policy to allocate budget to support in relevant projects and activities and encourage



directors, management and employee to participate in the activity to be part of social responsibility and community development.

Apart from the treatment to stakeholders guideline, the Company also provided ethics and code of conduct and anti-corruption policy in section 3 and 4 in ethics and code of conduct manual for directors, management and employee's acknowledgement, understanding and compliance.

The Company disclosed guideline regarding quality, safety, health and environment management in section 11. Responsibility to Social and Environment.

4. Disclosure of Information and Transparency

The Company realized the importance of disclosure of data and information, whether it relates to finance or not, to all stakeholders with equality in correct, complete, timely and transparency manner via easy-access channel such as the Stock Exchange of Thailand's portal and/or the Company's website pursuant to the Stock Exchange of Thailand's standard in both Thai and English, for instance, company information, financial information, annual report, PR news and regularly update the Company's website to ensure that shareholders and stakeholders are thoroughly informed.

Directors and management are required to declare their interest in report form yearly or at time when there is any changes and prepare document confirming their independency each year. The Company Secretary then present such report to the Chairman of Audit Committee and Chairman of the Board of Directors within 7 working

days from the received date in accordance with the Securities Exchange Act B.E 2535 (1992). Furthermore, such information can also be used to check for and avoid potential conflict of interest. As for the report on holding of securities, the rules pertaining to the supervision and use of internal information will be applicable.

● Director and Management's Acquisition and Sell of the Company's Share

In 2020, Directors and Management's share transaction were as follows:

Name - Surname	Position	Shares as at 31 Dec 2019	Acquire during the year	Disposal during the year	Shares as at 31 Dec 2020 (Paid up capital Baht 1,198,393,354.75)	
					Share	%
1. Mrs. Paichit Rattananon	Chairman	34,913,971	-	-	34,913,971	0.364
		(In the name of Mrs. Paichit)				
		2,712,797,314	-	-	2,712,797,314	28.296
		(In the name of KPK 1999 Co., Ltd) ⁽¹⁾				
				Total	2,747,711,285	28.660
2. Mrs. Rachadaporn Rajchataewindra	Independent Director and Chairman of Audit committee	-	-	-	-	-
3. Assoc. Prof. Kamjorn Tatiyakavee, M.D.	Independent Director and Audit committee	-	-	-	-	-
4. Mrs. Puangthip Silpasart	Independent Director and Audit committee	-	-	-	-	-
5. Assoc. Prof. Pises Sethsathira	Independent Director	4,049,999	-	-	4,049,999	0.042
6. Mr. Smai Leesakul	Director and Chairman of Executive Committee	117,631,494	-	-	117,631,494	1.227
7. Mr. Pasit Leesakul	Director and Chief Executive Officer	10,919,998	-	-	10,919,998	0.114

Name - Surname	Position	Shares as at 31 Dec 2019	Acquire during the year	Disposal during the year	Shares as at 31 Dec 2020 (Paid up capital Baht 1,198,393,354.75)	
					Share	%
8. Mrs. Podchanee Phaosavasdi	Director and Chief Commercial Officer	-	-	-	-	-
9. Ms. Pavita Leesakul	Director and Vice President, Corporate Affairs Division	17,645,411	-	-	17,645,411	0.184
10. Mr. Loh Eng Kee	Chief Operating Officer	2,515,574	-	-	2,515,574	0.026
11. Ms. Rewadee Ardham	Senior Accounting Manager	163,249	-	-	163,249	0.002
Total as at 31 December 2020		Including shares held by KPK 1999 Co., Ltd.		2,900,637,010	30.255	
		Excluding shares held by KPK 1999 Co., Ltd.		187,839,696	1.959	

Note: ⁽¹⁾ KPK 1999 Co., Ltd. is the company of which 50.50% shares are held by Mrs. Paichit Rattananon, Chairman.

● Communication Channels to the Public

The Board of Directors recognizes the significance of correct, complete, timely, transparent, and thorough information disclosure, the communication and PR of the Company's information was announced in various channels i.e. the Company's website, www.trc-con.com, under "Investor Relations" was used for PR NEWS, management's interview in newspaper or magazine. The Board of Directors assigned Mr. Pasit Leesakul, Director and Chief Executive Office, Ms. Pavita Leesakul, Director and Vice President, Corporate Affairs Division, and Investor Relations department to be responsible in information disclosure and communicate with investors, shareholders, analysts, media and other concerned organization. Investors can inquire company's information by telephone number +66 2022 7777 extension 3212 or by email ir_trc@trc-con.com.



5. The Directors' Responsibilities

The Board of Directors consists of knowledgeable and capable individuals who play an importation role in determining the Company's strategy and policy, monitor, supervise and assess the Company's operation results. The directors perform their duties with responsibility, honesty, carefully protecting the Company's benefit and considering good corporate governance to build shareholders and stakeholders' trusts. The Board of Directors supervise the Company's operation to ensure laws compliance and in line with the Company's objectives and articles of association to create business value and highest benefit to the Company and shareholders.

● Vision, Mission and Strategies

The Board of Directors has policy to review the Company's vision, mission statements and business strategies every year. Coporate Strategy department is responsible to encourage management and employee to participate in determining target and strategy, to supervise that such strategy is practically used and to assesss whether it is inline with the determined objectives and/ or target. The 5/2020 Board of Directors meeting on 21 October 2020 reviewed vision, mission and objectives which the Company has publicized to employee and disclosed on the Company's website under "About us/Vision Mission Objectives".

Furthermore, the Company's Board of Directors has a policy to allow the management to propose annual corporate objectives to the Board of Directors for approval. This involve setting of corporate performance index to measure various activities, such as value of new projects

received during the year, number of new clients, level of clients' satisfaction. Weighted scoring system and criteria for assigning points for each category being evaluated will produce an average score for the evaluation. The Board of Directors has assigned the management monitor to see if the corporate strategies are being implemented, conduct an evaluation, and report the results to the Board of Directors. The results of the evaluation will be used in conjunction with other factors to review if the corporate vision, mission and objectives are still appropriate. This will also help justify the increase of salaries and annual bonuses, as well as a reference for setting corporate goals for the following year.

● Structure and qualifications of the Board of Directors and Directorship in other company

The Board of Directors consist of 9 members who meet the required qualifications and do not possess prohibited characteristics under the Public Company Limited Act. The Board should comprise persons with a variety of skills and expertise, regardless of gender. The Company has clearly separated positions between Chairman of the Board of Directors and Chief Executive Officer. The composition of the Board of Directors consists of four independent directors, representing more than one-third of the entire Board. This contributes to proper checks and balances and crosschecking of management.

The recruiting and appointing of Company's directors must go through the consideration and review process of the Remuneration and Nomination Committee. In each year, not less than one-third of the directors must step down in accordance to their tenure. The Company requires that each director is a Board member of not more than 4 listed companies. The Chief Executive Officer must report to the Board if a director serves as a Board member in another company. As of 2018, the structure of Board Directors will be reviewed annually, via the Skill Matrix to consider the work skills and work experience of each director. In 2020, the Board of Directors felt the directors have diverse skills and work experience which are beneficial to the Company's business operations. However, in compliance to the good corporate governance code and principles, the Company has to recruit an additional independent director in order to maintain the proportion of independent director at over 50%.

No directors serve as Board member in more than 4 listed companies in accordance to the recommendations of The Stock Exchange of Thailand and the policy of the Company / subsidiaries. Details of each director have Board member post in other companies are shown in the "Board of Directors and Executives".

- **Segregation of the Chairman of the Board of Directors and the Chief Executive Officer**

The Chairman of the Board of Directors is not the same person as the Chief Executive Officer. The duties and responsibilities of the Chairman of the Board of Directors are clearly specified under “Management Structure”. The Chairman of the Board of Directors is Mrs Paichit Rattananon, who is a representative of the shareholders, and is not an independent director.

The Company’s Chief Executive Officer is Mr. Pasit Leesakul.

- **Tenure of Independent Directors**

Members of the Board of Directors are appointed at the Shareholders’ Meeting. The tenure of director is in accordance to the Company’s articles of association and be re-appointed after their terms expired. Even though the Company has 1 independent director with over 9 years of service as Board of Directors member, such director has skills, knowledge and work experiences that are beneficial to the Company with no conflict of interest and independent from management and major shareholders. Therefore, for the highest benefit to the Company, there is no policy to limit serving years for independent director position.

- **Orientation for New Director**

When new director is appointed, the Company arrange orientation and provide the Charter of Board of Directors, latest Annual Report, Good Corporate Governance manual, Ethics and Code of Conduct manual, Anti-Corruption policy, VDO presentation of company information and significant projects for such new director. Slide presentation with the Company’s business information is prepared for the Chairman of Executive Officer to present to new director to ensure necessary information for his/her service.

- **Self-assessment of the Board of Directors**

The Board of Directors set up the policy requiring all directors to conduct assessment of the performance of the entire Board of Directors using the self-assessment form for the Board of Directors provided by the Corporate Governance Development for Capital Market Department, Stock Exchange of Thailand. For 2020, the Company used the form issued in February 2015 and updated information about the Company for each topic with the additional information for certain topics to support the assessment of the directors. There are 6 major topics for assessment:

1. Structure and qualifications of the Board of Directors
2. Role, duties and responsibilities of the Board of Directors
3. Meetings of the Board of Directors
4. Performance of Duties as Director
5. Relationship with management
6. Directors and management development

In addition, the performance of each Board director and directors of 4 subcommittees (Internal Audit Committee, Remuneration and Nomination Committee, Corporate Governance committee, Risk management Committee) will be evaluated in 3 categories - 1. Structure and qualifications 2. Meeting 3. Roles, duties and responsibilities. The overall score earned from the performance evaluation of the Board of Directors, the individual director and the subcommittee directors will be shown to all the directors to serve as reference for correcting deficiencies and making improvements. For 2020, the performance evaluation results showed the Board of Directors received an overall score of over 90%.

- **Performance Appraisal for Chairman of Executive Committee and Chief Executive Officer**

The Board of Directors assigns the Remuneration and Nomination Committee to handle the performance appraisal for Chairman of the Executive Committee and Chief Executive Officer on annually basis and also determine the annual remuneration for him prior to proposing the appraisal result for consideration of the Board of Directors Meeting for approval of his remuneration annually.

- **History of Misconduct against the Regulation of the Stock Exchange of Thailand and the Securities and Exchange Commission**

The Company has no record of misconduct against the regulation of the Stock Exchange of Thailand and the Securities and Exchange Commission.

- **Sub Committees**

The Company's Board of Directors has appointed a number of directors from the Board and executives to serve as subcommittee directors. The Board of Directors established 5 subcommittees - Audit Committee, Remuneration and Nomination Committee, Corporate Governance committee, Risk management Committee and Executive Committee to handle specific tasks. The scope of authority and responsibilities of the subcommittees are clearly specified in writing and disclosed on the Company's website and in the Company's annual report. The subcommittee has the authority to request the management to attend meetings to clarify issues, or to prepare reports and/or hire a consultant to provide recommendations as deemed appropriate.

The Board of Directors has approved the use of a handbook which serves as a reference on the scope of authorization for managers and supervisors at various levels in the organization. This serves to decentralized authorization to improve operations efficiency, minimize potential risks, and create a standardized system which is in compliance with the Company's internal controls framework. This handbook will be reviewed regularly and revised if necessary to fit changing operating environment.

- **The Audit Committee**

The Audit Committee consists of 3 independent directors whose qualifications are in line with the criteria of the Stock Exchange of Thailand and the Securities and Exchange Commission in which the proportion of shareholding of the independent directors was set to not more than 0.75% which was stricter than the Securities and Exchange Commission's regulations that set at 1%.

Since 2015, the Company hired EI Business Advisory Co., Ltd. to perform duties as the internal auditor in place of the Internal Audit Department. This is to facilitate independence in performing duties and allows the auditor to report directly to the Audit Committee.

- **The Remuneration and Nomination Committee**

The Remuneration and Nomination Committee comprised of 6 directors - 4 independent directors, the Chief Executive Officer and 1 executive director. These directors are responsible for recruiting directors and consider the remuneration for the Board of Director and the Chief Executive Officer. In 2020, there were 2 meetings to consider the 2021 merit increase and 2020 bonus for the Company and subsidiaries and for the Chairman of Executive Committee and the Chief Executive Officer; and to select director to replace director whose tenure has expired or resigned. The selected director must have the required qualifications, work skills, specific expertise and experience which would benefit the Company's business operations. The Remuneration and Nomination Committee also reviewed the Charter of the Remuneration and Nomination Committee.

- **The Corporate Governance Committee**

The Corporate Governance Committee comprises of 2 independent directors and 2 executive director. These directors are responsible for overseeing the Company and subsidiaries' operations to be in compliance to the Good Corporate Governance Code and principles. In 2020, the Corporate Governance Committee held 2 meetings to review the plan and summary of the Corporate Social Responsibility (CSR) 2020 operating results, acknowledge the publicly listed companies' corporate governance survey results for 2020, and acknowledge the Corporate Governance Report (CGR) criteria for 2018 which are being undertaken / not yet undertaken, including the review of the Charter of the Corporate Governance Committee Charter, and reviewed how the Company and subsidiaries performed with regards to compliance to the Securities Exchange Commission (SEC) and The Stock Exchange of Thailand (SET) listed firms Corporate Governance Code (CG Code) 2017 guidelines. The Company will address the areas which are still not in full compliance with the CG Code within the appropriate time frame to fulfill all the requirements / obligations.

- **The Risk Management Committee**

Risk Management Committee consists of 2 independent directors, the Chief Executive Officer and 1 executive director to perform their duties in relation to risk management. In 2020, the committee held 3 meetings to acknowledge the overview of risk management; to approve the risk management plan and the preparation of annual report only the part relevant to risk management; and to review the Risk Management Committee Charter. In addition, there has been the appointment of the Risk Handling Sub-Committee and the Risk Task Force assigned with duties to perform and manage risk-related tasks in accordance with corporate policies, vision and strategic plan and to conduct the assessment of risks in varied dimensions.

- **Executive Committee**

Executive Committee consisting of 4 executive directors which are responsible for developing plans, policies, direction, business strategies, and management structure for the Company's core business operation; considering the Company's performance in terms of profit/ loss, and the interim or annual dividend payment before proposing it to the Board of Directors; and performing other tasks as assigned by the Board of Directors.

● **Report of Board of Directors**

The board of directors is responsible for the Company and subsidiaries' financial statements which are conducted according to the Generally Accepted Accounting Principles with enough significant information disclosed in the note to financial statement. The board of directors appointed the audit committee which comprised of independent directors to be responsible for the quality of financial report and internal control system. The audit committee's opinion to the financial report and internal control system are expressed in the report of audit committee in annual report. Likewise, report on responsibilities of the board of directors to the financial report is proposed to the meeting of board of directors and disclosed in annual report.

● **Succession Plan**

To prevent the potential detrimental impact on the Company's business operation, the Board of Directors has approved the policy on the nomination of Chief Executive Officer and the policy on succession of executive positions in case of emergency or retirement.

● **Directors and Officers Liability Insurance (D&O)**

The business expansion, diverse types of business and transactions which TRC Group engages in today exposes the directors and officers to potential business related risks which can arise as they perform activities, engage in transactions, enter into contractual agreements/ obligations on behalf of the Company and subsidiaries. They expose to potential lawsuits from outsiders, shareholders, stakeholders/ vested parties. Hence, the Board of Directors have instructed the management to consider obtaining the Directors and Officers Liability Insurance (D&O) which specify the terms/ conditions, the amount of insurance and premium and propose it to the Board of Directors for review every year to ensure it is adequate to protect the directors and officers from potential lawsuits and damage/ loss claims as they perform their duties on behalf of the Company and subsidiaries as assigned. The D&O insurance will not cover illegal, or fraudulent actions by the directors and officers in which case the Company and subsidiaries are not liable for any damage, or loss caused by such action. The compensation for damage/loss will have to be sought by the victim from the director/ officer who committed the illegal act.

● **Balance of Power for Non-executive Directors**

As of 31 December 2020, the Company's Board of Directors consists of 9 directors including:

- Chairman, representative from major shareholder 1 person
- Independent directors 4 persons
- Executive directors 4 persons

- **Remunerations for Directors and Management**

The Remuneration and Nomination Committee proposes directors' remuneration and bonus to the Board of Directors Meeting to later propose to the Annual General Meeting of Shareholders for approval including to propose the remuneration of Chairman of Executive Committee and Chief Executive Officer for approval by the Board of Directors Meeting. The remunerations was passed the resolution of the committee in term of appropriateness in comparison with other listed companies. The Company's remunerations for directors are in a form of monthly payment, meeting fee and bonus. The management's remuneration will be in accordance with the principle and policy as set by the Board of Directors and in relation to the Company's operating performance and corresponding to their responsibilities.

- **Directors and Management Development**

It is the corporate policy to encourage and support directors and management to take courses and seminars on a regular and ongoing basis in order to improve their knowledge that could be applied to their jobs and lend to greater work efficiency e.g. a variety of courses organized by the Thai Institute of Directors, the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand, the Thai Listed Companies Association, the Thai Investors Association and other independent organizations.

In view of communicating the Company's policies, goals, business direction and strategies, the Company has been holding a meeting or workshop seminar, at least once a year as required by policy, specifically for the Company's

directors, in which guests with direct, extensive experience were usually invited to be the co-speakers/instructors.

The Company Secretary is responsible for presenting to the Board of Directors all announcements, rules and regulations of the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand and other agencies that the Board of Directors needs to know, including news about seminars and/ or activities that could contribute to a success in the fulfillment of directorship duties.

In 2020, director and executive participation in the training courses and seminars were as follows:

- Mr. Smai Leesakul, director and Chairman of Executive Committee, joined in the Chief of Digital Agro Business Program (CDA) Class 2 organized by the Digital Economy Promotion Agency (DEPA).
- Mr. Pasit Leesakul, director and Chief Executive Officer, joined the 7th TLCA CFO Professional Development Program (TLCA CFO CPD) organized by the Thai Listed Companies Association.
- Mrs. Podchanee Phaosavasdi, director and Chief Commercial Officer, joined study visit at waste disposal plant to generate electricity for the environment at solid waste disposal center in Nong Khaem, Bangkok organized by the Federation of Thai Industries.

The Company emphasized self-development of directors and management, therefore, various trainings and courses by specialist were conducted to build up management's knowledge and understanding for practical use in organization management and preparation of the Company's future growth. Courses conducted in 2020 were stated in "9. Management Structure, Employee Development Policy".

- **Board of Directors Meeting**

The Company determines meeting schedules for the Board of Directors and other subcommittees in advance annually. Meetings of the Board of Directors and the Audit Committee must be held at least once per quarter. Special meetings may be convened as deemed necessary. The Chairman of the Board of Directors shall manage the performance of duties of directors, and shall provide a summary of the meeting agenda to directors for consideration. Each director shall be allowed and encouraged to express opinions freely and meeting time shall be allocated appropriately and efficiently. The Company Secretary helped in preparing the agendas for the Board of Directors' meeting, the invitation letters to attend the meeting

and the supporting documents / materials which will be mailed / delivered to the directors at least 7 working days prior to the Board of Directors meeting date, organize the meeting, store / file the documents related to the meeting and provide advice to the Board of Directors to ensure compliance with the various related laws, rules / regulations, mandates, including brief the Board members about any announcements, various rules / regulations and courses / seminars with related organizations which would benefit them.

The Board of Directors' policy is to encourage each director to attend the Board of Directors meeting regularly, at least 80% of the number of times the meetings are held during the year. In 2020, most of the Board of Directors members attended all meetings, with only 2 directors who did not attend the meeting once and twice out of the total of 7 meetings due to other obligation. The meeting attendance records of each member of the Board of Directors and subcommittee are disclosed under the topic "Management Structure". The Board of Directors also has a policy to allow independent directors to attend meetings together at least once a year without the presence of the executive and the management. In 2020, the meeting of independent directors was held in December.

The Company and subsidiaries added the followings requirements pertaining to good corporate governance:

- Since 2012, meeting between audit committee and accounting auditor, without the presence of executive, or the management, of at least once a year is required. In 2020, such meeting was held in February.
- Since 2016, the passing of the Board's resolution for each Board of Directors' meeting requires the presence of at least two-third (2/3) of the total number of directors.
- Since December 2018, the agenda pertaining to the report involving a director with vested interest must be place first on the list of agendas for the Board of Directors to consider every time. The director with vested interest must not be present at that particular Board meeting which his/her vested interest issue being review by the Board of Directors.

● **Company Secretary**

In 2020, the Board of Directors appointed Ms. Fungfun Chansiri as Company Secretary with duties to facilitate the preparation of meeting agendas and invitations to meeting, organize

meetings, keep records relevant to meetings and conflict of interest reports made by directors and management, give advice in relation to the Board's duties to comply with law, relevant rules and regulations, and oversee the disclosure of information and all compulsory reports to the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission

Regulating the Use of Internal Information

The 7/2018 Board's meeting held on 12 November 2018 resolved to approve the Company's rules / regulations governing the use of the Company's internal information stated in the revised/ amended version (1/2018) which aligns with the Securities and Exchange Act (No. 5) B.E. 2559 (2016). The amended version replaces the previous version which was approved for use in 2005. This set of Company's rules / regulations is a part of the TRC Group's work operations rules / regulations; details as follows:

Definition of Internal Information

Internal information is information which must not be disclosed to any person prior to release to general investors. This comprise of information which has not been approved for disclosure to the general public; information which is relevant to the change in the price, or value of the Company's stocks; information of the Company, or an insider which could influence change in share price, and / or investor's decisions. Such information also include information about listed companies, major shareholders, person(s) with significant authority, or important executive of listed firms; and information which has adequate substance and clarity to influence investors' decisions.

Rules, Regulations on Use of Internal Information

1. The Company and its subsidiaries will adhere to the generally accepted practice of listed companies as required by The Stock Exchange of Thailand (SET) pertaining to the disclosure of internal information which could influence investors' decisions, before such information is released to the securities analysts, outsiders, or the general public. The Chief Executive Officer (CEO), Division Directors and the Company Secretary have been assigned to serve on behalf of the Company to act as spokesperson in disclosing approve information to investors, and the general public.
2. Directors, executives, staffs and employees of the TRC Group and outsiders who have access to the TRC Group's internal information, are required not to disclose such information, or allow it to leak to outsiders and in accordance to the announced guidelines on "proper use, safeguard and management of information technology", as well as limited access (authorized personnel only) to computer server room and prevention of potential damage risk to the Company's information technology system. Company's internal information must not be disclosed without prior approval, or for the benefit of others, or personal gain, both directly and indirectly.

Person/who are temporarily employed by the Company, or its subsidiaries for specific projects, such as contractors, legal and/or financial advisors should sign Confidentiality Agreement with the Company, or its subsidiaries to safeguard against unauthorized disclosure of internal information to outsiders as they may have some access to internal information during the course of performing assigned job tasks/ projects for the Company, or its subsidiaries.

3. Company and subsidiaries' directors, executives, employees, temporary staffs are prohibited from disclosing confidential, or internal information (which has not been officially released by the Company/subsidiaries to the general public), to others for profit-making on changes in share price, or for personal use to earn profit from securities trading transactions by using (directly/indirectly) such information which can affect the Company/subsidiaries share price.

In addition, the Company/subsidiaries' directors, executives, employees, temporarily staffs assigned to work units/divisions which have some access to the Company/subsidiaries' internal information, including spouses (married/unmarried and children (under adult age) must not trade in Company/subsidiaries' stocks 1 month before the Company/subsidiaries' quarterly and annual financial statements reports are officially released and within 24 hours after the official release of such information to the public.

Furthermore, if the person/people mentioned above received internal information which may affect share prices of the Company/subsidiaries, or other listed firms which have not yet release such information to the general public, they must not trade in securities of the Company/subsidiaries, or those listed firms before 24 hours after the such information is officially disclosed to the general public.

4. Directors, executives, accounting auditor, temporary executives, representative, planner, executive planner, temporary executive planner, must report changes in value of the securities they hold, including forward contracts

related to their Company/ subsidiaries, as well as person(s) closely related to them, in accordance to Article 59 of the 5th Securities Exchange Act BE 2559 (2016) 59 – pertaining to the procedure in submitting a notice (in digital form) to the SEC and SET within 3 days of the securities trading/transfer; including notifying the Company's Secretary for the purpose of preparing a report to inform the Board of Directors of such changes.

Anyone who violated, or failed to abide by Article 59, will be subject to penalty stated under Act 275 of the Securities Exchange Act BE 2535 (1992) and other amended versions.

5. Failure to abide by these rules / regulations is considered a serious offense.

Audit Fee

- Audit Fee

	Audit Firm	2020 Audit Fee
TRC Construction Public Company Limited	DHARMNITI AUDITING Co.,Ltd.	Baht 1,200,000
Subsidiaries;		
Sahakarn Wisavakorn Co., Ltd	DHARMNITI AUDITING Co.,Ltd.	Baht 955,000
TRC International Limited	Simon W.F. Ng & Co., Hong Kong	USD 3,200
TRC Investment Limited	S.C.Ng Fuk Chong, FCCA Mauritius Republic	USD 1,350
TRC Middle East LLC	Talal Abu-Ghazaleh & Co., Sultanate of Oman	Oman Rial 3,200
TRC Engineering LLC	Talal Abu-Ghazaleh & Co., Sultanate of Oman	Oman Rial 3,200
TRC Utility Company Limited	DHARMNITI AUDITING Co.,Ltd.	Baht 285,000
SH Crossings Company Limited	DHARMNITI AUDITING Co.,Ltd.	Baht 410,000

- Non-Audit Fee

Travelling expenses of the auditors for 2020 audit tasks

- | | | |
|---|------|--------|
| - TRC Construction Public Company Limited | Baht | 96,629 |
| - Sahakarn Wisavakorn Company Limited | Baht | 21,630 |

Corporate Social Responsibility

Overall Policy and Operations

The Company determines its mission for everyone to follow, one of which is “we will operate business with responsibility to social, community and environment”. Moreover, one of the Company’s identity that place importance on social and environment, “C = Commitment to Quality, Safety, Health, Environment and Social Responsibility” has been enforced and published on the website under “About us/ QSSHE Policy” to ensure implementation throughout the organization. The Company also strives for social development and environment preservation to exhibit fair and consistent responsibility to social and all stakeholders.

The Company adhere to the Stock Exchange of Thailand’s 8 principles of CSR guidelines as follows;

1) Business operation with fairness

The Company runs business with good corporate governance principles and determines organization’s corporate governance policy for efficient, transparent and accountable operation by publishing manual for Good Corporate Governance, Ethics and Code of Conduct and Anti-Corruption Policy under section 3 of TRC’s Code of Conduct which consisted of 12 categories as follows;

Category 1	Code of Conduct towards Human Rights and Labour Laws	Category 7	Code of Conduct towards Confidentiality, Use and Protection of Information and Internal Information
Category 2	Code of Conduct towards Safety, Security, Health and Environment 2.1 Safety, Security and Health 2.2 Environment	Category 8	Code of Conduct towards Business Competitors
Category 3	Code of Conduct towards Conflicts of Interest	Category 9	Code of Conduct towards Customers
Category 4	Code of Conduct towards Receiving and Giving of Gifts or Assets and Reception	Category 10	Code of Conduct towards Vendors and/or Creditor
Category 5	Code of Conduct towards Anti-Fraud/ Anti-Corruption	Category 11	Code of Conduct towards Intellectual Properties or Copyright
Category 6	Code of Conduct towards Political Affairs	Category 12	Code of Conduct towards Employee

2) Anti-Fraud and Anti-Corruption

The Company announced its anti-fraud and anti-corruption policy that was approved by the 6/2016 Board of Directors meeting on 11 August 2016 to executive and employee at all levels. The anti-fraud and anti-corruption mandates are specified in the Company’s 2020 Good Corporate Governance manual under “section 4 anti-fraud and anti-corruption policy” which contains topics of definition, policy, duties and responsibilities, procedure, measures, channel to report wrongdoings, provide suggestions or file complaints. The manual is also published on the Company’s website under “Anti-Corruption Policy”. This is to ensure that the Company’s business operates in compliance to applicable laws and regulations and with honesty, transparency and fairness.

In 2020, the Company did not receive any complaints, or information relating to fraud, or corruption.

The Company operates business with respect to human rights, not involve in any human rights violation, fair labour treatment, support gender equality and employ people with disability as permanent staff in accordance to section 1 of the Company's code of conduct manual.

5) Responsibility to Customers

The Company is aware of providing efficient services that meet customer's needs and delivery in a timely-manner under safety standards in accordance to section 9 of the Company's code of conduct manual.

The Company undertakes customer satisfaction survey upon project completion to assess customer's feedback on the quality of products and services. The survey topics consist of 1. Quality of work 2. SSHE services 3. Quality of the Company's staff 4. General services 5. Services received from the Company. Results of the survey and customer's comments will be reported to management so that they can be used to develop and improve the Company's services for better customer's satisfaction.

6) Environment Preservation and 7) Community or Social Development

The Company gives importance to environment preservation and community or social development as specified in section 2 of the Company's code of conduct manual. The Company has a policy to build sense of awareness to all employee to help preserve environment in business operation. Impact assessment on social, community and environment are carried out among vendors, customers and stakeholders prior to establishing work process with appropriate preventive measures to ensure sustainable utilization of resources that will minimize cost and bring highest benefit to the organization.

8) Innovation and Distribution of CSR Innovation

No information for this topic

In 2020, the Company and subsidiaries were not subject to any investigation by any authorization unit, nor violated any laws and regulations pertaining to corporate social responsibility in accordance to the Stock Exchange of Thailand's 8 principles of CSR guidelines.

The Company realizes the importance in taking care of and being responsible to social and environment and ensure that the business operation will not cause any negative impact to community and environment. Social development activities are also conducted to enhance positive perception and trust in the organization.

The Company divides its CSR management into 2 parts i.e. CSR-In-Process and CSR-After-Process as follows;

1. Corporate Social Responsibility for Work In-Process (CSR-In-Process)

The Company's main businesses is construction in energy and petrochemical industry including basic infrastructure. Therefore, community safety and environment preservation during construction and after delivery are crucial. In every process of every projects, environment, social and community are carefully considered, for example, tidiness, site safety, waste disposal and community surrounding construction area. Social responsibility awareness is encouraged together with the Company's goal which is delivery of standardized work that meet customer's needs in a timely-manner.

● Project accepted

- Construction site: the Company will evaluate whether the construction site will cause problems to community nearby and check whether ownership rights is legally valid. The Company will enter the site and commence work only when permission from project owner and related authority are obtained.
- Procurement of materials and products: prior to using the materials and products, the Company's quality control unit will perform qualification check according to

project owner's determination. Moreover, logistics and supplies management division will evaluate distributors and subcontractors every 6 months and consider such evaluation results in next procurement. The evaluation of "Seller and Service Provider after Products or Services Delivery"'s topics consist of 1. General Management 2. Quality of Product/Service 3. Punctuality 4. SSHE 5. Design and Engineering. As for new distributor or subcontractor, the Company will send announcement regarding quality, SSHE and CSR policy together with the Company's SSHE regulations to ensure same understanding and implementation.

- Employment: the Company gives job opportunity to people in community surrounding construction site to create circular economy.

● During construction

- The Company assigns team to give information to people in the community for understanding and acknowledgement of potential impact from construction as well as benefit. In case of impact or problem arise during construction, the Company will clarify and solve such impact immediately. The Company also provides communication channels i.e. website, phone or through staff at site office for complaints and suggestions.
- The Company plans transportation route with minimum impact to the community by appropriately managing materials and equipment delivery schedule.
- The Company provides manual and guideline regarding safety in workplace and training to employee and concerned persons.

- The Company determines construction design by ensuring safety in construction area in accordance to related laws.

● Project delivery

- Once the construction is completed, the Company will restore the landscape into its original state prior to delivery to project owner.
- The Company provides construction warranty according to the agreed period.
- The Company conducts customer's satisfaction survey to assess satisfaction level and future needs and use as reference for improvement to highest efficiency.

2. Social and Environment Activities (CSR-After-Process)

In 2020, the Company and subsidiaries conducted social and environment activities throughout the year as follows:

1) In 2020, the Company and subsidiaries conducted social and environment activities throughout the year as follows:

■ Give gifts on Children's Day

The Company and SKW participated in Pornpraruang Prasit Kindergarten and Pornpraruang Prasit School's Children's Day activities by giving gifts as moral support to the country's valuable resources.



■ Job Training for BanKhai Technical College Student

The Company has entered into cooperative agreement with BanKhai Technical College by providing on job training at branch office in Rayong province.



2) Blood Donation Activity

The Company and KW has been hosting blood donation activity twice a year in February and August every year since 2008. All employee and people nearly are welcomed to donate. In 2020, total of 75 bags of bloods or 32,650 ml. were collected and donated to Rajavithi hospital. In addition, during the activity in August, jasmine plants were distributed to blood donors on the occasion of Mother's day.



3) Donation for Public Use extended to Disadvantaged

■ Donation of Used Beverage Cartons to Green Roof Project under Friends in Need (of "PA") Volunteers Foundation

The Company and SKW conducted Big Cleaning Day with 5S and waste separation. After sorted out UHT cartons throughout 2020, the Company handed the collected cartons to Big C Supercenter Public Company Limited's representative to proceed with recycle into roof sheet for further use in Green Roof Project under Friends in Need (of "PA") Volunteers Foundation. 1 roof sheet is in size of 1x2.40 m. and uses approximately 2,000 cartons to produce.



■ Donation of Staple and Aluminum Pull Tab to Association of Persons with Physical Disability International

Continuously from the Company's 5S activity, employee in each department separated waste, staple and aluminum pull tab in order to donate to Association of Persons with Physical Disability International in Pathumthani province for further use as materials for prosthesis.



■ Donation of Old Calendars to Produce Braille Books

The Company and SKW collected calendars, books and magazines and donated to Educational Technology for the Blind Center, Foundation for the Blind in Thailand for further use as materials for braille books.



■ Donation to Association of Persons with Physical Disability International

The Company donated various stuffs such as bags, shoes, books and electric appliances to Association of Persons with Physical Disability International in Lumlukka district, Pathumthani province.



■ Computers for the Younger Project

The Company and SKW jointly donated computers and electrical equipment to the Mirror Foundation under the Computers for the Younger Project in accordance to the Company's policy on CSR especially support to the youth in remote area.



4) Community Development and Other Activities

■ Happy Sharing Meal

Due to the fact that the COVID-19 pandemic effected many people's living, the Company came up with Happy Sharing Meal project and donated meal box and drinking water to Khan Na Yao Police Station to further distribute to people in the nearby area



■ Voluntary Project for Development of Ditch and Drainage Canal by the side of Vibhavadi-Rangsit Road

SKW sponsored backhoe and truck to the National Water Command Centre to integrate drive for flood-problem solving in Bangkok and territory. Voluntary project for development of ditch and drainage canal by the side of Vibhavadi-Rangsit road was commenced during 21 May to 2 June 2020.



■ For Hometown Project

“For Hometown Project”’s objective is to develop local community and quality of life of the people in employee’s hometown. Not only it develops the society but also give the employee a sense of pride to be part of the help and development to their hometown. The project started since 2003 and in 2020, the Company funded 2 projects which were renovation of multipurpose space project at Nikhom Sang Ton Eng 8 in Buriram province and renovation of ER room project at Laem Bua Tambon Health Promoting Hospital in Nakornchaisri district, Nakorn Pathom province.

For Hometown Project will be conducted every year for better quality of life and hometown of our employee in accordance with the Company’s policy in operating business sustainably and return to the community.



■ Support Quality of Life of Srithanya Hospital’s Patients

The Company recognizes the importance of quality of life of Srithanya hospital’s patients, therefore, the support project was formed. The Company initiated works and jobs for the patients to have income and moral support and gain their own self-esteem.



5) Environmental Campaign Activity

■ Sapling Plantation

On the occasion of World Environment Day on 5 June, the Company, with awareness of the importance of environment, came up with the sapling plantation campaign. The Company gave out 100 of plantings to employee for plantation in their residents.



Safety, Occupational Health and Environment Regulation

The Company and SKW give precedence to safety, occupational health and environment management. Executives and employee at all levels are together implemented not only as comply by laws and policy but also international standard and strive towards being a zero accident organization for better quality living of employee and stakeholders.

Executive's Determination

The Company's executives determine that every projects are executed with consideration of safety in life and property without negative impact to the environment. By cooperation of all levels, the executives are responsible in encouraging serious management and follow-up, providing fund and resources, building safe working environment, securing sufficient and appropriate materials and equipment to ensure that the determination is achieved. For instance,

■ Extended Knowledge For Safety Trainers

The Company prioritized knowledge development and skills enhancement, hence, encouraged and supported the employee for the training courses to become safety trainers such as working in confined spaces, safety in electrical works and safety in forklift works so that they can transfer such knowledge to concerned persons for correct and safe execution.

■ Safety Training for Employee

The Company specify that every employee much attend safety training as prescribed by laws such as safety training for new staffs, safety training for supervisors, safety training for executives and training for safety committee.



6-hour safety training for new staffs



First aid training



Basic firefighting training

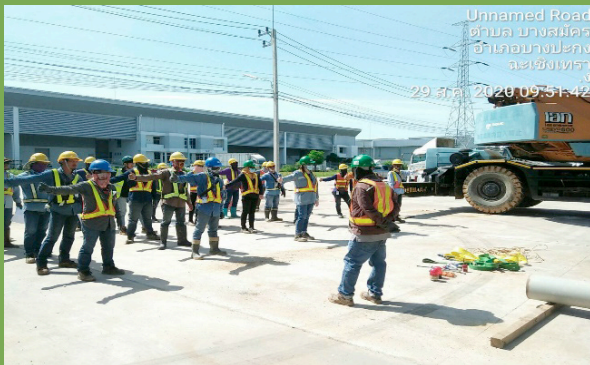
Employee whom assigned to works that evaluated as high risk and with control mitigation must pass such specific training courses prior to work commencement.



Confined spaces training



Confined spaces training



Forklift training

■ Occupational Health Management : under COVID-19 control measurement

The Company aware of employee' safety and health during the COVID-19 pandemic, therefore, monitoring measurement was launched i.e. cleanliness, mask wearing, body temperature checking and social distancing according to the Ministry of Health's standard.



■ Safety Workplace Campaign, 5S Activity



Executives joined 5S activity with employee on Big Cleaning Day



■ Legislation Compliance

To comply with laws and to monitor and provide recommendation accurately and independently, high level executives appointed central safety committee to work with project committee with duties to supervise the operation to be in accordance with safety-related laws and standard including provide suggestions, with safety committee in each project, to ensure safety work environment according to laws and report to executives for acknowledgement every month.



SSHE committee training



Dangerous chemicals management training

SSHE Management System

■ The Company initiated management system improvement from OHSAS 18001:2007 to ISO 45001:2018 in January 2020 and received certification in October 2020. The key of this achievement is leadership of high executives and worker participation that result to strong management system leading to the highest goal which is sustainable SSHE eventually.



■ Monitoring, Measurement and Control

The Company focuses on preventive safety measurement starting from readiness of workers e.g. no trace of any substance and alcohol, consequently, random substance and alcohol checking was conducted.

● Readiness before work

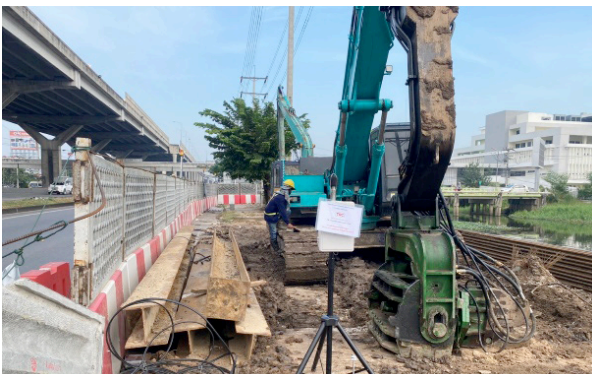
■ Alcohol checking





● Environmental Monitoring

To ensure that safety management system was implemented in compliance with the Company's determined standard, central QSHE management division monitored project operation and work environment so that there was no impact to employee and surrounding community.



■ Safety Communication and Awareness

To raise awareness of workers in safety and caution in work, each project had supervisor, safety officer and project manager to rotately share their experiences in Safety Morning Talk and discuss in small group over preventive measurement to control and manage risks before start working.

● Safety Talk



- Best employee of the month award



■ Award and Certification

SKW in Pracharumjai-Mitrmaitree Road Improvement project received certificate for 800,000 work-hour with appropriate safety measurement from Construction Control Division, Department of Public Work, Bangkok Metropolitan.



Internal Control and Connected Transaction

The Company places importance on internal control and supervision in both executive and operational levels. Internal control system comprises of policy and procedure that are determined to prevent and reduce potential risks from business operation in terms of operation, financial report and related rules and regulations. Internal control system plays an important role ensuring smooth business operation and gaining trust from stakeholders by providing sufficient and appropriate internal control system resulting business efficiency.

The board of directors assigned the audit committee to be responsible in reviewing internal control system and internal audit. For 2020, the Company and SKW appointed EL Business Advisory Company Limited as internal auditor with duties and responsibilities to audit and assess internal control system according to plan as well as monitor the Company and SKW's compliance. The internal auditor reported audit results directly to audit committee every quarters. Such report specified audit objectives, scopes, procedures, summary of significant issues, recommendations and follow-up results for the audit committee to consider and report to the meeting of board of directors for acknowledgement and further prepare report of auditor's comment on internal control system for the board of directors's consideration then afterwards published in the Company's annual report.

During the 1/2021 board of directors' meeting on 24 February 2021, with 4 independent directors' presence, the meeting assessed the adequacy of the Company and SKW's internal control system by asking for information from executives and conducting sufficiency evaluation according to COSO concept (The Committee of Sponsoring Organizations of the Treadway Commission) consisting of 5 components i.e. organization internal control, risk evaluation, operation control, information technology and communication system and monitoring system. In conclusion, the board of directors and audit committee were of the opinion that the Company and SKW had appropriate and adequate internal control system and implementation by providing enough manpower to run the system efficiently and having monitoring procedure for subsidiaries in order to protect the Company and subsidiaries' properties from fraud or unauthorized act or possible conflicted/ connected transaction. There was no significant fault in the internal control system.

The Company's Internal Auditor

EL Business Advisory Company Limited (ELBA) was appointed as the Company and SKW's internal auditor during the 2/2020 audit committee meeting on 13 May 2020 and ELBA has appointed Mr. Suwit Chanamporn, Managing Director, as the in charge person in auditing the Company and SKW.

The audit committee considered that internal auditor from ELBA and Mr. Suwit Chanamporn had sufficient and proper qualifications as they were independent, had internal audit experiences and understanding in the Company's similar business for 20 years and received training related to internal audit operation. Since 2016, the audit committee had appointed Ms. Rawadee Ardtharn, senior accounting manager, as secretary to audit committee and coordinator to external auditor.

Nonetheless, the appointment, revocation or transfer of internal auditing personnel must be approved by the audit committee. Qualification details of internal auditor can be found as follows;

Name: Mr. Suwit Chanamporn

Education: Master's degree Faculty of Commerce & Accountancy, Chulalongkorn University
 Bachelor's degree Faculty of Law, Ramkhamhaeng University
 Bachelor's degree Business Administration (accounting), Assumption University
 Certificate Accounting auditor, Chulalongkorn University

Professional certification: Certified Public Accountant (CPA) of Thailand

Work experience:

Current: Managing Director EL Business Advisory Co. Ltd.

Previous: Assistant auditor PricewaterhouseCoopers ABAS Ltd.
 Internal audit manager IBM (Thailand) Co., Ltd. and
 Internal audit manager IBM Corporation Co., Ltd. (U.S.)
 Senior director of internal audit division UTAC Thai Co., Ltd.

Training:

- COSO ERM
- Risk Management
- CIA Review curriculum project
- Quality accounting audit operations
- Prepare paperwork for anti-corruption in organization movement
- Review of process for following up on and monitoring of activities undertaken in accordance to strategic plans
- Orientation course for Chief Accountants focusing on financial reporting
- Thailand IFRS Conference
- Prepare accounting to suit the current business environment in accordance to the accepted accounting standards reports
- Standard of financial report for listed companies
- Quick law for shareholders's right protection

Connected Transaction

In 2020, the Company had connected transaction with related companies with buying/selling prices according to contractual agreement which were in accordance to normal business condition. Details as tabulated below;

Name and Relationship	Transaction	2019	2020	Necessity and Reasonableness
Sahakarn Wisavakorn Co., Ltd. (SKW)	Income : rental and services	8.81	19.95	Rental of machinery, credit usage fee
- Subsidiary, TRC holds 99.99%	fee Construction cost	4.23	3.71	Warranty, labour wages and selling of
- Mutual directors namely	Selling of trucks	-	8.08	trucks
Mrs. Paichit Rattananon	Interest payment	23.83	22.80	Common business support
Mr. Smai Leesakul				Similar to market price and with normal
Mr. Pasit Leesakul				business condition
Mrs. Podchanee Phaosavasdi	Account receivable / other	8.17	59.44	
	receivable			
	Account payable	1.8	3.91	
	Short-term loan payable			The Company took the loan for working
	Brought forward	456	748	capital.
	Loan during the year	843	427	The loan would be due when claimed.
	Payback during the year	551	533	Interest rate of 2.5% – 6.5% per year
	Balance (carry forward)	748	642	according to cost from financial institution
				plus additional expense.
Hydortek Sahakarn Joint Venture	Income : rental and services	0.19	-	- Car rental, warranty credit usage fee
- Subsidiary, TRC group holds 49%	fee Interest payment	0.32	-	- Common business support
- Mrs. Podchanee Phaosavasdi,				Similar to market price and with normal
TRC Director and Joint Venture				business condition.
authorized director	Short-term loan payable			The Company took the loan for working
	Brought forward	54	-	capital.
	Loan during the year	40	-	- The loan would be due when claimed.
	Payback during the year	94	-	- Interest rate of 2.5% per year
	Balance (carry forward)	0	-	
TRC Utility Co., Ltd.	Income : rental and services	0.02	0.22	Car rental, warranty credit usage fee
- Subsidiary, TRC holds 99.97%	fee			Common business support Similar to market
- Mutual directors namely				price and with normal business condition
Mr. Pasit Leesakul	Other receivable	0.06	0.05	
Mrs. Podchanee Phaosavasdi				
Mr. Pavita Leesakul				
SH Crossing Co., Ltd.	Income : rental and services	9.45	5.12	Rental of machinery, cars, labour wages
- Joint venture, TRC group holds 51%	fee			and warranty credit usage fee
- Mutual directors namely				Common business support
Mr. Pasit Leesakul	Other receivable	1.77	7.96	Similar to market price and with normal
Mrs. Podchanee Phaosavasdi				business condition
- Other shareholders have no potential				
conflict to TRC				
Olive Technology Co., Ltd.	Income: services fee	-	0.30	Labour wages. Common business support
- Subsidiary, TRC holds 49.97%				Similar to market price and with normal
- Mutual directors namely				business condition
Mr. Smai Leesakul	Short-term loan receivable	-	0.05	The Company provided loan for working
Mr. Pasit Leesakul				capital.
Mr. Pavita Leesakul				The loan would be due when claimed
- Other shareholders have no potential				with proper interest rate.
conflict to TRC				

Name and Relationship	Transaction	2019	2020	Necessity and Reasonableness
ASEAN Potash Chaiyaphum Plc.	Income : rental and services fee	1.24	-	Income from office space rental and services fee was normal business support.
- TRC group holds 25.13%				Similar to market price and with normal
- Mutual directors namely				business condition
Mr. Smai Leesakul	Account receivable and other receivable	*382.42	-	In 2018, ASEAN Potash Chaiyaphum Plc.
Mrs. Podchanee Phaosavasdi	Unbilled receivables	*0.30	-	confronted with uncertainty in potash
	Accounts receivable - retention under construction contracts	*7.85	-	mining and liquidity problem. The Company therefore recorded doubtful debt of Baht 390.33 million in 2018 financial statement and another Baht 1024 million in 2019.

* the abovementioned transactions were recorded as doubtful debts.

Policy and Procedure of Connected Transaction Approval

The 2/2005 board of directors meeting on 19 May 2005 had resolved to define the policy for future connected transaction that any connected one should be reviewed with comments of the audit committee and/or the board of directors on its requirement and reasonability. Review and compare price and condition for each transaction to assure whether it is common business transaction as done for the connected transaction with outsiders. For effective business operation, the captioned board of directors meeting had resolved to allow the Company to proceed the common business connected transactions or common business support transaction such as obtaining new awarded project, subcontracting of the project with work value of not over than Baht 30 million under the condition that such transaction should be undertaken under price and condition as normal practice and for highest benefit of the Company. The connected transaction should prior be proposed to the audit committee meeting and/or board of directors meeting for acknowledgment and comment. The following connected transactions are required to be proposed for consideration of the audit committee meeting and/ or board of directors meeting for further comment in term of requirement and reasonability and also for approval prior to proceeding.

- Uncommon business transaction or business support transaction

- Connected transaction with price and/or condition differ from common business transaction done with outsiders.

- Common business transaction or business support with common business price and condition value more than Baht 30 million.

Those who may have conflict of interest with the Company or subsidiaries in any cases (according to the Company's Article of Association or the Securities and Exchange Commission and Stock Exchange's notification and regulation) would have no authority to proceed with any act in relation to the transaction in which such conflict of interest may arise.

In addition, the board of directors shall monitor the Company to perform in accordance with the Securities and Exchange laws, regulation, notifications and rules as well as compliance with the Stock Exchange of Thailand's disclosure manual concerning connected transaction and the acquisition and disposition of assets of the Company and subsidiaries (if any) as well as the accounting standard of the Federation of Accounting Professions.

In case the audit committee and/or board of directors have no expertise to consider the connected transaction may be arisen, the Company shall seek for an independent expert or auditor's comment to obtain recommendations as supporting information for the audit committee's or board of directors' and/or shareholders' decision as deemed appropriate.

Approval in Principle of Common Business Transaction

As per the Securities and Exchange Act (Vol. 4) B.E. 2008 announced on 31 August 2008, any common connected transaction is required to be proposed and approved by the board of directors or the board of directors is required to approve in principle such connected transaction prior to proceeding. Formerly, the Company's management could proceed such transaction without prior approval of the board of directors according to the Stock Exchange of Thailand's announcement.

In 2005, the board of directors meeting had passed its resolution in principle that any common connected transaction with value of more than Baht 30 million would require to obtain prior approval of the board of directors (as described hereinabove in item of "policy and procedure of connected transaction approval"). This approval is in line with the principle of common connected transaction and also guideline of practice of the new act. However, the Company later raised this issue for acknowledgement of the 7/2008 board of directors meeting held on 7 August 2008.

Review of Policy and Procedure on Connected Transaction Approval

The audit committee and board of directors reviewed policy and procedure on connected transaction

approval every year. The 4/2020 audit committee meeting and 6/2020 board of directors meeting on 13 November 2020 had considered the review of policy and procedure on connected transaction approval and resolved to remain unchanged.

Policy and Trend of Future Connected Transaction

The Company estimated that the connected transaction would continue to happen such as construction service cost and property rental of which are normal business transaction and business support. There is no transfer of benefit between company, subsidiary or person with possible conflict. The audit committee or auditor or independent expert shall consider the appropriateness of price and reasonableness of transaction and disclose type, value and rationale of such transaction to shareholders in strict compliance to the Securities and Exchange Commission and the Stock Exchange of Thailand. Furthermore, the Company shall continuously promote understanding among all operating employee through the holding of meetings to inform concerned parties of updates of regulations and written operating procedures to ensure full compliance therewith transparency and protection of interests of stakeholders.

INDEPENDENT AUDITOR'S REPORT

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES REPORT AND CONSOLIDATED FINANCIAL STATEMENTS AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

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

Opinion

I have audited the consolidated financial statements of TRC Construction Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2020, and the consolidated statement of comprehensive income, consolidated statement of changes in shareholders' equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and I have audited the separate financial statements of TRC Construction Public Company Limited (the Company), which comprise the statement of financial position as at December 31, 2020, and the statement of comprehensive income, statement of changes in shareholders' equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of TRC Construction Public Company Limited and its subsidiaries as at December 31, 2020, and its consolidated financial performance and its consolidated cash flows for the year then ended and the separate financial position of TRC Construction Public Company Limited as at December 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Federation of Accounting Professions' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in my audit of the consolidated financial statements and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated financial statements and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Revenue recognition and costs from construction agreement

As discussed in Note 4.1 to the financial statements: Accounting policies for revenue and costs of construction services and Note 4.18 : Accounting policies for estimated cost of construction projects and provision of liabilities from construction projects, I consider that revenue recognition, costs and estimates of possible loss from construction agreements are significant risks in the audit due to cost income from construction agreements recognized by the Company and its subsidiaries in each period has a significant amount when compared to total revenue, total cost of the Group. In addition, the valuation process includes an appropriate period for revenue recognition, costs and estimates of potential losses require the significant judgment of the management to assess the success of the construction and the possibility of loss and measure the loss that may arise. It may cause the risks related to the value of income, costs and estimates of possible losses from construction agreements.

Risk response by auditor

- To inquire the responsible management and understand the process of obtaining revenue from construction agreements, estimation and project cost adjustments, revenue and cost recognition, estimation the work completion and potential loss that may arise from construction agreements.
- To test the effectiveness of the internal control system established by the Company and its subsidiaries to control the contracting process, estimation and project cost adjustments, revenue recognition, costs and estimates of work completion and possible loss that may arise from construction agreements.
- To check the actual costs with the supporting documents and test the calculation of the stage of work completion from the actual costs incurred, check the project completion stages estimated by the project manager with the assessment reports submitted to the project owner including consideration of conformity with the assessment documentation and request a written certification from the responsible person of the project, review the management's supporting reasons for the differences between the success stages of work that are considered from the proportion of actual construction work assessed by project engineers and the stage of completion based on the actual construction cost incurred as at the end of the period and the estimated construction cost, visit the project and observe the measurement of the success of the work, comparative analysis of gross profit margin of construction with project cost estimate to assess the estimation of possible losses incurred, read the construction agreement and inquire the management about the conditions and risks of such agreements regarding revenue recognition and estimation of potential losses incurred.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance in order for those charged with governance to correct the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated financial statements and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and separate financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the

consolidated financial statements and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and separate financial statements, including the disclosures, and whether the consolidated financial statements and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

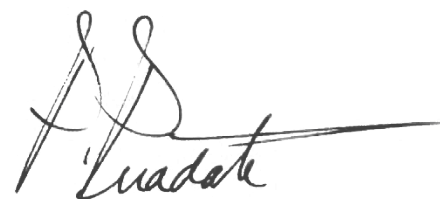
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated financial statements and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner responsible for the audit resulting in this independent auditor's report is Mr. Peradate Pongsathiansak.



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

Dharmniti Auditing Company Limited
Bangkok, Thailand
February 24, 2021

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

ASSETS

		Baht			
		Consolidated financial statements		Separate financial statements	
	Notes	2020	2019	2020	2019
CURRENT ASSETS					
Cash and cash equivalents	7	89,784,979	182,190,307	2,248,581	94,272,402
Trade and other current receivables	6, 8	283,297,802	700,182,413	138,009,680	470,894,794
Unbilled receivables	9, 35	1,117,635,063	1,138,171,522	314,182,069	411,364,652
Accounts receivable - retention under construction contracts	6, 9	271,169,605	215,365,886	125,196,519	68,764,298
Advances paid to subcontractors under construction contracts	6	498,302,673	519,905,415	175,760,125	195,643,205
Construction in progress	35	329,386,409	80,347,572	182,857,628	73,684,933
Inventories	10	1,675,955	5,569,072	1,608,139	5,513,620
Short-term loans to related parties	6	-	-	50,000	-
Withholding tax deducted at source	11	173,259,491	132,129,377	123,409,926	105,133,686
Other current assets	13	44,558,518	37,720,197	14,326,227	20,071,133
Total current assets		2,809,070,495	3,011,581,761	1,077,648,894	1,445,342,723
NON-CURRENT ASSETS					
Restricted deposits at banks	14	32,198,495	10,541,000	29,350,000	-
Long-term loans to related parties	6	-	-	-	-
Investments in subsidiaries	15	-	-	476,198,157	476,073,232
Investments in associate	16	-	-	-	-
Investments in joint ventures	17	123,583,764	51,612,988	102,375,487	27,750,487
Property, plant and equipment	18	618,356,676	595,908,490	578,350,583	570,689,998
Right-of-use assets	19	29,622,098	-	14,484,852	-
Intangible assets	20	13,272,619	10,747,317	13,067,133	10,566,825
Deferred tax assets	21	49,703,287	28,972,354	15,144,550	13,367,178
Other non-current assets		3,430,043	6,270,818	1,681,326	5,467,898
Total non-current assets		870,166,982	704,052,967	1,230,652,088	1,103,915,618
TOTAL ASSETS		3,679,237,477	3,715,634,728	2,308,300,982	2,549,258,341

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONT.)

AS AT DECEMBER 31, 2020

LIABILITIES AND SHAREHOLDERS' EQUITY

		Baht			
		Consolidated financial statements		Separate financial statements	
Notes	2020	2019	2020	2019	
CURRENT LIABILITIES					
Bank overdrafts and short-term loans from financial institutions	22	709,459,894	473,051,025	414,659,894	249,051,025
Trade and other current payables	6, 23	718,490,079	508,636,964	406,436,735	265,726,265
Unbilled payable		454,390,730	561,624,301	12,883,012	87,707,043
Unearned construction - revenue	9, 35	10,054,800	-	10,054,800	-
Accounts payable - retention under construction contracts		158,959,188	100,571,546	9,587,507	13,103,899
Advances received from customers under construction contracts	9, 35	913,864,608	986,559,280	261,310,018	387,031,413
Short-term loans from related parties	6	-	-	642,000,000	748,000,000
Provision for liabilities under construction projects	24	166,974,290	76,892,717	7,851,641	8,100,699
Current portion of debentures	25	-	30,000,000	-	30,000,000
Current portion of lease liabilities	26	16,708,927	2,291,375	9,155,859	526,000
Income tax payable		-	-	-	-
Other current liabilities	27	15,851,375	39,717,338	11,071,473	28,076,826
Total current liabilities		3,164,753,891	2,779,344,546	1,785,010,939	1,817,323,170
NON-CURRENT LIABILITIES					
Lease liabilities	26	15,673,356	1,581,878	8,056,870	1,581,878
Non-current provisions for employee benefits	28	82,107,073	75,121,612	68,338,817	63,327,598
Provision for litigation	39.1	20,000,000	20,000,000	20,000,000	20,000,000
Total non-current liabilities		117,780,429	96,703,490	96,395,687	84,909,476
TOTAL LIABILITIES		3,282,534,320	2,876,048,036	1,881,406,626	1,902,232,646

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONT.)

AS AT DECEMBER 31, 2020

LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

	Notes	Baht			
		Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Share capital					
Registered					
9,587,146,838 ordinary shares of Baht 0.125 each	29	1,198,393,355	1,198,393,355	1,198,393,355	1,198,393,355
Issued and paid-up					
9,587,146,838 ordinary shares of Baht 0.125 each	29	1,198,393,355	1,198,393,355	1,198,393,355	1,198,393,355
Share premium	29, 30	-	-	-	-
Other deficit		(2,955,890)	(2,955,890)	-	-
Retained earnings (deficits)					
Appropriated - statutory reserve					
The Company	29, 31	-	-	-	-
Subsidiary		4,108,018	4,108,018	-	-
Unappropriated		(791,218,452)	(347,048,326)	(771,498,999)	(551,367,660)
Other components of shareholders' equity		17,393,068	15,615,647	-	-
Equity attributable to owners of the Company		425,720,099	868,112,804	426,894,356	647,025,695
Non-controlling interests of the subsidiaries		(29,016,942)	(28,526,112)	-	-
Total shareholders' equity		396,703,157	839,586,692	426,894,356	647,025,695
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		3,679,237,477	3,715,634,728	2,308,300,982	2,549,258,341

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME

AS AT DECEMBER 31, 2020

		Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2020	2019	2020	2019
REVENUES					
	6				
Construction services income		3,117,873,320	3,365,403,314	1,229,530,534	1,347,898,068
Other services income		20,548,693	13,055,991	-	-
Sales income		7,511,481	-	-	-
Interest income		885,714	1,663,775	323,021	1,130,447
Other income		49,222,646	46,487,417	45,742,256	37,477,325
Total revenues		3,196,041,854	3,426,610,497	1,275,595,811	1,386,505,840
EXPENSES					
Cost of construction services	6	3,304,508,530	3,312,213,706	1,215,591,522	1,309,189,128
Cost of other services		13,767,694	8,958,142	-	-
Cost of sales		6,372,900	-	-	-
Administrative expenses		312,899,975	376,253,363	244,334,092	320,509,815
Bad debt and doubtful debt		-	433,399	3,874,513	1,093,095
Total expenses		3,637,549,099	3,697,858,610	1,463,800,127	1,630,792,038
Profit (loss) before share of profit (loss) from investments in associate and joint venture, finance cost and income tax expenses		(441,507,245)	(271,248,113)	(188,204,316)	(244,286,198)
Share of profit (loss) from investments in associate	16.2	-	-	-	-
Share of profit (loss) from investments in joint venture	17.1	(2,854,225)	1,615,566	-	-
Profit (loss) before finance cost and income tax expenses		(444,361,470)	(269,632,547)	(188,204,316)	(244,286,198)
Finance cost	6	(23,482,236)	(31,561,509)	(33,704,395)	(40,792,517)
Profit (loss) before income tax expenses		(467,843,706)	(301,194,056)	(221,908,711)	(285,078,715)
Income tax income (expenses)	33	20,730,933	6,106,998	1,777,372	4,822,172
PROFIT (LOSS) FOR THE YEAR		(447,112,773)	(295,087,058)	(220,131,339)	(280,256,543)

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF COMPREHENSIVE INCOME (CONT.)

AS AT DECEMBER 31, 2020

	Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Notes				
Other comprehensive income::				
Other comprehensive income to be reclassified to profit or loss in subsequent periods:				
Exchange differences on translation of financial statements in foreign currency - net of income tax	4,229,238	3,660,970	-	-
Share of other comprehensive income from associate	-	-	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	4,229,238	3,660,970	-	-
Other comprehensive income for the year	4,229,238	3,660,970	-	-
Total comprehensive income for the year	(442,883,535)	(291,426,088)	(220,131,339)	(280,256,543)
Profit (loss) attributable to:				
Equity holders of the Company	(444,170,126)	(293,284,426)	(220,131,339)	(280,256,543)
Non-controlling interests of the subsidiaries	(2,942,647)	(1,802,632)	-	-
	(447,112,773)	(295,087,058)	(220,131,339)	(280,256,543)
Total comprehensive income attributable to:				
Equity holders of the Company	(442,392,705)	(292,194,535)	(220,131,339)	(280,256,543)
Non-controlling interests of the subsidiaries	(490,830)	768,447	-	-
	(442,883,535)	(291,426,088)	(220,131,339)	(280,256,543)
Earnings per share				
Basic earnings (loss) per share				
Profit (loss) attributable to equity holders of the Company	(0.046)	(0.038)	(0.022)	(0.036)

34

FOR THE YEAR ENDED DECEMBER 31, 2020

135

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)

FOR THE YEAR ENDED DECEMBER 31, 2020

		Baht			
		Separate financial statements			
		Issued and paid-up share capital	Share premium	Retained earnings (deficit)	Total shareholders' equity
	Note			Appropriated - Statutory reserve	Unappropriated
Balance as at January 1, 2019		770,395,728	1,041,739,823	73,371,225	(1,386,222,165)
Profit (loss) for the year		-	-	-	(280,256,543)
Other comprehensive income for the year		-	-	-	-
Total comprehensive income for the year		-	-	-	(280,256,543)
Increase in capital for the year	29.3	427,997,627	-	-	-
Transfer of legal reserve and share surplus to comprehensive accumulated losses	29.2	-	(1,041,739,823)	(73,371,225)	1,115,111,048
Balance as at December 31, 2019		1,198,393,355	-	-	(551,367,660)
Balance as at January 1, 2020		1,198,393,355	-	-	(551,367,660)
Profit (loss) for the year		-	-	-	(220,131,339)
Other comprehensive income for the year		-	-	-	-
Total comprehensive income for the year		-	-	-	(220,131,339)
Balance as at December 31, 2020		1,198,393,355	-	-	(771,498,999)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2020

	Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from operating activities				
Profit (loss) before tax	(467,843,706)	(301,194,056)	(221,908,711)	(285,078,715)
Adjustment to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	90,360,282	115,446,270	77,559,016	103,319,039
Allowance for doubtful debt	35,921	837,182	3,874,513	1,093,095
Unrealised (gain) loss on exchange rate	3,251	(1,325,000)	4,680	(1,325,000)
Gain on disposal of equipment	(224,547)	(2,291,461)	(373,634)	(1,056,407)
Loss on write-off of equipment	11,096,405	844,933	11,094,406	627,849
Share of (profit) loss from investments in joint venture	2,854,225	(1,615,566)	-	-
Provision for liabilities under construction projects	367,666,658	76,396,320	53,598,061	16,099,651
Non-current provisions for employee benefits	14,737,710	23,422,245	12,003,144	19,919,771
Amortised transaction cost of debenture	-	250,105	-	250,105
Interest income	(885,714)	(1,395,744)	(323,021)	(1,130,447)
Interest expenses	23,482,236	31,561,509	33,704,395	40,792,517
Profit (loss) from operating activities before changes in operating assets and liabilities	41,282,721	(59,063,263)	(30,767,151)	(106,488,542)
(Increase) decrease in operating assets				
Trade and other current receivables	416,848,700	14,303,065	332,885,301	11,889,520
Unbilled receivables	20,536,459	(127,678,152)	97,182,583	203,080,070
Accounts receivable - retention under construction contracts	(55,803,720)	(112,093,723)	(56,432,221)	(19,511,986)
Advance paid to subcontractors under construction contracts	21,602,742	(262,387,677)	19,883,080	(137,999,684)
Construction in progress	(249,038,837)	(20,224,782)	(109,172,695)	(45,051,414)
Inventories	(12,364)	(26,929)	-	-
Other current assets	(6,838,321)	650,847	5,744,906	9,071,326
Other non-current assets	2,840,775	(560,424)	3,786,572	(14,675)

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS (CONT.)

FOR THE YEAR ENDED DECEMBER 31, 2020

	Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Increase (decrease) in operating liabilities				
Trade and other current payables	197,562,058	(218,494,352)	128,418,328	(210,191,925)
Unbilled payables	(107,233,571)	212,135,374	(74,824,031)	(44,349,439)
Unearned construction revenue	10,054,800	(6,000,000)	10,054,800	-
Accounts payable - retention under construction contracts	58,387,642	55,113,855	(3,516,392)	2,635,311
Advances received from customers under construction contracts	(72,694,672)	692,543,259	(125,721,395)	362,209,822
Other current liabilities	(23,865,963)	5,489,727	(17,005,353)	(59,014)
Cash flows from provide by (used in) operating activities	253,628,449	173,706,825	180,516,332	25,219,370
Cash paid for provision for liabilities under construction projects	(277,585,085)	(24,034,425)	(53,847,118)	(14,349,779)
Cash paid for non-current provision for employee benefits	(7,752,249)	(4,754,193)	(6,991,925)	(4,437,255)
Cash paid for income tax	(62,129,221)	(91,531,543)	(39,275,346)	(55,936,833)
Received from withholding tax refund	20,999,107	7,861,314	20,999,106	-
Net cash flows provided by (used in) operating activities	(72,838,999)	61,247,978	101,401,049	(49,504,497)
Cash flows from investing activities				
Decrease (increase) in restricted deposits at financial institution	(21,657,495)	5,833,767	(29,350,000)	-
Increase in short-term loans to related parties	-	-	(3,924,513)	(255,913)
Cash paid for investing in subsidiaries	-	-	(124,925)	-
Cash paid for investing in joint venture	(74,825,000)	(25,374,900)	(74,625,000)	(25,374,900)
Interest income	885,704	1,380,825	322,834	1,130,447
Cash received from disposal of equipment	426,972	3,495,243	8,091,557	1,327,019
Cash paid for purchase of property, plant and equipment	(93,653,497)	(80,333,693)	(80,236,728)	(77,791,808)
Cash paid for purchase of intangible assets	(4,727,630)	(82,600)	(4,650,700)	(56,600)
Net cash flows provided by (used in) investing activities	(193,550,946)	(95,081,358)	(184,497,475)	(101,021,755)
Cash flows from financing activities				
Increase (decrease) in short-term loans from financial institutions	236,408,869	(108,752,804)	165,608,869	(230,948,975)
Cash received from short-term loans from related parties	-	-	427,000,000	883,000,000
Cash paid for short-term loans from related parties	-	-	(533,000,000)	(645,000,000)
Cash received from increase in share capital	-	427,997,627	-	427,997,627

STATEMENT OF CASH FLOWS (CONT.)

FOR THE YEAR ENDED DECEMBER 31, 2020

	Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Repayment of debentures	(30,000,000)	(150,000,000)	(30,000,000)	(150,000,000)
Interest expenses	(22,178,180)	(34,025,933)	(31,474,517)	(46,529,560)
Decrease in lease liabilities	(14,475,310)	(5,112,671)	(7,061,747)	(901,809)
Net cash flows provided by (used in) financing activities	169,755,379	130,106,219	(8,927,395)	237,617,283
Increase (decrease) in translation adjustment	4,229,238	3,660,970	-	-
Net increase (decrease) in cash and cash equivalents	(92,405,328)	99,933,809	(92,023,821)	87,091,031
Cash and cash equivalents at the beginning of the year	182,190,307	82,256,498	94,272,402	7,181,371
Cash and cash equivalents at the end of the year	89,784,979	182,190,307	2,248,581	94,272,402

Supplemental cash flows information

Non-cash items consist of

Increase (decrease) in purchase of fixed assets that have yet to be paid	12,624,012	(13,670,539)	10,990,953	(13,670,539)
Interest expenses recorded as cost of project	-	2,458,947	-	2,458,947
Transfer inventories to asset under construction	3,905,481	-	3,905,481	-
Lease liabilities	41,344,078	-	21,233,227	-

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

1. GENERAL 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 THE CONSOLIDATED FINANCIAL STATEMENTS

2.1 The accompanying consolidated financial statements include the financial statements of TRC Construction Public Company Limited and the following subsidiaries which are owned directly and indirectly by the Company.

Name	Business type	Country of registration	Percentage of shareholdings (%)	
			As at December 31,	
			2020	2019
Held by the Company				
Sahakarn Wisavakorn Company Limited	Construction services - basic infrastructure	Thailand	99.99	99.99
TRC Investment Limited	Holding company	The Republic of Mauritius	100.00	100.00
TRC Utility Company Limited	To produce and distribute tap water	Thailand	99.97	99.97
Olive Technology Company Limited	Data management and processing	Thailand	49.97	-
Held by the Company's subsidiaries				
Hydrotek Sahakarn Joint Venture (held by Sahakarn Wisavakorn Company Limited)	Construction services	Thailand	49.00	49.00
TRC International Limited (held by TRC Investment Limited)	Holding company	Hong Kong	100.00	100.00
TRC Middle East LLC (held by TRC International Limited)	Construction services	Sultanate of Oman	70.00	70.00
TRC Engineering LLC (held by TRC International Limited)	Construction services	Sultanate of Oman	70.00	70.00
Mahat Company Limited (held by Olive Technology Company Limited)	Data management and processing	Thailand	59.98	-

2.2 The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.

- 2.3 Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- 2.4 The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- 2.5 The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using yearly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statements of changes in shareholders’ equity.
- 2.6 Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.
- 2.7 Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- 2.8 The separate financial statements present investments in subsidiaries, associate and joint ventures under the cost method.

3. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS

3.1 Basis for the preparation of financial statements

The financial statements have been prepared in accordance with the accounting standards prescribed by Thai Accounts Act enunciated under the Accounting Profession Act B.E.2547 by complying with the financial reporting standards. The presentation of the financial statements has been made in compliance with the Notification of the Department of Business Development, the Ministry of Commerce, re : the financial statements presentation for public limited company, issued under the Accounting Act B.E.2543.

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

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

All financial information presented has been rounded to the nearest thousand unless otherwise stated.

3.2 Financial reporting standards that became effective in the current year

During the year, the Company and its subsidiaries have adopted the revised and new financial reporting standards, interpretations and the accounting guidance, which are effective for fiscal years beginning on or after January 1, 2020. 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. Except, the new standard involves changes to key principles, as summarized below.

Financial reporting standards related to financial instruments:

A set of TFRSs related to financial instruments, which consists of five accounting standards and interpretations, as follows:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments
TAS 32	Financial Instruments: Presentation
TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortized cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

TFRS 16 Leases

TFRS 16 Leases supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

January 1, 2020, the Company and its subsidiaries have adopted TFRSs related to financial instruments and TFRS 16 in its financial statements by applying modified retrospective approach. The impact from the first-time adoption has been disclosed in Note 5 to the financial statements.

3.3 Financial reporting standards that become effective in the future

During the year, the Federation of Accounting Professions issued a notification of the Federation of Accounting Professions and published in the Government Gazette for the conceptual framework of financial reporting (new) and several revised financial reporting standards from the year 2019 by becomes effective for the accounting period beginning on or after January 1, 2021 onwards. Which such adjustments are improve/revise principles the financial reporting is as follows:

Adjustment is reference to the conceptual framework in the financial reporting standards

Several financial reporting standards are reference to "IASC's Framework for the Preparation and Presentation of Financial Statements." The adjustment of reference project on the conceptual framework in the financial reporting standards has updated reference or partial reference adjustment and other to describe clearly whether each document is reference to "the conceptual framework" of which year.

Conceptual Framework for Financial Reporting

The conceptual framework for financial reporting consisted of revised definitions of assets and liabilities. Criteria for recognition assets and liabilities in the financial statements. It also includes the following new principles and guidance:

1. Measurement, including factors that must be considered in selecting the valuation criteria
2. Presentation and disclosure which includes when the income and expenses are classified into other comprehensive income.
3. Reporting entities
4. When the assets and liabilities derecognition from the financial statements

In addition, this Conceptual Framework for Financial Reporting clearly clarifies management's stewardship of the entity's economic resources, prudence, and measurement uncertainty of financial information.

Definition of Business

Business definition revised in the financial reporting standard No. 3 "Business Combination" describes more clearly on definition of business. The objective is for the business to establish that such transaction has to be recorded as "business combination" or "purchase of assets" or not. Adjustments are as follows:

1. Describe clearly on the consideration of "business", activity group and acquired assets must include input data factor, key process that at least combined will significantly generate outputs.
2. Eliminate the assessment that the market partner can substitute input factor or missing process and generate further outputs from the standards.
3. Add practice guide and example to support understanding and help the company assess whether the key process is acquired.
4. Narrow down the definition of business and definition of outputs by placing interest in the product and service provided to the customer and eliminate the reference on ability to reduce cost from the standards.
5. Add the intention test as an alternative which allows to make assessment easily whether the activity group and acquired assets are business or not.

Definition of significance

The definition of significance resulted in revising the accounting standard No.1 "Presentation of Financial Statements, Presentation of Financial Statements and Accounting Standards No.8 – Accounting Policy, Change of Accounting Estimates and Error and the revision that resulted in other financial reporting standards.

The adjustment creates better understanding of the definition of significance by

1. For the definition to follow the same direction of the financial reporting standards and conceptual framework to avoid the confusion that may arise from the definition difference.
2. Include the requirements together of the accounting standard No.1 "Presentation of financial statements" in the definition for it to become clearer and describe how the materiality can be clearly applied.

3. Applying existing practice guidance of the definition of the materiality in the same place as the definition.

Reform of swap interest rate

The reform of swap interest rate resulted in the adjustment of the financial reporting standards No. 9 financial instruments and financial reporting standards No.7 financial instrument disclosure. Such adjustment has changed the hedge accounting requirements, especially to reduce the impact arising from the uncertainty as a result of the swap interest rate reform such as interbank offer rates-IBORs. In addition, the adjustment requires the business to provide additional information to investors regarding the relation of hedging directly impacted from any uncertainties.

The management of the Company and its subsidiaries are in the process to assess the impact of these TFRSs to the financial statements in the year when they are adopted.

3.4 Thai Financial Reporting Standard No.16 “Leases”

The Federation of Accounting Professions has revised TFRS 16 lease agreements and published in the Government Gazette on January 27, 2021 with the following revisions.

1. The Rent Concessions related to COVID-19, which is effective from June 1, 2020 with earlier application permitted. The amendment permits lessees, as a practical expedient, not to assess whether rent concessions that occur as a direct consequence of the COVID-19 pandemic and meet specified conditions are lease modifications and, instead, to account for those rent concessions as if they were not lease modifications.
2. 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 in the process to assess the impact of these TFRSs to the financial statements in the year when they are adopted.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Revenue and expense recognition

Services income and service cost from construction

The Company and its subsidiaries recognized services income from construction contracts by the percentage of completion method based on the assessment of the project engineer, and also compared with the percentage of completion which is derived at based on the proportion of actual construction costs incurred up to the end of the year to the total anticipated construction costs. Allowance for the total anticipated loss on construction projects will be made in the accounts as soon as the possibility of loss is ascertained.

However, in the event that the received of the construction cost is more than the revenue that has to be recognized in accordance with the percentage of work completed, it will be recorded in the account “Unearned construction - revenue”. In the case that the received for the construction is less than the revenue that has to be recognized in accordance with the percentage of work completed, it will be recorded in the account “Unbilled receivables”.

In determining cost of construction services, the total anticipated construction costs are attributed to each construction projects taking into account of actual cost and then recognised as cost of services in profit or loss by the percentage of completion method.

The recognised cost of construction which have not yet been due have been shown under the caption of “Unbilled payable” in the statements of financial position.

The actual cost of construction incurred but not yet recognised as cost of services in profit or loss has been regarded as “Construction in progress” in the statements of financial position.

Construction in progress includes the cost of raw material, direct labour and other expenses incurred for each project. Such construction in progress is valued at the lower of cost or net realisable value.

Sales of goods are recognized when the subsidiary has transferred significant risks and rewards of ownership of the goods to the buyer. Sales revenue is stated at the price of the invoice, excluding VAT, for products delivered after the discount has been deducted.

The Company and its subsidiaries have recognized the interest income based on period proportion basis by calculating from the accrued principal.

The Company and its subsidiaries have recognized the other income and expenses based on the accrual basis.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, cash at bank, and highly liquid short-term investment with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Trade accounts receivable and other current receivable and allowance for doubtful accounts

Applicable from January 1,2020

Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at its present value.

Trade receivables are stated at the amount expected to be collectible, the Company and its subsidiaries apply the TFRS 9 simplified approach to measuring expected credit losses which uses a simplified approach, which requires expected lifetime losses to be recognized from initial recognition of the receivables. To measure the expected credit losses, trade receivables have been grouped based on the days past due. The expected loss rates are based on the payment profiles and the corresponding historical credit losses which are adjusted to reflect the current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company and its subsidiaries have identified the GDP, the unemployment rate and the consumer price index of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors. The impairment losses are recognized in profit or loss within administrative expenses.

Applicable prior to January 1,2020

Trade accounts receivable are initially recognized by the invoice amount and subsequently measured at the remaining amount less an allowance for doubtful accounts (if any) based on a review of all outstanding amounts at year end. The allowance for doubtful accounts is the difference between the carrying amount of trade accounts receivable and the amount expected to be collectible. Bad debts are immediately recognized in the income statement as part of administrative expenses.

Allowance for doubtful accounts

The Company and its subsidiaries provide allowance for doubtful accounts equal to the estimated collection losses that may be incurred in the collection of all receivables. The estimated losses are based on a review of the current status of each receivable by considering the ability to repay debt and the amount expected to be paid from the debtor.

4.4 Inventories

Finished goods are valued at the lower of cost or net realizable value. Cost price is determined by the weighted average method.

Raw material, chemicals, spare parts and factory supplies are valued at the lower of cost or net realizable value. Cost price is determined by the first - in, first - out method and are charged to production costs whenever consumed.

The cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties, transportation charges and other direct costs incurred in acquiring the inventories less all trade discounts, allowances or rebates.

The net realizable value of inventory is estimated from the selling price in the ordinary course of business less the estimated costs to complete the sale.

4.5 Financial assets and financial liabilities

Classification and measurement of financial assets

Applicable from January 1, 2020

The classification of financial assets depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Company and its subsidiaries classify its debt instruments in the following categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Company and its subsidiaries reclassify debt instruments when and only when its business model for managing those assets changes.

The equity instruments held must be irrevocably classified to two measurement categories; i) at fair value through profit or loss (FVPL), or ii) at fair value through other comprehensive income (FVOCI) without recycling to profit or loss.

At initial recognition, the Company and its subsidiaries measure a financial asset at its fair value plus or minus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of debt instruments depends on the Company and its subsidiaries's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Company and its subsidiaries classify its debt instruments:

- Amortized cost: A financial assets will be measured at amortized cost when the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows. In addition, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in financial income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented in profit or loss.
- FVOCI: A financial assets will be measured at FVOCI when it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. In addition, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and related foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognized on other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of comprehensive income.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognized in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Dividends from such investments continue to be recognized in profit or loss when the Company and its subsidiaries's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognized in other gains/(losses) in the statement of income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Classification and measurement of financial liabilities and equity

Financial instruments issued by the Company and its subsidiaries must be classified as financial liabilities or equity securities by considering contractual obligations.

- Where the Company and its subsidiaries have an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Company and its subsidiaries's own equity instruments.

- Where the Company and its subsidiaries have no contractual obligation or have an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

At initial recognition, the Company and its subsidiaries measure financial liabilities at fair value. The Company and its subsidiaries reclassify all financial liabilities as subsequently measured at amortised cost, except for derivatives.

Recognition and derecognition

The Company and its subsidiaries shall recognize a financial asset or a financial liability in its statement of financial position when, and only when, the Company and its subsidiaries become party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Company and its subsidiaries commit to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company and its subsidiaries have transferred substantially all the risks and rewards of ownership of the financial assets.

Impairment

The Company and its subsidiaries assess on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Company and its subsidiaries apply general approach for credit-impaired consideration.

4.6 Investment in subsidiaries

Subsidiaries are entities over which the Company has the power to control their financial and operating policies generally accompanying a shareholding of more than one-half of the voting rights. The financial statements of the subsidiaries are consolidated from the date the Company exercises control over the subsidiaries until the date that control power ceases.

Investments in subsidiaries are stated at cost net from allowance on impairment (if any) in the separate financial statements. The Company recognizes gain or loss on sale in the statement of income in the period which sale of investment occurred. In the case of impairment on investment, the Company will recognize loss from impairment of investment as expense in the statement of comprehensive income. The Company recognizes dividends when the subsidiaries announce to pay dividends.

4.7 Investment in associates

Associates are all entities over which the Company and its subsidiaries has significant influence but not control generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are initially recognized at cost and presented in the consolidated financial statements by the equity method.

Investments in associates are presented in the separate financial statements and stated at cost net from allowance on decline in value (if any).

4.8 Property, plant and equipment and depreciation

Land is stated at cost. Plant and equipment are stated at cost less accumulated depreciation and allowance on impairment (if any).

Cost is initially recognized upon acquisition of assets along with other direct costs attributing to acquiring such assets in the condition ready to serve the objectives, including the costs of asset demolition, removal and restoration of the asset location, which are the obligations of the company (if any).

Depreciation of plant and equipment is calculated by cost less residual value on the straight-line basis over the following estimated useful lives:

Building and structures	3 - 30 years
Tools and equipment	5 years
Furniture, fixtures and office equipment	3 - 5 years
Vehicle	5 years

The Company and its subsidiaries has reviewed the residual value and useful life of the assets every year.

The depreciation for each asset component is calculated on the separate components when each component has significant cost compared to the total cost of that asset.

Depreciation is included in determining income.

No depreciation is provided on land, construction in progress and equipment under installation.

The Company and its subsidiaries have written off the property, plant and equipment at disposal. Gains or losses arising from sale or write-off of assets are recognized in the statement of comprehensive income.

4.9 Intangible assets

Intangible assets with finite useful lives are stated at cost less accumulated amortization and allowance on impairment (if any).

Intangible assets are amortized in the statement of comprehensive income on a straight-line basis over their estimated useful lives from the date that they are available for use. The estimated useful lives are as follows:

Computer software	3 - 10 years
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The useful lives are reviewed by the Company and its subsidiaries every year.

The amortization is included in the determination of income.

4.10 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

4.11 Leases

Applicable from January 1, 2020

At inception of a contract, the Company and its subsidiaries assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company and its subsidiaries assess the lease term for the non-cancellable period as stipulated in lease contract or the remaining period of active leases at the date of initial application (as at January 1, 2020) together with any period covered by an option to extend the lease if it is reasonably certain to be exercised or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercise by considering the effect of changes in technology and/or the other circumstance relating to the extension of the lease term.

Right-of-use assets-as a lessee

Right-of-use assets are recognized at the commencement date of the lease. Right-of-use assets are stated at cost, less any accumulated depreciation and impairment losses (if any), and adjusted for any remeasurement of lease liabilities (if any). The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

The cost of right-of-use assets also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are calculated by reference to their costs on a straight-line basis over the shorter of the lease term and the estimated useful lives for each of right-of-use assets.

Lease liabilities

At the commencement date of the lease, lease liabilities are stated at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable (if any) and amount expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and its subsidiaries and payments of penalties for terminating the lease, if the lease term reflects the Company and its subsidiaries exercising the option to terminate.

In calculating the present value of lease payments, the Company and its subsidiaries use its incremental borrowing rate, which is determined by referring to the government bond yield adjusted with risk premium depending on the lease term, at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of the interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company and its subsidiaries apply the short-term lease recognition exemption to its short-term leases (those leases that have a lease term of 12 months or less from the commencement date and not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term and leases of low-value assets are recognized as expense in profit and loss on a straight-line basis over the lease term.

Applicable prior to January 1, 2020

Operating lease

Lease of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are recognized as an expense on a systematic basis over the lease term.

Financial leases

The Company and its subsidiaries record assets under finance leases as assets and liabilities at the amounts equal to the fair value of the leased assets at the inception of the lease or the present value of the minimum lease payments, whichever is lower. In calculating the present value of the minimum lease payments, the discount factor used is the interest rate implicit in the lease agreements. The interest charge is recorded to the different periods over the entire lease term based on the remaining balance of payable under financial lease agreement in each period.

4.12 Foreign currencies

Transactions in foreign currencies are translated into Baht at the rates ruling on the transaction dates. Monetary assets and liabilities denominated in foreign currency outstanding at the statement of financial position date are translated into Baht at the rates ruling on the statement of financial position date.

Exchange gains and losses are included in determining earnings.

4.13 Impairment of assets

As at the statement of financial position date, the Company and its subsidiaries have assessed whether there is an indication of asset impairment. If any such indication exists, the Company and its subsidiaries will make an estimate of the asset's recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the statement of comprehensive income. In addition, impairment loss is reversed if there is a subsequent increase in the recoverable amount. The reversal shall not exceed the carrying value that would have been determined net of accumulated depreciation or amortization. The recoverable amount of the asset is the asset's value in use or fair value less costs to sell. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company and its subsidiaries could obtain from the disposal of the asset in an arm's length transactions between knowledgeable, willing parties, after deducting the costs of disposal.

4.14 Employee benefits

Short-term employment benefits

The Company and its subsidiaries recognizes salary, wage, bonus and contributions to social security fund as expenses when incurred.

Post-employment benefits (Defined contribution plans)

The Company and its subsidiaries and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company and its subsidiaries. The fund's assets are held in a separate trust fund and the Company's contributions are recognized as expenses when incurred.

Post-employment benefits (Defined benefit plans and other long-term employee benefits)

The Company and its subsidiaries has obligations in respect of the severance payments that it must pay to the employees upon retirement under the labor law and other employee benefit plans. The Company and its subsidiaries treats these severance payment obligations as a defined benefit plan. Moreover, the Company and its subsidiaries have prepared for other long-term employee benefit programs, such as reward project for completion of work plans.

The Company and its subsidiaries have calculated the liabilities under employee post-employment benefits plan and other long-term employee benefits using the Projected Unit Credit Method, which an independent expert evaluated such obligations in accordance with actuarial principles. Such estimation principle requires various assumptions including assumptions about discount rates, future salary increase rates, staff turnover rate, mortality rate and gold price.

Actuarial gains and losses for post-employment benefits of the employees are recognized immediately in other comprehensive income.

4.15 Income tax (income) expense

Income tax

Income tax comprises current income tax and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred tax assets and liabilities are provided on the temporary differences between the carrying amount and the tax bases of assets and liabilities at the end of the reporting period. Changes in deferred tax assets and liabilities are recognized as deferred tax income or deferred tax expense which are recognized in the profit or loss except to the extent that it relates to items recognized directly in shareholders' equity or in other comprehensive income.

The deductible temporary differences are recognized as deferred tax assets when it is probable that the Company and its subsidiaries will have future taxable profit to be available against which the deferred tax assets can be utilized. The taxable temporary differences on all taxable items are recognized as deferred tax liabilities.

Deferred tax assets and liabilities are measured at the tax rates that the Company and its subsidiaries expect to apply to the period when the deferred tax assets are realized or the deferred tax liabilities are settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

At the end of each reporting period, the carrying amount of deferred tax assets are reviewed and reduced the value when it is probable that the Company and its subsidiaries will have no longer the future taxable profit that is sufficient to be available against which all or some parts of deferred tax assets are utilized.

Deferred tax assets and deferred tax liabilities are offset when there is the legal right to settle on a net basis and they relate to income taxes levied by the same tax authority on the same taxable entity.

Thus, the Company and its subsidiaries offsets deferred tax assets and deferred tax liabilities for presentation in the statement of financial position, rather than presenting them separately.

4.16 Earnings per share

Basic earnings per share is calculated by dividing profit for the year by the weighted average number of ordinary shares which are issued during the year and held by outside party.

4.17 Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly.

Level 3: inputs for the asset or liability that are not based on observable market data (unobserved inputs).

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

4.18 Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect amounts reported in the financial statements and disclosures and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Estimated construction project costs

Management applied judgement in estimating the costs of construction projects based on details of the construction work, taking into account the volume and value of construction materials to be used in the project, labour costs and other miscellaneous costs to be incurred to completion of service, taking into account the direction of the movement in these costs.

Provision for liabilities under construction projects

Provision for liabilities under project warranties

The Company and its subsidiaries recognized a provision for expected warranty claims in respect of construction projects completed during the year, based on repair expenses expected to be paid in the future, actual costs incurred in the past and the contract value. The Company and its subsidiaries expected that most of these costs will be incurred in the next financial year and all will have been incurred within two years of the end of the reporting period.

Provision for losses on construction projects

The Company and its subsidiaries recognized a provision for the loss expected to be realised on each construction project, based on estimates of anticipated costs by taking into account of the progress of the project and actual costs incurred to the completion date.

Provision for penalties due to project delays

The Company and its subsidiaries are recognized a provision for the loss expected to be realised on construction projects that cannot be completed within the stipulated timeframe. The loss is estimated based on the penalty rate stipulated in the contract and the amount expected to be paid in the future.

Impairment of investments

The Company and its subsidiaries treat these investments as impairment when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgement of the management.

Property, plant and equipment/Depreciation and right of use assets and amortisation of intangible assets

In determining depreciation of plant and equipment including right of use assets, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review the estimated useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment and right of use assets and amortisation of intangible assets for impairment on a periodical basis and record the impairment loss when it is determined that the recoverable amount is lower than the carrying amount. This requires judgement regarding forecast of future revenues and expenses relating to the assets subject to the review.

Determining the lease term of contracts with renewal and termination options

The Company and its subsidiaries determine the lease term as the non-cancellable term of the lease, together with any period covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The management is required to use judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease, considering all relevant factors that create an economic incentive to exercise either the renewal or termination. After the commencement date, the Company and its subsidiaries reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Deferred tax assets

Deferred tax assets are recognized for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimated future taxable profits.

Post-employment benefits under defined benefit plans and other long-term employee benefits defined benefit plan

The obligation under the defined benefit plan and other long-term employee benefit defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate, staff turnover rate and gold price, etc.

Litigation

The Company has contingent liabilities as a result of litigation. The management has used judgement to assess the results of the litigation and believed that it will win the case. However, for prudent reason, the management has displayed judgement to set up certain provision for litigation as at the end of the reporting period.

5. CUMULATIVE EFFECTS OF CHANGES IN ACCOUNTING POLICIES DUE TO THE ADOPTION OF NEW FINANCIAL REPORTING STANDARDS

As described in Note 3.2 to the financial statements, during the current year, the Company and its subsidiaries have adopted TFRS 9 and TFRS 16 using the modified retrospective method of adoption. The cumulative effect of the changes in accounting policies such financial reporting standards is recognized. Therefore, the comparative information was not restated.

The changes in accounting policies due to the adoption of above financial reporting standards, are summarized below.

	Thousand Baht		
	Consolidated Financial Statements		
	As at December 31, 2019	The impacts of TFRS 16	As at January 1, 2020
Statement of financial position			
Non-current assets			
Right-of-use assets	-	20,092	20,092
Current liabilities			
Current portion of lease liabilities	2,291	8,192	10,483
Non-current liabilities			
Lease liabilities	1,582	11,900	13,482

	Thousand Baht		
	Separate Financial Statements		
	As at December 31, 2019	The impacts of TFRS 16	As at January 1, 2020
Statement of financial position			
Non-current assets			
Right-of-use assets	-	12,275	12,275
Current liabilities			
Current portion of lease liabilities	526	5,091	5,617
Non-current liabilities			
Lease liabilities	1,582	7,184	8,766

5.1 Financial instruments

Classification and measurement

On January 1, 2020 (the date of initial application), the Company and its subsidiaries's management has assessed which business models applied to the financial assets and liabilities held by the Company and its subsidiaries and has classified the financial assets and liabilities as below.

	Thousand Baht			
	Consolidated Financial Statements			
	FVPL	FVOCI	Amortized cost	Total
Financial assets as at January 1, 2020				
Cash and cash equivalents	-	-	182,190	182,190
Trade and other current receivables	-	-	700,182	700,182
Unbilled receivables	-	-	1,138,172	1,138,172
Accounts receivable - retention under construction contracts	-	-	215,366	215,366
Advances paid to subcontractors under construction contracts	-	-	519,906	519,906
Restricted deposits at banks	-	-	10,541	10,541
	-	-	2,766,357	2,766,357

	Thousand Baht	
	Consolidated Financial Statements	
	Amortized cost	Total
Financial liabilities as at January 1, 2020		
Bank overdrafts and short-term loans from financial institution	473,051	473,051
Trade and other current payables	508,637	508,637
Accounts payable - retention under construction contracts	100,572	100,572
Advances received from customers under construction contracts	986,559	986,559
Current portion of debentures	30,000	30,000
Lease liabilities	23,965	23,965
	2,122,784	2,122,784

Financial assets as at January 1, 2020

	Thousand Baht		
	Separate Financial Statements		
	FVOCI	Amortized cost	Total
Cash and cash equivalents	-	94,272	94,272
Trade and other current receivables	-	470,895	470,895
Unbilled receivables	-	411,365	411,365
Accounts receivable - retention under construction contracts	-	68,764	68,764
Advances paid to subcontractors under construction contracts	-	195,643	195,643
	-	1,240,939	1,240,939

Financial liabilities as at January 1, 2020

	Thousand Baht	
	Separate Financial Statements	
	Amortized cost	Total
Bank overdrafts and short-term loans from financial institutions	249,051	249,051
Trade and other current payables	265,726	265,726
Accounts payable - retention under construction contracts	13,104	13,104
Advances received from customers under construction contracts	387,031	387,031
Short-term loans from related parties	748,000	748,000
Current portion of debentures	30,000	30,000
Lease liabilities	14,383	14,383
	1,707,295	1,707,295

Impairment of financial assets

The Company and its subsidiaries have trade receivables that are subject to the expected credit loss model. The Company and its subsidiaries have trade receivables and long-term loans to related parties that are subject to the expected credit loss model.

Trade receivables

The Company and its subsidiaries apply the simplified approach to measuring expected credit losses, which use a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the historical payment profiles, the corresponding historical credit losses experienced and the impact of potential factor to the expected loss rates.

On that basis, the loss allowance for trade receivables was as follows:

Thousand Baht						
Consolidated financial statements						
	Not yet due	Up to 3 months	3 - 6 months	6 - 12 months	Over 12 months	Total
As at January 1, 2020						
Gross carrying amount	587,780	25,760	410	4,247	477,333	1,095,530
Loss allowance	-	-	372	4,226	390,750	395,348

Thousand Baht						
Separate financial statements						
	Not yet due	Up to 3 months	3 - 6 months	6 - 12 months	Over 12 months	Total
As at January 1, 2020						
Gross carrying amount	384,911	1,207	372	4,226	745,162	1,135,878
Loss allowance	-	-	372	4,226	660,385	664,983

The loss allowance for trade receivables as at December 31, 2019 is reconciled to the opening loss allowance for trade receivables as at January 1, 2020 as follow:

		Thousand Baht	
		Consolidated Financial Statements	Separate Financial Statements
Loss allowance for trade receivables			
As at December 31, 2019		395,348	664,983
Amounts restated through opening unappropriated retained earnings		-	-
Opening loss allowance as at January 1, 2020		395,348	664,983

Loans to related parties

The Company and its subsidiaries have loans to related parties measured at amortized cost. The loss allowance was limited to 12 months expected losses.

The loss allowance for short-term and long-term loans to related parties was as follow:

	Thousand Baht	
	Separate Financial Statements	
	Loss allowance for short-term loans to related parties	Loss allowance for long-term loans to related parties
As at December 31, 2019	60,384	1,306,517
Amounts restated through opening unappropriated retained earnings	-	-
Opening loss allowance as at January 1, 2020	60,384	1,306,517

5.2 Leases

These liabilities were measured at the present value of the remaining lease payments, discounted using the Company and its subsidiaries's incremental borrowing rates. The Company and its subsidiaries incremental borrowing rates applied to the lease liabilities as at January 1, 2020 was 6.26%

For leases previously classified as finance leases applying TAS 17, the Company and its subsidiaries reclassified the carrying amount of the lease assets and lease liabilities immediately before adoption of TFRS 16 as the carrying amount of the right-of-use assets and the lease liabilities at the date of initial application.

	Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
Operating lease commitments disclosed as at December 31, 2019	21,796	19,028
<u>Less:</u> Short-term leases recognized on a straight-line basis as expenses	(6,687)	(6,425)
<u>Less:</u> Low value leases recognized on a straight-line basis as expenses	(4,060)	(4,045)
<u>Add:</u> Purchase or extension options reasonably certain to be exercised	10,859	4,717
	21,908	13,275
<u>Less:</u> Deferred interest expenses	(1,816)	(1,000)
Additional lease liabilities from TFRS 16 adoption	20,092	12,275
Finance lease liabilities as at December 31, 2019	3,873	2,108
Lease liabilities recognized as at January 1, 2020	23,965	14,383
Of which are:		
Current lease liabilities	10,483	5,617
Non-current lease liabilities	13,482	8,766
	23,965	14,383

The recognized right-of-use assets relate to the following types of assets:

	Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
As at January 1, 2020		
Land and land improvements	4,840	-
Building and building improvements	462	-
Furniture, fixtures and office equipment	11,383	10,193
Vehicles	3,407	2,082
Total right-of-use assets	20,092	12,275

6. RELATED PARTY TRANSACTIONS

During the year, 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.

Details of relation between the Company and its 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
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
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 years ended December 31, 2020 and 2019 are as follows :

	In Million Baht				Transfer Pricing Policy
	Consolidated financial statements		Separate financial statements		
	2020	2019	2020	2019	
Transactions with subsidiary companies					
(eliminated from the consolidated financial statements)					
Cost of construction services	-	-	4	4	Cost plus margin
Interest expenses	-	-	23	24	At rate of 2.5% - 6.25% p.a.
Sale assets	-	-	8	-	Agreed between the parties
Other income	-	-	20	9	Cost plus margin
Transactions with associated company					
Rental income	-	1	-	1	Contract price
Transactions with related parties					
Other income	8	11	5	9	Cost plus margin

The significant outstanding balances with related parties and companies as at December 31, 2020 and 2019 are as follows :

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at December 31,		As at December 31,	
	2020	2019	2020	2019
Trade and other current receivables - related parties				
Subsidiary companies	-	-	410,417	289,798
Associated company	383,420	383,420	383,420	383,420
Joint venture	18,361	2,156	7,961	1,775
Total	401,781	385,576	801,798	674,993
Less Allowance for doubtful debts	(383,420)	(383,420)	(734,347)	(664,983)
Trade and other current receivables - related parties - net	18,361	2,156	67,451	10,010
Account receivable - retention under construction contracts - related parties				
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
Less Allowance for doubtful debts	(7,854)	(7,854)	(7,854)	(7,854)
Total account receivable - retention under construction contracts - related parties - net	42,626	42,626	42,626	42,626
Advances paid to subcontractor under construction contract - related party				
Joint venture	47,666	6,461	-	-
Total	47,666	6,461	-	-
Short-term loans to related parties				
Subsidiary companies	-	-	64,309	60,384
Total	-	-	64,309	60,384
Less Allowance for doubtful debts	-	-	(64,259)	(60,384)
Total short-term loans to related parties - net	-	-	50	-
Long-term loans to related parties				
Subsidiary companies	-	-	1,306,517	1,306,517
Total	-	-	1,306,517	1,306,517
Less Allowance for doubtful debts	-	-	(1,306,517)	(1,306,517)
Total long-term loans to related parties - net	-	-	-	-

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at December 31,		As at December 31,	
	2020	2019	2020	2019
Trade and other current payables - related parties				
Subsidiary companies	-	-	9,594	6,221
Joint ventures	-	14,414	-	-
Total	7,996	14,414	9,594	6,221
Short-term loans from related parties				
Subsidiary companies	-	-	642,000	748,000
Total	-	-	642,000	748,000

As at December 31, 2020 and 2019, the balance of loans and short-term loans between the Company and related companies and the movements are as follows:

		In Thousand Baht				
		Separate Financial Statements				
		Balance as at December 31, 2019	Increase	Decrease	Exchange rate adjustment	Balance as at December 31, 2020
Loans to	Related by					
Short-term loans						
TRC Investment Limited	Subsidiary company	3,417	199	-	(1)	3,615
TRC Engineering LLC	Subsidiary company	56,704	-	-	-	56,704
TRC Middle East LLC	Subsidiary company	263	3,677	-	-	3,940
Olive Technology Compay Limited	Subsidiary company	-	50	-	-	50
Total		60,384	3,926	-	(1)	64,309
Less : Allowance for doubtful debts		(60,384)	(3,876)	-	1	(64,259)
Short-term loans - net		-	50	-	-	50
Long-term loans						
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		-	-	-	-	-

Loans to related parties carried interest at rates of 3.5% - 7.0% per annum (2019 : 3.5% - 7.0% per annum), due for repayment on demand and no security to guarantee.

The purpose of loans to TRC Investment Limited and TRC International Limited are long-term investments in ordinary share of ASEAN Potash Chaiyaphum Public Company Limited as described in Note 16 The Company classified these loans as long-term loans to related parties in the separate financial statements.

		In Thousand Baht			
		Separate Financial Statements			
Loans from	Related by	Balance as at December 31, 2019	Increase	Decrease	Balance as at December 31, 2020
Sahakarn Wisavakorn Company Limited	Subsidiary company	748,000	427,000	(533,000)	642,000
Total		748,000	427,000	(533,000)	642,000

Short-term loans from related parties carried interest at rate of 2.5% - 6.25% per annum (December 31, 2019 : 2.5% - 5.5% 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 38.4 and 38.5

Management benefit expenses

Management benefit expenses represent the benefits paid to the Company's management such as salaries and related benefit including the benefit paid by other means. The Company's management is the persons who are defined under the Securities and Exchange Act.

Management benefit expenses for the years ended December 31, 2020 and 2019, are as follows :

		In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		For the year ended December 31,		For the year ended December 31,	
		2020	2019	2020	2019
Management					
Management benefit expenses					
Short-term employee benefits		26	29	16	23
Post-employment benefits		3	3	1	2
Total		29	32	17	25

7. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at December 31,		As at December 31,	
	2020	2019	2020	2019
Cash	1,611	1,757	437	451
Deposits at banks (saving and current account)	88,174	180,433	1,811	93,821
Total	89,785	182,190	2,248	94,272

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

8. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at December 31,		As at December 31,	
	2020	2019	2020	2019
Trade accounts receivable - related parties				
Aged on the basis of due dates				
Not yet due	-	-	-	-
Past due				
Up to 3 months	-	-	-	-
3 - 6 months	-	372	-	372
6 - 12 months	-	4,226	-	4,226
Over 12 months	383,420	378,822	383,420	378,822
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	-	-	-	-

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at December 31,		As at December 31,	
	2020	2019	2020	2019
Trade accounts receivable - unrelated parties				
Aged on the basis of due dates				
Not yet due	241,509	584,506	53,797	373,968
Past due				
Up to 3 months	16,033	25,473	14,707	-
3 - 6 months	2,159	38	-	-
6 - 12 months	2,925	21	-	-
Over 12 months	11,726	96,513	-	84,776
Total trade accounts receivable - unrelated parties	274,352	706,551	68,504	458,744
Less : Allowance for doubtful debts	(11,966)	(11,928)	-	-
Translation adjustment	269	223	-	-
Total trade accounts receivable - unrelated parties - net	262,655	694,846	68,504	458,744
Total trade accounts receivable - net	262,655	694,846	68,504	458,744
Other current receivables				
Advance to related parties	18,361	2,156	69,468	12,027
Interest receivable from related parties	-	-	348,910	279,546
Others	2,282	3,180	2,055	2,141
Total other current receivables	20,643	5,336	420,433	293,714
Less : Allowance for doubtful debt	-	-	(350,927)	(281,563)
Total other current receivables - net	20,643	5,336	69,506	12,151
Total trade and other current receivables - net	283,298	700,182	138,010	470,895

The Company and the subsidiary transferred the rights to receive payment from accounts receivable under construction contracts to secure the credit facilities from banks. Pledged trade accounts receivable amounting to Baht 243 million included in the trade accounts receivable balance as at December 31, 2020 (the Company only: Baht 52 million) (December 31, 2019 : Baht 514 million, the Company only: Baht 374 million).

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

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	As at December 31,		As at December 31,	
	2020	2019	2020	2019
Unbilled receivables and advances received from customers under construction contracts				
Project value as per contracts	15,649,957	21,707,496	4,525,296	9,649,236
Accumulated amount recognised as revenue on percentage of completion basis	7,314,169	10,127,035	2,633,475	5,294,370
Less: Bad debt	-	-	-	-
Less: Value of total billed	(7,110,399)	(9,975,423)	(2,580,603)	(5,270,037)
Net	203,770	151,612	52,872	24,333
Unbilled receivables - net	1,117,635	1,138,171	314,182	411,364
Advances received from customers	(913,865)	(986,559)	(261,310)	(387,031)
Total	203,770	151,612	52,872	24,333
Accounts receivables - retention under construction contract	279,024	223,220	133,051	76,618
Less: Allowance for doubtful debt	(7,854)	(7,854)	(7,854)	(7,854)
Accounts receivable - retention under construction contract - net	271,170	215,366	125,197	68,764
Unearned construction revenue				
Project value as per contracts	261,500	-	261,500	-
Value of total billed	32,900	-	32,900	-
Less: Accumulated amount recognised as revenue on percentage of completion basis	(22,845)	-	(22,845)	-
Unearned construction revenue	10,055	-	10,055	-

10. INVENTORIES

Inventories are as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2020	2019	2020	2019
Raw materials and construction supplies	2,362	7,939	2,302	7,892
Finished goods	8	8	-	-
Total	2,370	7,947	2,302	7,892
<u>Less</u> Allowance for decline in value of inventories	(694)	(2,378)	(694)	(2,378)
Inventories - net	1,676	5,569	1,608	5,514

11. WITHHOLDING TAX DEDUCTED AT SOURCE

Withholding tax deducted at source are as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2020	2019	2020	2019
Year 2016	6,522	6,522	-	-
Year 2017	5,674	26,674	-	20,999
Year 2018	26,423	26,423	26,423	26,423
Year 2019	72,510	72,510	57,712	57,712
Year 2020	62,130	-	39,275	-
	173,259	132,129	123,410	105,134

The Company and its subsidiary record withholding tax deducted at source as an asset since they are entitled to claim for a refund of such tax. However, the net realisable value of tax refund is subject to the exercise of the claim right and the result of tax audit of the Company and its subsidiary by Government Agency.

12. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

On January 1, 2020 (the date of initial application of new financial reporting standards), the Company and its subsidiaries's management have assessed which business models applied to the financial assets and liabilities and have classified the financial assets and liabilities balances as at January 1, 2020 has been disclosed in Note 5.1

	Thousand Baht			
	Consolidated Financial Statements			
	FVPL	FVOCI	Amortized cost	Total
Financial assets as at December 31, 2020				
Cash and cash equivalents	-	-	89,785	89,785
Trade and other current receivables	-	-	283,298	283,298
Unbilled receivables	-	-	1,117,635	1,117,635
Accounts receivable - retention under construction contracts	-	-	271,170	271,170
Advances paid to subcontractors under construction contracts	-	-	498,303	498,303
Restricted deposits at banks	-	-	32,198	32,198
	-	-	2,292,389	2,292,389

	Thousand Baht	
	Consolidated Financial Statements	
	Amortized cost	Total
Financial liabilities as at December 31, 2020		
Bank overdrafts and short-term loans from financial institution	709,460	709,460
Trade and other current payables	718,490	718,490
Unearned construction - revenue	10,055	10,055
Accounts payable - retention under construction contracts	158,959	158,959
Advances received from customers under construction contracts	913,865	913,865
Lease liabilities	32,382	32,382
	2,543,211	2,543,211

	Thousand Baht		
	Separate Financial Statements		
	FVOCI	Amortized cost	Total
Financial assets as at December 31, 2020			
Cash and cash equivalents	-	2,248	2,248
Trade and other current receivables	-	138,010	138,010
Unbilled receivables	-	314,182	314,182
Accounts receivable - retention under construction contracts	-	125,197	125,197
Advances paid to subcontractors under construction contracts	-	175,760	175,760
Restricted deposits at banks	-	29,350	29,350
	-	784,747	784,747

	Thousand Baht	
	Separate Financial Statements	
	Amortized cost	Total
Financial liabilities as at December 31, 2020		
Bank overdrafts and short-term loans from financial institutions	414,660	414,660
Trade and other current payables	406,437	406,437
Unearned construction - revenue	10,055	10,055
Accounts payable - retention under construction contracts	9,588	9,588
Advances received from customers under construction contracts	261,310	261,310
Short-term loans from related parties	642,000	642,000
Lease liabilities	17,213	17,213
	1,761,263	1,761,263

13. OTHER CURRENT ASSETS

Other current assets are as follows :

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2020	2019	2020	2019
Prepaid expenses	16,528	21,423	12,836	10,724
Account receivable - Revenue Department	11,929	11,067	-	7,431
Other current assets	16,101	5,230	1,490	1,916
Total other current assets	44,558	37,720	14,326	20,071

14. RESTRICTED DEPOSITS AT BANKS

These represent saving deposit and fixed deposits pledged with banks to secure credit facilities and bank guarantee facilities issued by the banks on behalf of the company and its subsidiaries, as described in Note 38.4

15. INVESTMENTS IN SUBSIDIARIES

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

Company's name	Business type	Country of registration	Shareholding percentage (%)	In Baht					
				Paid-up capital		Cost method		Allowance for loss	
				As at December 31,		As at December 31,		As at December 31,	
				2020	2019	2020	2019	2020	2019
Sahakarn Wisavakom Company Limited	Construction services - basic infrastructure	Thailand	99.99	500,000,000 Baht	500,000,000 Baht	620,894,691	620,894,691	(145,071,416)	(145,071,416)
TRC Investment Limited	Holding company	The Republic of Mauritius	100.00	1 USD	1 USD	32	32	-	-
TRC Utility Company Limited	To produce and distribute tap water	Thailand	99.97	250,000 Baht	250,000 Baht	249,925	249,925	-	-
Olive Technology Company Limited	Data management and processing	Thailand	49.97	250,000 Baht	-	124,925	-	124,925	-
Total						621,269,573	621,144,648	(145,071,416)	(145,071,416)
								476,198,157	475,823,275
									475,823,275

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. Presently, it 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 Co.,Ltd. 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 Co.,Ltd. consists of 5 directors - 3 from TRC Construction Public Company Limited and 2 from Xsense Information Service Co.,Ltd. The meeting resolution on various matters has to receive majority votes of all directors. This means TRC Construction Public Company Limited will have control over the operation of Olive Technology Co.,Ltd. Therefore, the Company considered the investments in Olive Technology Co.,Ltd. as a subsidiary.

On August 14, 2020, the Board of Subsidiary Directors' Meeting No. 4/2020 had a resolution to approve the subsidiary in establishing 2 companies to operate E-Commerce business, information analysis and platform management.

On November 23, 2020, Olive Technology Co.,Ltd. had conducted business in providing research services, development of inspection systems in government agencies, state enterprises and private sectors in the controlled studies through IOT system by the establishment Mahat Co.,Ltd. with registered capital amounted Baht 1 million and had fully paid. 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. The Board of Directors of Mahat Co.,Ltd. would consist of 3 directors which 2 directors were appointed from subsidiary and 1 director from joint venture. The resolution of the Board of Directors' meeting on various matters required the majority votes of all directors that mean the subsidiary had the power to control the operations of Mahat Co.,Ltd. Therefore, the subsidiary had considered the investment in Mahat Co.,Ltd. as a subsidiary.

Sahakarn Wisavakorn Company Limited

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 was the winner of the tender, 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 do not invest in project working capital, not receive the shares of profit and loss, including not responsible for any damage that may occur from the project operation. Therefore, the subsidiary considers Saha Hydro Pattaya Joint Venture as a subsidiary.

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

Company's name	Business type	Country of registration	Shareholding percentage (%)	Paid-up capital		Cost method		In Baht		Cost method - net		
				As at December 31,		As at December 31,		Allowance for loss		As at December 31,		
				2020	2019	2020	2019	2020	2019	2020	2019	
Held by Sahakarn Wisavakorn Company Limited												
Hydrotek Sahakarn Joint Venture	Construction services	Thailand	49.00	49.00	1,000,000 Baht	1,000,000 Baht	490,000	490,000	-	-	490,000	490,000
Held by TRC Investment Limited												
TRC International Limited	Holding company	Hong Kong	100.00	100.00	10 HKD	10 HKD	33	33	-	-	33	33
Held by TRC International Limited												
TRC Middle East LLC	Construction services	Sultanate of Oman	70.00	70.00	150,000 Omani Rial	150,000 Omani Rial	12,322,330	12,322,330	(12,322,330)	(12,322,330)	-	-
TRC Engineering LLC	Construction services	Sultanate of Oman	70.00	70.00	250,000 Omani Rial	250,000 Omani Rial	13,654,506	13,654,506	(13,654,506)	(13,654,506)	-	-
Held by Olive Technology Company Limited												
Mahat Company Limited	Data management and processing	Thailand	59.98	-	1,000,000 Baht	-	599,800	-	-	-	599,800	-
Total						27,066,669	26,466,869	(25,976,836)	(25,976,836)	1,089,833	490,033	

Hydrotek Sahakarn Joint Venture

akarn 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 may be 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 December 31, 2020 such subsidiary is under liquidation process.

TRC Middle East LLC และ 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. On December 31, 2020, these subsidiaries have been in the liquidation process.

16. INVESTMENTS IN ASSOCIATE

16.1 Details of associate

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

Company's name	Business type	Country of registration	Shareholding percentage (%)	Paid-up capital (Thousand Baht)	In Thousand Baht						
					Carrying amounts based on equity method		Allowance for loss		Carrying amounts based on equity method - net		
					As at December 31,		As at December 31,		As at December 31,		
					2020	2019	2020	2019	2020	2019	
Held by TRC Investment Limited											
ASEAN Potash Chaiyaphum Public Company Limited	Mining Industries	Thailand	22.46	2,805,797	2,805,797	1,126,742	1,126,742	(1,126,742)	(1,126,742)	-	-
Held by TRC International Limited											
ASEAN Potash Chaiyaphum Public Company Limited	Mining Industries	Thailand	2.67	2,805,797	2,805,797	85,989	85,989	(85,989)	(85,989)	-	-
Total						1,212,731	1,212,731	(1,212,731)	(1,212,731)	-	-

ASEAN Potash Chaiphaphum 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 Chaiphaphum 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.

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.

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 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. Furthermore, the associate's current liabilities substantially exceeded its current assets. Even though the Company 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 December 31, 2020, the associated company was still unable to settle payment for the special state benefits installment 1 - 3 of Baht 1,705 million, including the penalty fee at the rate of 15% per anum 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.

16.2 Share of Profit (loss)

During the year ended December 31, 2020 and 2019, 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.

16.3 Summary of significant financial information on associate

ASEAN Potash Chaiyaphum Public Company Limited

Summary of information about financial position as at December 31, 2020 and 2019

	In Million Baht	
	2020	2019
Current assets	5	6
Non-current assets	6,832	6,846
Current liabilities	(3,585)	(2,700)
Non-current liabilities	(2,537)	(3,003)
Net assets	715	1,149
Shareholding percentage (%)	25.13	25.13
Share of net assets	180	289
Elimination entries	-	-
Goodwill	847	847
Total	1,027	1,136
Less: Allowance for loss on impairment of investment	(1,213)	(1,213)
Carrying amounts of associate based on equity method	(186)	(77)

Summary of information about comprehensive income for the year ended December 31, 2020 and 2019

	In Million Baht	
	2020	2019
Revenue	2	15
Profit (loss)	(434)	(359)
Other comprehensive income	-	-
Total comprehensive income	(434)	(359)

17. INVESTMENTS IN JOINT VENTURES

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

Company's name	Business type	Shareholding percentage (%)		Cost (Thousand Baht)		Carrying amounts based on equity method		Allowance for loss		Carrying amounts based on equity method - net	
		As at December 31,		As at December 31,		As at December 31,		As at December 31,		As at December 31,	
		2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Held by the Company											
Sinopec-TRC Joint Venture	Construction service	30	30	2,376	2,376	2,376	2,376	-	-	2,376	2,376
AT Energy Solution Company Limited	Energy production and distribution	50	50	100,000	25,375	97,265	25,375	-	-	97,265	25,375
Held by Sahakorn Wisavakorn Company Limited											
SH Crossing Company Limited	Construction service	51	51	20,400	20,400	23,741	23,862	-	-	23,741	23,862
Sahakorn Underground Joint Venture	Construction service	50	-	200	-	201	-	-	-	201	-
Total				122,976	48,151	123,583	51,613	-	-	123,583	51,613

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

Company's name	Business type	Shareholding percentage (%)		Cost method		Allowance for loss		Cost method - net	
		As at December 31,		As at December 31,		As at December 31,		As at December 31,	
		2020	2019	2020	2019	2020	2019	2020	2019
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	25,375	-	-	100,000	25,375
Total				102,376	27,751	-	-	102,376	27,751

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 Co.,Ltd. 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 Co.,Ltd 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 Co.,Ltd. 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 Co.,Ltd. had called for the payment of the remaining capital increase shares, resulting in an investment AT Energy Solution Co.,Ltd. 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 Co.,Ltd. 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 Co.,Ltd. as an joint venture.

Sahakarn Underground Joint Venture

On April 20, 2020, the subsidiary had entered into the joint venture agreement with a company on behalf of Sahakarn Underground Joint Venture. This is to join the tender and work together in the manhole construction project and underground electrical conduit 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.

17.1 Share of profit (loss)

During the year, 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 years ended December 31,			
	2020	2019	2020	2019
SH Crossings Company Limited	(121)	1,615	-	-
AT Energy Solution Company Limited	(2,735)	-	-	-
Sahakarn Underground Joint Venture	1	-	-	-
Total	(2,855)	1,615	-	-

The consolidated financial statements for the years ended December 31, 2020 and 2019 do not include share of profit (loss) on investment in Sinopec-TRC Joint Venture because the effect of these transactions on the financial statements is immaterial.

17.2 Summary of significant financial information on joint venture

SH Crossings Company Limited

Summary information about financial position

	In Million Baht	
	2020	2019
Cash and cash equivalent	6	9
Other current assets	150	77
Non-current assets	13	14
Current liabilities	(123)	(53)
Net assets	46	47
Shareholding percentage (%)	51	51
Share of net assets	24	24

Summary information about comprehensive income

	In Million Baht	
	For the years ended December 31,	
	2020	2019
Revenue	115	152
Depreciation and amortization	(4)	(3)
Income tax expense	(0)	(1)
Profit (loss)	(0)	3
Other comprehensive income	-	-
Total comprehensive income	(0)	3

AT Energy Solution Company Limited

Summary information about financial position

	In Million Baht	
	2020	2019
Cash and cash equivalent	26	16
Other current assets	154	1
Non-current assets	18	33
Current liabilities	(3)	(0)
Net assets	195	50
Shareholding percentage (%)	50	50
Share of net assets	98	25

Summary information about comprehensive income

	In Million Baht	
	For the years ended December 31,	
	2020	2019
Revenue	5	0
Depreciation and amortization	(0)	(0)
Income tax expense	-	-
Profit (loss)	(4)	(2)
Other comprehensive income	-	-
Total comprehensive income	(4)	(2)

Sahakarn Underground Joint Venture

Summary information about financial position

	In Million Baht
	2020
Cash and cash equivalent	2
Other current assets	12
Non-current assets	0
Current liabilities	(14)
Net assets	0
Shareholding percentage (%)	50
Share of net assets	0

Summary information about comprehensive income

	In Million Baht
	For the years ended December 31,2020
Revenue	3
Depreciation and amortization	(0)
Income tax expense	(0)
Profit (loss)	0
Other comprehensive income	-
Total comprehensive income	0

18. PROPERTY, PLANT AND EQUIPMENT

Consolidated financial statements (In Thousand Baht)					
	Balance as at January 1, 2020	Additions	Disposals/ Written-off	Transfer in/ (Transfer out)	Balance as at December 31, 2020
Cost					
Land	142,062	-	-	-	142,062
Building	301,840	101	-	41,473	343,414
Tools and equipment	596,054	27,269	(25,023)	5,085	603,385
Furniture, fixtures and office equipment	98,523	1,221	(2,514)	-	97,230
Vehicles	88,402	-	(993)	-	87,409
Construction in progress	34,359	77,686	-	(36,918)	75,127
Total cost	1,261,240	106,277	(28,530)	9,640	1,348,627
Accumulated depreciation					
Building	(46,714)	(12,853)	-	-	(59,567)
Tools and equipment	(450,417)	(53,487)	13,835	(5,735)	(495,804)
Furniture, fixtures and office equipment	(86,761)	(5,781)	2,507	-	(90,035)
Vehicles	(81,096)	(4,315)	891	-	(84,520)
Total accumulated depreciation	(664,988)	(76,436)	17,233	(5,735)	(729,926)
<u>Less</u> Allowance for impairment	(344)	-	-	-	(344)
Property, plant and equipment	595,908				618,357

Consolidated financial statements (In Thousand Baht)

	Balance as at January 1, 2019	Additions	Disposals/ Written-off	Transfer in/ (Transfer out)	Balance as at December 31, 2019
Cost					
Land	142,062	-	-	-	142,062
Building	293,748	164	-	7,928	301,840
Tools and equipment	561,462	28,711	(4,130)	10,011	596,054
Furniture, fixtures and office equipment	98,978	1,182	(1,637)	-	98,523
Vehicles	97,937	2,992	(12,527)	-	88,402
Construction in progress	15,214	37,084	-	(17,939)	34,359
Total cost	1,209,401	70,133	(18,294)	-	1,261,240
Accumulated depreciation					
Building	(35,295)	(11,419)	-	-	(46,714)
Tools and equipment	(368,478)	(84,784)	2,845	-	(450,417)
Furniture, fixtures and office equipment	(78,471)	(9,872)	1,582	-	(86,761)
Vehicles	(85,851)	(7,276)	12,031	-	(81,096)
Total accumulated depreciation	(568,095)	(113,351)	16,458	-	(664,988)
<u>Less</u> Allowance for impairment	(344)	-	-	-	(344)
Property, plant and equipment	640,962				595,908

Separate financial statements (In Thousand Baht)

	Balance as at January 1, 2020	Additions	Disposals/ Written-off	Transfer in/ (Transfer out)	Balance as at December 31, 2020
Cost					
Land	140,472	-	-	-	140,472
Building	301,807	101	-	41,473	343,381
Tools and equipment	451,219	21,200	(72,167)	5,085	405,337
Furniture, fixtures and office equipment	87,374	1,049	(2,293)	-	86,130
Vehicles	70,164	-	-	-	70,164
Construction in progress	34,359	68,877	-	(36,918)	66,318
Total cost	1,085,395	91,227	(74,460)	9,640	1,111,802
Accumulated depreciation					
Building	(46,710)	(12,851)	-	-	(59,561)
Tools and equipment	(328,492)	(46,215)	53,363	(5,735)	(327,079)
Furniture, fixtures and office equipment	(76,294)	(5,511)	2,286	-	(79,519)
Vehicles	(63,209)	(4,083)	-	-	(67,292)
Total accumulated depreciation	(514,705)	(68,660)	55,649	(5,735)	(533,451)
Property, plant and equipment	570,690				578,351

	Separate financial statements (In Thousand Baht)				
	Balance as at January 1, 2019	Additions	Disposals/ Written-off	Transfer in/ (Transfer out)	Balance as at December 31, 2019
Cost					
Land	140,472	-	-	-	140,472
Building	293,715	164	-	7,928	301,807
Tools and equipment	418,276	25,862	(2,930)	10,011	451,219
Furniture, fixtures and office equipment	87,961	1,012	(1,599)	-	87,374
Vehicles	76,725	2,992	(9,553)	-	70,164
Construction in progress	15,214	37,084	-	(17,939)	34,359
Total cost	1,032,363	67,114	(14,082)	-	1,085,395
Accumulated depreciation					
Building	(35,293)	(11,417)	-	-	(46,710)
Tools and equipment	(257,321)	(73,675)	2,504	-	(328,492)
Furniture, fixtures and office equipment	(68,404)	(9,439)	1,549	-	(76,294)
Vehicles	(65,571)	(6,768)	9,130	-	(63,209)
Total accumulated depreciation	(426,589)	(101,299)	13,183	-	(514,705)
Property, plant and equipment	605,774				570,690

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	For the years ended December 31,		For the years ended December 31,	
	2020	2019	2020	2019
Depreciation charged to the statements of comprehensive income				
Cost of sales and services	16,506	57,388	9,493	47,979
Administrative expenses	59,930	55,963	59,167	53,320
Total	76,436	113,351	68,660	101,299

As at December 31, 2020 and 2019, the Company and its subsidiary's certain equipment items have been fully depreciated but are still in use. The gross carrying amount, before deducting accumulated depreciation of those assets, amounted to approximately Baht 517 million and Baht 245 million, respectively. (The company only : 385 million and 155 million, respectively)

As at December 31, 2020 and 2019, the Company and its subsidiary has tools and motor vehicles acquired under finance lease agreements, with net book value amounting to approximately Baht 7 million and Baht 13 million, respectively. (The company only : 5 million and 9 million, respectively)

As at December 31, 2020 and 2019, the Company has mortgaged land and building which has book value amounting to Baht 100 million with banks to be collateral against credit facilities received from the bank.

19. RIGHT-OF-USE ASSETS

The net book value of right-of-use assets related to lease contracts and the movement for the year ended December 31, 2020 are presented below.

	Thousand Baht	
	Consolidated financial statements	Separate Financial statements
Cost		
As at December 31, 2019	-	-
Effects of the adoption of TFRS16 as at January 1, 2020	20,092	12,275
As at January 1, 2020	20,092	12,275
Addition	21,252	8,958
Written-off	-	-
As at December 31, 2020	41,344	21,233
Accumulated depreciation		
As at December 31, 2019	-	-
Effects of the adoption of TFRS16 as at January 1, 2020	-	-
As at January 1, 2020	-	-
Depreciation for the year	(11,721)	(6,748)
Depreciation - written-off	-	-
As at December 31, 2020	(11,721)	(6,748)
Net book value		
As at December 31, 2019	-	-
As at January 1, 2020	20,092	12,275
As at December 31, 2020	29,623	14,485

20. INTANGIBLE ASSETS

	Consolidated financial statements (In Thousand Baht)				
	Balance as at January 1, 2020	Additions	Disposals/ Written-off	Transfer in/ (Transfer out)	Balance as at December 31, 2020
Cost					
Computer software	26,240	4,728	-	-	30,968
Total cost	26,240	4,728	-	-	30,968
Accumulated amortisation					
Computer software	(15,493)	(2,202)	-	-	(17,695)
Total accumulated amortisation	(15,493)	(2,202)	-	-	(17,695)
Intangible assets - net	10,747				13,273

	Consolidated financial statements (In Thousand Baht)				
	Balance as at January 1, 2019	Additions	Disposals/ Written-off	Transfer in/ (Transfer out)	Balance as at December 31, 2019
Cost					
Computer software	26,521	82	(363)	-	26,240
Total cost	26,521	82	(363)	-	26,240
Accumulated amortisation					
Computer software	(13,548)	(2,096)	151	-	(15,493)
Total accumulated amortisation	(13,548)	(2,096)	151	-	(15,493)
Intangible assets - net	12,973				10,747

	Separate financial statements (In Thousand Baht)				
	Balance as at January 1, 2020	Additions	Disposals/ Written-off	Transfer in/ (Transfer out)	Balance as at December 31, 2020
Cost					
Computer software	25,739	4,651	-	-	30,390
Total cost	25,739	4,651	-	-	30,390
Accumulated amortisation					
Computer software	(15,172)	(2,151)	-	-	(17,323)
Total accumulated amortisation	(15,172)	(2,151)	-	-	(17,323)
Intangible assets - net	10,567				13,067

	Separate financial statements (In Thousand Baht)				
	Balance as at January 1, 2019	Additions	Disposals/ Written-off	Transfer in/ (Transfer out)	Balance as at December 31, 2019
Cost					
Computer software	25,682	57	-	-	25,739
Total cost	25,682	57	-	-	25,739
Accumulated amortisation					
Computer software	(13,152)	(2,096)	-	-	(15,172)
Total accumulated amortisation	(13,152)	(2,096)	-	-	(15,172)
Intangible assets - net	12,530				10,567

In Thousand Baht			
Consolidated financial statements		Separate financial statements	
For the years ended December 31,		For the years ended December 31,	
2020	2019	2020	2019
Amortisation charged to the statements of comprehensive income			
Cost of sales and services	7	8	7
Administrative expenses	2,195	2,088	2,145
Total	2,202	2,096	2,151

21. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

21.1 Deferred tax assets and deferred tax liabilities are as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2020	2019	2020	2019
Deferred tax assets	49,983	30,638	15,463	14,560
Deferred tax liabilities	(280)	(1,666)	(318)	(1,193)
	<u>49,703</u>	<u>28,972</u>	<u>15,145</u>	<u>13,367</u>

Changes in deferred tax assets and deferred tax liabilities for the years ended December 31, 2020 and 2019, were as follows:

	In Thousand Baht				
	Consolidated financial statements				
	Balance as at December 31, 2019	Recognized in Profit and Loss		Recognized in Other Comprehensive Income	Balance as at December 31, 2020
		Additions	Utilized/ Reversal		
Deferred tax assets resulted from					
Allowance for decline in value in inventories	476	-	(337)	-	139
Employee benefit obligations	14,985	2,929	(1,550)	-	16,364
Other provision	15,177	74,254	(55,951)	-	33,480
Total	30,638	77,183	(57,838)	-	49,983
Deferred tax liabilities from					
Financial lease	(1,666)	38	1,348	-	(280)
Total	(1,666)	38	1,348	-	(280)
Net	28,972	77,221	(56,490)	-	49,703

In Thousand Baht					
Consolidated financial statements					
	Balance as at December 31, 2018	Recognized in Profit and Loss		Recognized in Other Comprehensive Income	Balance as at December 31, 2019
		Additions	Utilized/ Reversal		
Deferred tax assets resulted from					
Allowance for decline in value in inventories	476	-	-	-	476
Employee benefit obligations	11,291	3,694	-	-	14,985
Other provision	3,230	11,947	-	-	15,177
Total	14,997	15,641	-	-	30,638
Deferred tax liabilities from					
Financial lease	(1,997)	-	331	-	(1,666)
Total	(1,997)	-	331	-	(1,666)
Net	13,000	15,641	331	-	28,972

In Thousand Baht					
Separate financial statements					
	Balance as at December 31, 2019	Recognized in Profit and Loss		Recognized in Other Comprehensive Income	Balance as at December 31, 2020
		Additions	Utilized/ Reversal		
Deferred tax assets resulted from					
Allowance for decline in value in inventories	476	-	(337)	-	139
Employee benefit obligations	12,665	2,401	(1,398)	-	13,668
Other provision	1,419	11,251	(11,014)	-	1,656
Total	14,560	13,652	(12,749)	-	15,463
Deferred tax liabilities from					
Financial lease	(1,193)	-	875	-	(318)
Total	(1,193)	-	875	-	(318)
Net	13,367	13,652	(11,874)	-	15,145

In Thousand Baht					
Separate financial statements					
Balance as at December 31, 2018	รายการที่รับรู้ใน กำไรหรือขาดทุน Additions	Utilized/ Reversal	Recognized in Other Comprehensive Income	Balance as at December 31, 2019	
Deferred tax assets resulted from					
Allowance for decline in value in inventories	476	-	-	-	476
Employee benefit obligations	9,569	3,096	-	-	12,665
Other provision	594	825	-	-	1,419
Total	10,639	3,921	-	-	14,560
Deferred tax liabilities from					
Financial lease	(2,094)	-	901	-	(1,193)
Total	(2,094)	-	901	-	(1,193)
Net	8,545	3,921	901	-	13,367

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

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

In Thousand Baht					
		Consolidated financial statements		Separate financial statements	
		As at December 31,		As at December 31,	
Interest rate (% per annum)		2020	2019	2020	2019
Trust receipts	4.47 - 5.25 (2019 : 5.25)	20,405	36,565	20,405	36,565
Promissory note	3.25 - 6.00 (2019 : 3.00 - 5.25)	689,055	436,486	394,255	212,486
Total		709,460	473,051	414,660	249,051

23. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables were as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2020	2019	2020	2019
Trade accounts payable - related party	7,996	14,414	-	-
Trade accounts payable - unrelated parties	643,404	426,323	340,757	208,549
Advances from related parties	-	-	5,628	3,852
Fixed assets payable	17,093	3,585	14,835	3,074
Accrued interest expense - related parties	-	-	3,966	2,369
Accrued expenses - unrelated parties	49,997	64,315	41,251	47,882
Total trade and other current payables	718,490	508,637	406,437	265,726

24. 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, 2020	16,719	60,173	76,892	8,101	-	8,101
Increase during the year	1,000	370,269	371,269	-	56,256	56,256
Decrease from occurrence of actual expense	(7,016)	(270,569)	(277,585)	(2,468)	(51,379)	(53,847)
Reversal of provisions	(3,602)	-	(3,602)	(2,658)	-	(2,658)
As at December 31, 2020	7,101	159,873	166,974	2,975	4,877	7,852

	In Thousand Baht					
	Consolidated financial statements			Separate financial statements		
	Warranties	Loss on construction	Total	Warranties	Loss on construction	Total
As at January 1, 2019	21,977	2,554	24,531	3,797	2,554	6,351
Increase during the year	9,957	68,736	78,693	7,537	8,563	16,100
Decrease from occurrence of actual expense	(12,918)	(11,117)	(24,035)	(3,233)	(11,117)	(14,350)
Reversal of provisions	(2,297)	-	(2,297)	-	-	-
As at December 31, 2019	16,719	60,173	76,892	8,101	-	8,101

25. DEBENTURES

The Company has issued unsubordinated and unsecured debentures without a debentureholders' representative in the name-registered, as detailed below.

In Thousand Baht					
Consolidated / Separate financial statements					
Debentures	Interest rate	Interest payment schedule	Terms	Due date	As at December 31, 2020
Debentures 1/2018	4.80%	Quarterly, starting from March 17, 2018	2 years 2 days	March 17, 2020	As at December 31, 2019
					-
Total debentures - at face value					30,000
Less : Unamortised portion of deferred transaction costs					-
Debentures - net					30,000
Less: Current portion					(30,000)
Debentures - net of current portion					-

26. LEASE LIABILITIES

The carrying amounts of lease liabilities and the movement for the year ended December 31, 2020 are presented below.

	Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
As at December 31, 2019	3,873	2,108
Effects of the adoption of TFRS16	20,092	12,275
As at January 1, 2020	23,965	14,383
Addition	21,252	8,958
Accretion of interest	1,640	933
Payments	(14,475)	(7,061)
As at December 31, 2020	32,382	17,213
<u>Less</u> : current portion	(16,709)	(9,156)
Lease liabilities - net of current portion	15,673	8,057

The following are the amounts recognized in profit or loss :

	Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
Depreciation of right-of-use assets	11,721	6,748
Interest expense on lease liabilities	1,640	933
Expense relating to short-term lease	9,745	7,889
Leases of low - value assets	4,528	4,192
Total	27,634	19,762

The Company and its subsidiaries had total cash outflows for leases of Baht 14 million (the separate: Baht 7 million) and also had non-cash additions to right-of-use assets and lease liabilities of Baht 41 million (the separate: Baht 21 million).

27. OTHER CURRENT LIABILITIES

Other current liabilities are as follows:

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	As at December 31,		As at December 31,	
	2020	2019	2020	2019
Undue output VAT	104	32,971	-	26,448
VAT payable	8,811	121	8,706	-
Others	6,936	6,625	2,365	1,629
Total	15,851	39,717	11,071	28,077

28. NON-CURRENT PROVISION FOR EMPLOYEE BENEFITS

28.1 Movements in the non-current provision for employee benefits are as follows:

	Consolidated Financial Statements (In Thousand Baht)					
	2020			2019		
	Post-employment benefits	Other long-term benefits	Total	Post-employment benefits	Other long-term benefits	Total
Defined benefit obligation at beginning of year	68,776	6,346	75,122	50,865	5,589	56,454
Past service cost and Interest cost						
- Change a considered a past employment plan amendment	-	-	-	10,052	-	10,052
Current service cost and Interest cost	12,796	1,942	14,738	11,642	1,728	13,370
Benefits paid during the year	(7,406)	(347)	(7,753)	(3,783)	(971)	(4,754)
Defined benefit obligation at end of year	74,166	7,941	82,107	68,776	6,346	75,122

	Separate Financial Statements (In Thousand Baht)					
	2020			2019		
	Post-employment benefits	Other long-term benefits	Total	Post-employment benefits	Other long-term benefits	Total
Defined benefit obligation at beginning of year	57,842	5,485	63,327	43,131	4,714	47,845
Past service cost and Interest cost						
- Change a considered a past employment plan amendment	-	-	-	8,862	-	8,862
Current service cost and Interest cost	10,430	1,573	12,003	9,632	1,425	11,057
Benefits paid during the year	(6,721)	(271)	(6,992)	(3,783)	(654)	(4,437)
Defined benefit obligation at end of year	61,551	6,787	68,338	57,842	5,485	63,327

28.2 Expenses recognized in the statement of comprehensive income for the year ended December 31, 2020 and 2019 are as follows :

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended December 31,		For the year ended December 31,	
	2020	2019	2020	2019
The statement of comprehensive income				
Recognized in profit or loss				
Past service cost and interest	-	10,052	-	8,862
Current service cost and interest				
- Cost of sales	6,488	4,569	5,282	3,315
- Administrative expenses	8,250	8,801	6,721	7,742
Total	14,738	23,422	12,003	19,919

28.3 The main assumptions in the assessment financial assumptions

For the year ended December 31	Percentage			
	Consolidated Financial Statement		Separate Financial Statement	
	2020	2019	2020	2019
Discount rate (% per annum)	2.28 - 2.43	2.28 - 2.43	2.28	2.28
Salary increase rate (% per annum)	5.00	5.00	5.00	5.00
Employee turnover rate (% per annum)	0 - 20.00	0 - 20.00	0 - 20.00	0 - 20.00
Gold price (Baht)	20,600	20,600	20,600	20,600

28.4 Sensitivity analysis

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at December 31, 2020 and 2019 are summarized below :

	In Thousand Baht							
	Consolidated Financial Statements				Separate Financial Statements			
	2020		2019		2020		2019	
	increase	decrease	increase	decrease	increase	decrease	increase	decrease
Discount rate (Changing 1%)	(6.3)	7.2	(5.2)	5.9	(5.3)	6.1	(4.3)	5.0
Future salary increase rate (Changing 1%)	9.2	(8.0)	7.5	(6.6)	7.7	(6.7)	6.3	(5.5)
Employee turnover rate (Changing 1%)	(6.7)	2.4	(5.5)	1.8	(5.6)	2.1	(4.6)	1.6
Gold price (1,000 Baht)	0.2	(0.2)	0.2	(0.2)	0.2	(0.2)	0.1	(0.1)

On April 5, 2019, the Labour Protection Act has been enacted in the Royal Gazette. The Labour Protection Act includes a requirement that an employee who is terminated after having been employed by the same employer for an uninterrupted period of 20 years or more, receives severance payment of 400 days of wages at the most recent rate, which is increased from the current maximum rate of 300 days. This Act shall come into force after the expiration of thirty days from the enacted date in the Royal Gazette onwards. This change is considered a post-employment benefits plan amendment. The effect of the change is recognized past service costs as expenses in the income statement.

29. SHARE CAPITAL

The change in the number of ordinary shares, paid-up capital and premium of ordinary shares of the Company is as follows:

Transaction	Number of shares (thousand shares)	Amount (thousand Baht)	Share premium (thousand Baht)	Registered date with Ministry of Commerce
Registered ordinary shares				
Beginning year	6,163,178	770,397		
Deduction during year	(12)	(1)		June 27, 2019
Addition during year	3,423,981	427,997		June 28, 2019
Ending year	9,587,147	1,198,393		
Issued and paid-up shares				
Beginning year	6,163,166	770,396	1,041,740	
Addition during year	3,423,981	427,997	-	
Deduction from compensation of accumulated loss	-	-	(1,041,740)	
Ending year	9,587,147	1,198,393	-	

On June 21, 2019, the Extraordinary Shareholders' Meeting No. 1/2019 of the Company has approved the significant resolution as follows:

- 29.1 To approve the reduction of the registered capital of the Company from Baht 770,397,245.00 to Baht 770,395,728.12 dividing into 6,163,165,825 ordinary shares at par value of Baht 0.125 each by cancelling 12,135 ordinary shares that have not been sold. The Company has registered for capital reduction with the Ministry of Commerce on June 27, 2019.
- 29.2 To approve the transfer of legal reserve at Baht 73,371,224.63 and share premiums at Baht 1,041,739,823.00 to compensate the accumulated loss of the Company.
- 29.3 To approve the increase of registered capital of the Company in the amount of Baht 427,997,626.63 dividing into 3,423,981,013 new ordinary shares at par value of Baht 0.125 each from the previous registered capital Baht 770,395,728.12 to Baht 1,198,393,354.75 dividing into 9,587,146,838 ordinary shares at Baht 0.125 to the existing shareholders. The Company has registered for the capital increase with the Ministry of Commerce on June 28, 2019. Later, on July 25, 2019, it has registered for capital increase that was issued and paid up with the Ministry of Commerce in the amount of Baht 1,198,393,354.75 for 9,587,147 shares.
- 29.4 To approve the allocation of 3,423,981,013 capital increase shares at par value of Baht 0.125 each to the existing shareholders at 9 existing shares per 5 new shares at the offering price of Baht 0.125.

30. PREMIUM ON ORDINARY SHARES

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

31. LEGAL RESERVE

Company

Section 116 of the Public Companies Act B.E. 2535 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

Local subsidiaries

according to the thai civil and commercial code, the subsidiaries are required to set aside to a statutory reserve an amount equal to at least 5% of its net profit each time the company pays out a dividend, until such reserve reaches 10% of its registered share capital. The statutory reserve cannot be used for dividend payment.

Overseas subsidiaries

according to the civil and commercial code, the subsidiaries are required to set aside to a statutory reserve an amount equal to at least 10% of its net profit until such reserve reach one-third of the company's capital.

32. EXPENSES BY NATURE

Significant expenses by nature for the years ended December 31, 2020 and 2019 are as follow:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Salary and wages and other employee benefits	468,081	504,108	331,242	376,621
Depreciation	88,158	113,351	75,409	101,299
Amortisation expenses	2,202	2,096	2,150	2,020
Construction materials and consumables				
used and subcontractors costs	2,944,422	2,323,505	994,067	888,175
Rental expenses from operating lease Agreements	118,979	110,970	73,444	85,069

33. INCOME TAX EXPENSE (INCOME)

33.1 Major components of tax expense (income)

For the years ended December 31, 2020 and 2019 consisted of:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Income tax expense (income) shown in profit or loss :				
Current tax expense :				
Income tax expense for the year	-	9,865	-	-
Deferred tax expense (income) :				
Changes in temporary differences relating to the original recognition and reversal	(20,731)	(15,972)	(1,777)	(4,822)
Total	(20,731)	(6,107)	(1,777)	(4,822)

33.2 A numerical reconciliation between tax expense (income) and the product of accounting profit multiplied by the applicable tax rate

For the years ended December 31, 2020 and 2019 which are summarized as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Accounting profit (loss) for the year	(467,844)	(301,194)	(221,909)	(285,079)
The applicable tax rate (%)	12% -20%	12% - 20%	20%	20%
Tax expense (income) at the applicable tax rate	(93,569)	(65,669)	(44,382)	(57,016)
Reconciliation items:				
Tax effect of expenses that are not deductible in determining tax profit:	3,808	2,747	-	-
Tax effect of intercompany transactions				
- Expenses not allowed as expenses in determining taxable profit	649	(4,715)	14,179	16,738
- Expenses allowed increase in determine taxable	(2,819)	(2,819)	(2,812)	(2,812)
- Share of (gain) loss from investment in joint venture	571	(323)	-	-
- Unused tax losses which may net utilise	70,629	64,672	31,238	38,268
Total reconciliation items	72,838	59,562	42,605	52,194
Total tax expense (income)	(20,731)	(6,107)	(1,777)	(4,822)

33.3 A numerical reconciliation between the average effective tax rate and the applicable tax rate

For the years ended December 31, 2020 and 2019 are summarized as follows:

	Consolidated financial statements			
	2020		2019	
	Tax amount (In Thousand Baht)	Tax rate (%)	Tax amount (In Thousand Baht)	Tax rate (%)
Accounting profit (loss) before tax expense for the year	(467,844)		(301,194)	
Tax expense (income) at the applicable tax rate	(93,569)	12% - 20%	(65,669)	12% - 20%
Reconciliation items	72,838	15.57	59,562	19.78
Tax expense (income) at the average effective tax rate	(20,731)	(4.43)	(6,107)	2.03

	Separate financial statements			
	2020		2019	
	Tax amount (In Thousand Baht)	Tax rate (%)	Tax amount (In Thousand Baht)	Tax rate (%)
Accounting profit (loss) before tax expense for the year	(221,909)		(285,079)	
Tax expense (income) at the applicable tax rate	(44,382)	(20.00)	(57,016)	(20.00)
Reconciliation items	42,605	19.20	52,194	18.30
Tax expense (income) at the average effective tax rate	(1,777)	(0.80)	(4,822)	(1.70)

Corporate income tax of overseas subsidiaries company is calculated at the rate 12% on taxable profit in excess of 30,000 Omani Rial.

As at December 31, 2020, the Company and its subsidiaries has deductible temporary differences totaling Baht 2,279 million (the Company only: Baht 2,279 million) (2019: Baht 2,208 million, the Company only: Baht 2,207 million), on which deferred tax assets have not been recognised as the Company believes that it may not utilise the temporary differences in the future.

As at December 31, 2020, the Company and its subsidiaries have unused tax losses totaling Baht 503 million, USD 48 million and Omani Rial 1 million (the Company only: Baht 361 million) (2019: Baht 200 million, USD 42 million and Omani Rial 2 million, (the Company only: Baht 200 million) will expire by 2024.

34. EARNINGS PER SHARE

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

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

	For the years ended December 31,			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Profit (loss) for the year (Thousand Baht)	(444,170)	(293,284)	(220,131)	(280,257)
Weighted average number of ordinary shares (Thousand shares)	9,587,147	7,709,188	9,587,147	7,709,188
Earnings per share (Baht per share)	(0.046)	(0.038)	(0.022)	(0.036)

35. CONTRACTS IN PROGRESS

As at December 31, 2020, the aggregate amount of construction cost incurred and recognised profits or losses to date for contracts in progress of the Company and its subsidiaries was approximately Baht 7,666 million (the Company only: Baht 2,839 million) (2019 : Baht 10,211 million, the Company only: Baht 5,368 million), gross amounts due from customers for contracts in progress were approximately Baht 1,447 million (the Company only: Baht 497 million) (2019 : Baht 1,219 million, the Company only: Baht 485 million), and gross amounts due to customers for contracts in progress were approximately Baht 924 million (the Company only: Baht 271 million) (2019 : Baht 987 million, the Company only: Baht 387 million).

36. PROVIDENT FUND

The Company, the subsidiary and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company, the subsidiary and their employees contributed to the fund monthly at the rate of 3% - 7% of basic salary. The fund, which is managed by TISCO Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2020 amounting to approximately Baht 7 million (Separate financial statements: Baht 4 million) (2019 : Baht 8 million, Separate financial statements: Baht 5 million) were recognised as expenses.

37. SEGMENT INFORMATION

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Company and its subsidiaries are organized into business units based on its products and services and have four reportable segments as follows:

- Pipeline system construction segment
- Engineering system installation and factory construction for energy and petrochemical business segment

- Civil work construction segment
- Sales and other services

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit information regarding the Company's and its subsidiaries' operating segments for the year ended December 31, 2020 and 2019, respectively.

	In Thousand Baht						
	For the year ended December 31, 2020						
	Pipeline system	Engineering system	Civil work	Sales and other services	Total Segments	Adjustments and eliminations	Consolidated
Revenues from external customers	911,649	240,994	1,962,719	30,572	3,145,934	-	3,145,934
Revenues from subsidiary	-	-	-	-	-	-	-
Revenues from associate	-	-	-	-	-	-	-
Depreciation	(55,913)	(14,780)	(13,583)	(5,308)	(89,584)	1,435	(88,149)
Administrative expense	(137,068)	(36,234)	(77,092)	(2,923)	(253,317)	4,300	(249,017)
Segment profit (loss)	(206,610)	(20,923)	(295,983)	6,474	(517,042)	25,426	(491,616)
Other income							49,223
Interest revenue							886
Financial cost							(23,482)
Share of profit (loss) from investments in joint ventures							(2,855)
Profit (loss) before income tax expense							(467,844)
Income tax expense (expense)							20,731
Profit (loss) for the year							(447,113)

In Thousand Baht							
For the year ended December 31, 2019							
	Pipeline system	Engineering system	Civil work	Sales and other services	Total Segments	Adjustments and eliminations	Consolidated
Revenues from external customers	958,599	388,572	2,017,505	13,783	3,378,459	-	3,378,459
Revenues from subsidiary	-	-	-	-	-	-	-
Revenues from associate	-	-	-	-	-	-	-
Depreciation	(72,043)	(29,203)	(9,135)	(4,393)	(114,774)	1,423	(113,351)
Administrative expense	(191,854)	(77,769)	(53,138)	(1,079)	(323,840)	3,551	(320,289)
Segment profit (loss)	(145,031)	(139,238)	(51,411)	2,891	(332,789)	13,824	(318,965)
Other income							46,487
Interest revenue							1,664
Financial cost							(31,562)
Bad debt and doubtful debt							(433)
Share of profit (loss) from investments in joint ventures							1,615
Profit (loss) before income tax expense							(301,194)
Income tax expense (expense)							6,107
Profit (loss) for the year							(295,087)

Geographic information

The Company and its subsidiaries operated in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customers

For the year 2020, the Company and its subsidiaries have revenue from two major customers in amount of Baht 827 million and Baht 1,075 million, respectively arising from pipeline system segment and engineering system segment (2019 : Baht 665 million and Baht 676 million, two major customers from pipeline system segment and civil work segments).

38. COMMITMENTS AND CONTINGENT LIABILITIES

38.1 Purchase construction materials and subcontracted work commitments

As at December 31, 2020, the Company and the subsidiary have outstanding commitments of Baht 4,898 million in respect of purchase construction materials and subcontracted work (the Company only: Baht 630 million) (December 31, 2019 : Baht 5,070 million, EUR 2 million and USD 1 million, (the Company only: Baht 690 million, EUR 2 million and USD 1 million).

38.2 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.

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 December 31,		As at December 31,	
	2020	2019	2020	2019
Payable :				
In up to 1 year	4	14	3	12
In over 1 and up to 5 years	-	8	-	7

As at December 31, 2020, the Company and its subsidiaries had no obligations under lease agreements and related service agreements as a result of the adoption of the TFRS 16 as at January 1, 2020. The Company and its subsidiaries recognized the lease liabilities previously classified as operating lease at the present value of the remaining lease payments, discounted incremental borrowing rate, as described in Note 5 to the financial statements.

38.3 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 December 31,		As at December 31,	
	2020	2019	2020	2019
Payable :				
In up to 1 year	2	3	1	2

38.4 Bank guarantees

As at December 31, 2020 and 2019, 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 December 31,		As at December 31,	
	2020	2019	2020	2019
Guarantee of construction contract and bidding	1,219	1,605	359	730
Guarantee of advance payment bond and retention	2,111	1,417	826	407
Guarantee of others	68	7	45	5
Total	3,398	3,029	1,230	1,142

As at December 31, 2020, 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 282 million (December 31, 2019 : Baht 179 million).

38.5 Guarantees

- (a) As at December 31, 2020, the Company has commitments from guarantee of credit facilities of the subsidiary amounting to Baht 995 million (December 31, 2019 : Baht 695 million) and guarantee of liabilities under finance lease agreements of the subsidiary amounting to Baht - million (December 31, 2019 : Baht 23 million).
- (b) As at December 31, 2020, 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, 2019 : Baht 3,380 million).

38.6 Obligation according to asset purchase agreement

As at December 31, 2020, the Company has the obligation to be paid according to the asset purchase agreement amounting to Baht 4 million.

38.7 Other commitments

		Million							
		Consolidated Financial Statements				Separate Financial Statements			
		Foreign Currency		Equivalent to Baht		Foreign Currency		Equivalent to Baht	
		As at December 31, 2020	As at December 31, 2019	As at December 31, 2020	As at December 31, 2019	As at December 31, 2020	As at December 31, 2019	As at December 31, 2020	As at December 31, 2019
Other commitments									
Construction material									
purchase									
- EURO		-	1	-	43	-	1	-	43
- BAHT				-	91			-	91
Total				-	134			-	134

39. LITIGATIONS

39.1 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 financial statements.

39.2 On December 4, 2007, the subsidiary filed a suit to the Central Administrative Court against a government agency (litigant) in order for payment of a penalty charge of Baht 13.4 million for termination of construction contract by deducting the advance payment of Baht 7.7 million as per the contract and the total of damages to be paid Baht 6.1 million plus the interest rate of 7.5% per annum starting from the filing date until the completion of payment. However, the litigant submitted its pleading to the Central Administration Court on August 20, 2008 claiming that the amount of damages was overrated and the

third resolution of the Compensation Committee was made on July 16, 2008 to order the government agency to pay the compensation of Baht 0.8 million to the subsidiary. Therefore, it ordered the subsidiary to return the amount of Baht 6.8 million to the government agency, respectively.

After that, several amendments to the petition and pleadings of both parties were made.

On April 20, 2010, the litigant submitted its latest amended pleadings to the Central Administrative Court about the fee of the advance payment bank guarantee of Baht 0.1 million and the litigant asked the court for dismissal and order the subsidiary to return the litigant the advance amount of Baht 7.7 million in order to proceed as per the employment contract.

The subsidiary submitted its latest amended pleadings to the Central Administration Court on January 24, 2012 requesting the court to render judgement ordering the litigant to offset the compensation amount of Baht 19.4 million with the amount of Baht 7.7 million advanced to the subsidiary to proceed as per the employment contract as well as paying the damage amount of Baht 12.5 million to the subsidiary plus the interest rate of 7.5% per annum starting from the filing date until the completion of payment.

The litigant submitted its refusal pleadings and asked the court for dismissal and returning of the aforementioned advance payment amount as well.

On July 31, 2012, the court rendered judgement ordering the subsidiary to receive Baht 3.3 million and also return Baht 4.4 million to the litigant. The subsidiary then submitted its appeal for the judgement to the Supreme Administrative Court on August 29, 2012.

On April 30, 2020, the Supreme Administrative Court ordered the subsidiary to indemnify the party in the amount of Baht 3.75 million. Later, on July 20, 2020 the subsidiary has already paid the indemnity to the party and consider this case to be terminated.

39.3 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.

Presently, such case is pending the judgment of the Supreme Court and the management believes that the Company will not suffer significant damage (if any). Such lawsuit has not recorded provisions in the interim financial statements.

39.4 On September 14, 2015, the plaintiff (the litigant) filed a lawsuit against a government agency and 8 co-defendants to the Administrative Court for compensation of damages from loss of income of Baht 87.5 million. The Company is sued as the fifth defendant. On March 11, 2016, the Company filed an objection against the plaintiff's request to waive the court fee. Later, on October 28, 2016, the Company filed a statement to fight the case to the Administrative Court.

On January 12, 2017, the Company has just submitted the statement of defence to the court and the court ordered the Company to submit the additional statement within 30 days.

During February 7, 2017 to March 31, 2017 the Company had requested to extend the submission of the additional clarification to the Administration Court. Later on April 4, 2017, the Administrative Court had ordered the Company to submit the additional clarification within May 12, 2017. On June 12, 2017, the Company submitted the additional statement to the Administration Court.

On January 9, 2019, the Administrative Court ordered the date of January 31, 2019 to be the last day of investigation.

On April 29, 2019, the Administrative Court had ordered to cancel the ending date for seeking facts and had ordered to set May 13, 2019 as the new ending date for seeking facts.

On December 29, 2020, the Central Administrative Court had sentenced that as the Company was not a delegate to exercise power or conduct administrative affairs, then it was not a government agency under Section 3 of the Administrative Court Establishment Act. The Administrative Court was unable to accept the complaint in the case filed against the Company for consideration and judgment, dismiss the Company and consider this case to be terminated.

39.5 On December 6, 2017, the co-contractor of the Company's construction project had filed a lawsuit to the arbitrator requesting the Company to return the collateral held at the amount of SGD 1.6 million or equivalent to Baht 39.4 million with interest rate of 7.5% per annum starting from the filing date until completion of payment. On June 21, 2018, the arbitration Institution had announced the appointment of the chairman of arbitration. On July 17, 2018, the Company and the Party were present before the arbitrator for determination of the dispute and set the date for witness investigation.

On November 22, 2018, the witness examination was completely made by the arbitration and both parties.

On January 23, 2019, both parties submitted their closing statements within the due date for final decision of the arbitration.

On July 9, 2019, the arbitrator had a meeting to explain the opinion on the case. The 2 arbitrators had an opinion to return the sum under the guarantee letter of SGD 1.6 million with an interest rate 7.5% per annum from December 6, 2017 to the Party and 1 arbitrator had an opinion for the company not to return the money of the full amount in the guarantee letter to the Party. If both parties do not agree with any opinion, a petition should be prepared to explain a reason to support within 30 days from such date.

On August 7, 2019, the Company submitted a petition to explain the opinion of the company to the arbitrator explaining and giving opinion on issues that they do not reach agreement with the arbitrator's explanation.

On September 4, 2019, the arbitrator institute notified the opinion of the arbitrator by standing on the explanation that was informed to every party.

On November 13, 2019, both parties have agreed to enter into a compromise agreement to pay in accordance with the award of the arbitrator by offsetting the debt. The outstanding amount of principal and interest from the date of lawsuit to October 31, 2019 that the Company has to pay to the claimant is totaled SGD 1,726,706.70 or approximately Baht 38.89 million by dividing into 2 installments

: November 15, 2019 amount of Baht 36.25 million and February 28, 2020 amount of Baht 2.64 million, respectively. The Company paid the principal and interest to the claimant within the specified time.

39.6 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.

Later, 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.

Later 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.

Later 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.

Later 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.

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 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 financial statements. As a result, the Company is not required to provide a provision for contingent liabilities.

39.7 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.

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.

39.8 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 Company 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 Company intends to check and make a copy of the objection to the testimony, the court gave permission. If the Company 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 a petition to process making a copy of the objection to the testimony and filed additional testimony to court on October 4, 2019. Presently, it is under court consideration and to issue an instruction order requiring the period of time for the associate to prepare further testimony.

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.

- 39.9 On August 1, 2019, the subsidiary is the plaintiff suing 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 suing 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 financial statements.

- 39.10 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.

On August 4, 2020, the court scheduled the day of settlement of issues, stipulate the dispute by issue 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 financial statements. The difference from the outstanding debt, the Company is not recorded contingent liabilities in the financial statements.

39.11 On November 20, 2019, a contractor payable 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 suing date onwards until payment is complete.

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.

As the case is under the appeal submission of the plaintiff, the case is not final. The management of the subsidiary believe that the case will not have any material impact of the subsidiary. The Company has not recorded provisions for contingent liabilities in the financial statements

39.12 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 Company'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 financial statements.

- 39.13 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, the Court had ordered the parties to appoint the mediation on January 19, 2021 and scheduled the date of witness appointment on March 12, 2021 if not able to negotiate with each other.

Currently, the case is pending the parties to mediate. The Company's management has considered that the Company has guidelines to defence the case. The Company has not set up a provision for contingent liabilities in the financial statements.

- 39.14 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.

Currently, the case is pending the defendant to submit the testimony. The management has considered from the issues of the case and has the opinion the Company has guideline to defence the case. The Company has not set up a provision for contingent liabilities in the financial statements.

- 39.15 On December 16, 2020, the contractor of 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.

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.

On January 15, 2021, the Court had allowed the defendant to extend the filing of testimony to February 18, 2021.

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 financial statements.

40. FAIR VALUE HIERARCHY

As at December 31, 2020 and 2019, the Company and its subsidiaries had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

In Million Baht							
Consolidated Financial Statements							
2020				2019			
Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Liabilities for which fair value are disclosed							
Debentures	-	-	-	-	30.0	-	30.0

In Million Baht							
Separate Financial Statements							
2020				2019			
Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Liabilities for which fair value are disclosed							
Debentures	-	-	-	-	30.0	-	30.0

41. FINANCIAL INSTRUMENTS

Financial risk management

The Company's and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade and other current receivables, accounts receivable/payable - retention, loans to/from, restricted deposits at banks, trade and other current payables, lease liabilities and debentures. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade and other current receivables, and loans to. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. The maximum exposure to credit risk is limited to the carrying amounts of trade accounts receivables, other current receivable and loans to as stated in the statement of financial position.

Interest rate risk

The Company and its subsidiaries exposure to interest rate risk relates primarily to its deposits at banks, loans to/from, lease liabilities and debentures. However, since most of the Company and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

As at December 2020 and 2019, the significant financial assets and financial liabilities classified by types of interest rates were as follows:

	In Million Baht					
	Consolidated Financial Statements					
	As at December 31, 2020					
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	within 1 year	1 – 5 years				
Financial Assets						
Cash and cash equivalents	-	-	88	2	90	0.00 - 0.50
Trade and other current receivables	-	-	-	283	283	-
Accounts receivable - retention under construction contracts	-	-	-	271	271	-
Restricted deposits at banks	-	-	32	-	32	0.05
	-	-	120	556	676	
Financial liabilities						
Bank overdrafts and short-term loans from financial institution	709	-	-	-	709	3.25 - 6.00
Trade and other current payables	-	-	-	718	718	-
Accounts payable - retention under construction contracts	-	-	-	159	159	-
Lease liabilities	16	16	-	-	32	5.92 - 6.26
	725	16	-	877	1,618	

In Million Baht

Consolidated Financial Statements

As at December 31, 2019

	Fixed interest rates		Floating	Non-	Total	Effective
	within	1 – 5	interest	interest		interest rate
	1 year	years	rate	bearing		(% per annum)
Financial Assets						
Cash and cash equivalents	-	-	180	2	182	0.13 - 1.20
Trade and other current receivables	-	-	-	700	700	-
Accounts receivable - retention under construction contracts	-	-	-	216	216	-
Restricted deposits at banks	1	-	10	-	11	0.45 - 1.30
	<u>1</u>	<u>-</u>	<u>190</u>	<u>918</u>	<u>1,109</u>	
Financial liabilities						
Bank overdrafts and short-term loans from financial institutions	473	-	-	-	473	3.00 - 7.12
Trade and other current payables	-	-	-	509	509	-
Accounts payable - retention under construction contracts	-	-	-	101	101	-
Lease liabilities	2	2	-	-	4	4.75
Debentures	30	-	-	-	30	4.80
	<u>505</u>	<u>2</u>	<u>-</u>	<u>610</u>	<u>1,117</u>	

	In Million Baht					
	Separate financial statements					
	As at December 31, 2020					
	Fixed interest rates		Floating	Non-	Total	Effective
	within	1 – 5	interest	interest		interest rate
	1 year	years	rate	bearing		(% per annum)
Financial Assets						
Cash and cash equivalents	-	-	2	0	2	0.00 - 0.50
Trade and other current receivables	-	-	-	138	138	-
Accounts receivable - retention under construction contracts	-	-	-	125	125	-
Restricted deposits at banks	-	-	29	-	29	0.05
	-	-	31	263	294	
Financial liabilities						
Bank overdrafts and short-term loans from financial institutions	415	-	-	-	415	3.75 - 5.25
Trade and other current payables	-	-	-	406	406	-
Accounts payable - retention under construction contracts	-	-	-	10	10	-
Short-term loans from related parties	642	-	-	-	642	2.50 - 6.25
Lease liabilities	9	8	-	-	17	5.92 - 6.26
	1,066	8	-	416	1,490	

In Million Baht

Separate financial statements

As at December 31, 2020

	Fixed interest rates		Floating	Non-	Total	Effective
	within	1 – 5	interest	interest		interest rate
	1 year	years	rate	bearing		(% per annum)
Financial Assets						
Cash and cash equivalents	-	-	93	1	94	0.13 - 1.20
Trade and other current receivables	-	-	-	471	471	-
Accounts receivable - retention under construction contracts	-	-	-	69	69	-
	-	-	93	541	634	
Financial liabilities						
Bank overdrafts and short-term loans from financial institutions	249	-	-	-	249	3.00 - 7.12
Trade and other current payables	-	-	-	266	266	-
Accounts payable - retention under construction contracts	-	-	-	13	13	-
Short-term loans from related parties	748	-	-	-	748	2.50 - 5.50
Lease liabilities	1	2	-	-	3	4.75
Debentures	30	-	-	-	30	4.80
	1,028	2	-	279	1,309	

Foreign currency risk

The Company and its subsidiary's exposure to foreign currency risk arises mainly from buying and services transactions and borrowings that are denominated in foreign currencies. In certain circumstances, the Company and its subsidiaries enter into forward exchange contracts when it considers appropriate.

As at December 31, 2020 and 2019, the material balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency		Consolidated financial statements					
		Financial assets as at		Financial liabilities		Average exchange rate as at	
		December 31,		as at		December 31,	
		December 31,		December 31,		December 31,	
		2020	2019	2020	2019	2020	2019
		(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
US dollar		4	5	-	50	30.0371	30.1540
Euro		1	2	-	90	36.8764	33.7311

Foreign currency		Separate financial statements					
		Financial assets as at		Financial liabilities		Average exchange rate as at	
		December 31,		as at		December 31,	
		December 31,		December 31,		December 31,	
		2020	2019	2020	2019	2020	2019
		(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
US dollar		23	34	-	50	30.0371	30.1540
Euro		1	1	-	90	36.8764	33.7311

Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Fair value of financial instrument

The Group uses the market approach to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

The following table shows the carrying amounts and fair values of financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Consolidated/ Separate Financial Statements (In Million Baht)				
	Level 1	Level 2	Level 3	Total
As at December 31, 2019				
Financial liability not measured at fair value				
- Debentures	-	30.0	-	30.0

Valuation techniques on fair value and inputs for Level 2 valuations

The fair value of investments in non-listed investment units on the Stock Exchange of Thailand, is calculated by using the net assets value per unit as announced by the fund managers.

42. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Changes in the liabilities arising from financing activities for the years ended December 31, 2020 and 2019 are as follows:

		Consolidated Financial Statements (In Thousand Baht)			
		Balance as at January 1, 2020	Cash flows Increase (decrease)*	Non-cash transaction Increase	Balance as at December 31, 2020
Bank overdrafts and short-term loans from financial institutions		473,051	236,409	-	709,460
Debentures		30,000	(30,000)	-	-
Lease liabilities		23,965	(14,475)	22,892	32,382
	Total	527,016	191,934	22,892	741,842

Consolidated Financial Statements (In Thousand Baht)				
	Balance as at January 1, 2019	Cash flows Increase (decrease)*	Non-cash transaction Increase	Balance as at December 31, 2019
Bank overdrafts and short-term loans from financial institutions	581,804	(108,753)	-	473,051
Debentures	179,750	(150,000)	250	30,000
Lease liabilities	5,976	(5,113)	3,010	3,873
Total	767,530	(263,866)	3,260	506,924

		Separated Financial Statements (In Thousand Baht)			
		Balance as at January 1, 2020	Cash flows Increase (decrease)*	Non-cash transaction Increase	Balance as at December 31, 2020
Bank overdrafts and short-term loans from financial institutions		249,051	165,609	-	414,660
Short-term loans from related parties		748,000	(106,000)	-	642,000
Debentures		30,000	(30,000)	-	-
Lease liabilities		14,383	(7,062)	9,892	17,213
Total		1,041,434	22,547	9,892	1,073,873

		Separated Financial Statements (In Thousand Baht)			
		Balance as at January 1, 2019	Cash flows Increase (decrease)*	Non-cash transaction Increase	Balance as at December 31, 2019
Bank overdrafts and short-term loans from financial institutions		480,000	(230,949)	-	249,051
Short-term loans from related parties		510,000	238,000	-	748,000
Debentures		179,750	(150,000)	250	30,000
Lease liabilities		-	(901)	3,009	2,108
Total		1,169,750	(143,850)	3,259	1,029,159

* Financing cash flows included net proceed and repayment cash transactions in the statements of cash flows.

43. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

According to the separate statement of financial position as at December 31, 2020 Group has the debt to equity ratio 8.27 : 1 (as at December 31, 2019 : 3.43 : 1) and the Company only has the debt to equity ratio 4.41 : 1 (as at December 31, 2019 : 2.94 : 1)

44. CORONA VIRUS DISEASE 2019 PANDEMIC

The Coronavirus disease 2019 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries as a whole. The situation affects the results of operations of the Company and its subsidiaries, recognition and measurement of assets and liabilities in the financial statements. Nevertheless, the management will continue to monitor the ongoing development and regularly assess the financial impact in respect of the valuation of assets, provisions and contingent liabilities.

45. RECLASSIFICATION

Certain amounts in the consolidated statement of financial position and separate statement of financial position as at December 31, 2019 have been reclassified to conform to the current year's classification with no effect on the profit (loss) for the year and earnings per share as below.

	In Thousand Baht		
	As previous reported	Reclassified	As current reported
Consolidated statements of financial position			
Assets			
Investments in associates	25,375	(25,375)	-
Investments in joint ventures	26,238	25,375	51,613
Separate statements of financial position			
Assets			
Investments in associates	25,375	(25,375)	-
Investments in joint ventures	2,376	25,375	27,751

46. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by the Board of Directors on February 24, 2021.



TRC CONSTRUCTION PLC

บริษัท ทีอาร์ซี คอนสตรัคชั่น จำกัด (มหาชน)

เลขที่ 8 ซอยสุขาภิบาล 5 ซอย 32 แขวงท่าแร้ง เขตบางเขน กรุงเทพมหานคร 10220

โทรศัพท์ : +66 2022 7777 โทรสาร : +66 2022 7788



www.trc-con.com