



TRC CONSTRUCTION PUBLIC COMPANY LIMITED



# ANNUAL REPORT 2023

TRC CONSTRUCTION PLC

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# Message from Chairman of the Board of Directors

Amid wide deceleration of the global economy, inflationary pressure has been excessively increased and mostly as a result of Russian-Ukraine War whereas the cost of living crisis and regional tight money situation also affect the entire economy. Additionally, an overview of Thailand construction business in 2023 remained encounter with risk of higher transportation and construction material cost particularly steel and cement affecting the expansion of construction business that is the Company's main revenue.

With the Company's capability in coping with such a situation and recognition of the aforementioned risk, the strategy of exploring new business opportunity has been adjusted through the investment between the Company and business partners having knowledge and skills;

1) investment in utility project under concession of government sector and energy business in order to provide utility service for industrial plants and design and maintenance of machinery and utility equipment service, and 2) striving for the new innovation of an investment in Smart IoT Ecosystem, the service of research and development of inspection system, control and analysis, big data processing including manufacturing and distribution for information technology management service and platform development to enable a business to expand its current operation and generate growth with wealth and sustainability. These can confirm that the Company has capability to absolutely cope with any situation and progress to the digital age.

Additionally, the Company has placed an importance on sustainably driving businesses as per the Environment, Social and Governance: ESG practice by defining a guideline for sustainability under the corporate governance code with strict compliance with relevant laws and regulations. The social and environmental activities have been continuously promoted i.e. Patient Quality of Life Promotion Project at Srithanya Hospital by creating jobs and careers for patients' income gain, willpower and self-esteem, encouragement of mitigating environmental impact from energy and resource use for highest benefit, management and controlling of project execution with minimum impact towards nearby communities, as well as safety at workplace for employees, all concerned with ongoing projects and nearby communities.

For 2024 business direction, the Company intentionally focuses on generating growth in parallel with higher efficiency and defining the measure to strictly control its operating cost in all areas as well as defining inclusive direction and strategy of business operating by emphasizing providing quality service together with exploring opportunities and new alternatives of business expansion and developing information technology system to upgrade service and increase efficiency of its organizational management.

Finally, on behalf of the Board of Directors, we would like to express our sincere gratitude to all shareholders, customers and business partners for continuous support rendered to the Company and thank to the executives and employees for devotion and endeavor amid troublesome situations during the past year. The Company's commitment is to operate its business for achievement



**Mrs. Paichit Rattananon**  
Chairman of the Board of Directors



Mrs. Paichit Rattananon  
Chairman of the Board of Directors  
28 February 2024



# Our Vision

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

# Our Mission

## **To our shareholders and partners.**

We will deliver sustainable returns through good governance.

## **To our Customer.**

We will deliver excellent service with high quality, environmental and safety awareness to ensure our clients' success.

## **To our Society.**

We will conduct business with good corporate responsibility.

## **To our Employees.**

We will create best working environment and become the best Operational – excellence organization.





## Part 1 Business Operation and Operating Results

## 1. Operation Structure of the Company Group

## 1. Operation Structure of the Company Group

### 1.1 Business Policy and Overview

#### 1.1.1 Business Policy and Overview

TRC Construction Public Company Limited (“the Company”) was established on 20 November 1998. The Company operates a full range of construction services consisting of engineering design, procurement of machinery and equipment, and construction or EPC. The Company has experience and expertise in pipeline system (natural gas pipes, water pipes, petrochemical pipes) and construction in the petrochemical industry. In addition to providing construction services, the Company also has entered into project development and investment. The Company has a subsidiary namely Sahakarn Wisavakorn Company Limited which is a construction contractor specializing in civil and utility systems. The Company Group has continuously expanded its capital base and business operations. In 2018, the Company expanded into innovative business such as the construction of smart warehouses with Automated Storage and Retrieval System (AS/RS). Core clients of the Company are business operators in the energy and petrochemical sectors, as well as government agencies.

The Company was initially listed on the Market for Alternative Investment (MAI) under the trading name of "TRC" on 22 December 2005 and then later listed on the Stock Exchange of Thailand in the real estate and construction industry sector of the real estate development category on 23 April 2013 and since 2 January 2014, the Stock Exchange of Thailand placed the Company's securities in the construction services category.

### Vision, Mission, Goals and Corporate Values

The Company has a policy to review its vision, mission and goals on yearly basis, and the 2/2023 Board of Directors' meeting on 24 January 2023 had its resolution to maintain the existing vision, mission, goals and values of the organization.

#### Vision

Determining to be the innovative turnkey EPC contractor for customers in the CLMVT\* region. (\*comprising Cambodia, Laos, Myanmar (Burma), Vietnam and Thailand).

#### Mission

1. To deliver sustainable returns through good governance.
2. To deliver excellent service with high quality, environmental and safety awareness to ensure our clients' success.



3. To conduct business with good corporate responsibility.
4. To create best working environment and become the best operational – excellence organization.

### Corporate Values

- |                        |  |
|------------------------|--|
| 1. B = Be Innovative   | Innovation-Driven Organization   |
| 2. E = Energetic       | Relentless Strive Forward  |
| 3. T = Target-Oriented | Results-Oriented   |
| 4. R = Respect & Trust | Be Respectful, Have Confidence and Trust for Others  |
| 5. C = Commitment      | Commitment to quality, safety at all times, environmental preservation and social responsibility |

#### 1.1.2 Significant changes and developments

The Company Group has developed its business expansion and has been subcontracting large projects continuously over the past 6 years as follows

#### Year 2018

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

**TRC:** 4 projects totaling Baht 924.88 million, the significant projects consisting of:

- Subcontracted work for the 5<sup>th</sup> 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 with engineering, procurement, and construction; commissioning and start-up stations (Block Valve & Facility) at 14 locations, with total work value of Baht 755.23 million and 33 months project period.

**Sahakarn Wisavakorn Company Limited:** 6 projects totaling Baht 2,696.69 million, the significant projects consisting of:

- 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 work value of Baht 1.52 billion with 900 days project period.

- Design and construction project for PTT Oil and Retail Business Plc's lubrication products distribution center, total work value of Baht 600 million with 450 days project period.
- In March 2018, the Company issued 2-year debentures amounting Baht 180 million (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 pertaining to registered capital were as follows:
  - Approval of the reduction of the registered capital from Baht 733,712,251.25 to Baht 733,711,662, divided into 5,869,698,010 ordinary shares at par value of Baht 0.125
  - Approval of the increase of registered capital of Baht 36,685,583 divided into 293,484,664 ordinary shares from the registered capital of Baht 733,711,662 increased to Baht 770,397,245 divided into 6,163,177,960 ordinary shares
  - Approval of the allocation of 6,163,177,960 newly issued ordinary shares to support the issuance of dividend stocks.
- In May 2018, the Company proceeded with transactions in relation to ordinary shares as follows:
  - A decrease of registered capital to Baht 733,711,662
  - An increase of registered capital to Baht 770,397,245
  - Issuance of 6,163,177,960 dividend stocks for 2017 operating results at the rate of 20 existing share for 1 new share.

By the end of 2018, the Company had registered capital of Baht 770,397,245 and paid-up capital of Baht 770,395,728.12.

- 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.

#### Year 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 the registered capital from Baht 770,397,245 to Baht 770,395,728.12, divided into 6,163,165,825 ordinary shares with a par value of Baht 0.125 per share.
  - Approved the increase of the registered capital of Baht 427,997,626.63 divided into 3,423,981,013 ordinary shares, from the registered capital of Baht 770,395,728.12, increasing to Baht 1,198,393,354.75, divided into 9,587,146,838 ordinary shares.
  - Approved the allocation of 3,423,891,013 new shares at par value of Baht 0.125 per share to be offered to existing shareholders (Right Offering) at the ratio of 9 existing shares to 5 new shares at an offering price of Baht 0.125.
  - Approved to transfer the statutory reserve of Baht 73,371,224.63 and share premium 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 had 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” rating from the Corporate Governance Report of Thai Listed Companies 2019 (CGR 2019) conducted by the Thai Institution of Directors (IOD) 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 and jointly established Olive Technology Company Limited (“OLIVE”) to conduct research and development services for inspection, control and analyze system and manage big data analysis.
- 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, total project value of Baht 389.75 million with 480-day project 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, total project value of Baht 1,833 million with 24-month project period.

**Sahakarn Wisavakorn Company Limited:** 7 projects totaling Baht 4,438.05 million, the significant projects consisting of:

- 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 was Baht 558.88 million with 690-day construction period.
- Conversion of Overhead Line to Underground System Project, Ratchadaphisek-Asoke Route from Metropolitan Electricity Authority, total project value of was Baht 2,205.42 million with 1,260-day project 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, total project value of Baht 633.01 million with 900-day project 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, total project value of Baht 293.69 million with 720-day project period.
- Conversion of Overhead Line to Underground System Project, Rama IV Route from Metropolitan Electricity Authority, total project value of Baht 517.76 million with 630-day project period.

#### Year 2020

- The Company and subsidiaries secured construction projects worth a total of Baht 3,445 million

**TRC:** Total value of Baht 1,081 million, the significant projects consisting of:

- 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 among Petrofac South East Asia Pte. Ltd., Saipem Singapore Pte. Ltd. and Samsung Engineering (Thailand) Company Limited, total project value of Baht 720 million.
- Civil and Structural Work Package for CFP Concurrent Work Project from Thai Oil Public Company Limited, total project value of Baht 93 million.
- EPC Service HDPE Pipeline Package for New Bang Phra Rae Water Line from Thai Oil Public Company Limited, total project value of Baht 254 million.
- Other projects totaling Baht 14 million.

**Sahakarn Wisavakorn Company Limited:** Total value of Baht 2,364 million, the significant projects consisting of:

- Construction of multipurpose sport stadium from Thailand National Sport University, Udon Thani Campus, total project value of Baht 87.50 million.
- Construction of Infrastructure for Nihonbashi-Bangpakong project from Frasers Property (Thailand) Public Company Limited, total project value of Baht 63 million.

- Construction of patient treatment building, Thabo Crown Prince Hospital, NongKhai province, total project value of Baht 740 million.
- Reconstruction of Inter-Region Highway Network, Highway No. 14 Maisiab-Phattalung, from Depart of Highways, total project value of Baht 890 million.
- Construction of Motorway No.9, Bangkok Outer Ring (West) Phra Pradaeng—Bang Khae, from Depart of Highways, total project value of Baht 514 million.
- Other projects totaling Baht 69 million.
- In August 2020, the Board of Directors' Meeting resolved to approve Olive Technology Company Limited ("Olive"), the Company's subsidiary, to enter into joint venture agreement with Wiwitsarn Company Limited with 59.98% shares held by Olive and 0.02% by TRC's executive and established Mahat Company Limited with objective to provide service for information technology management and platform development.
- In October 2020, the Company changed its Occupational Health and Safety Management System (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.

#### Year 2021

- The Company and subsidiaries received construction work with a total value of over Baht 1,555 million. With the following major projects:  
**TRC:** the significant projects consisting of:
  - High Total Dissolved Solids Wastewater Treatment Plant Project from PTT Public Company Limited. The project work value is 169.97 million Baht with 510 days construction period.
  - BAPT2 Combined Cycle Cogeneration Plant Project and BAPT3 Combined Cycle Cogeneration Plant Project from Bangchak Biofuel Co., Ltd, total project value of Baht 31.63 million and Baht 123.17 million with 639-day construction period.
  - Construction of welding, assembly and installation of oil storage tanks, Phetchaburi depot from Pan Asia Storage and Terminal Co., Ltd, total work value of Baht 186.29 million with 1-year construction period.



- Construction of welding, assembly and installation of oil storage tanks, Bang Prakong depo from Pan Asia Storage and Terminal Co., Ltd, total work value of Baht 116.43 million with 1-year construction period.

**Sahakarn Wisavakorn Co., Ltd:** the significant projects consisting of:

- Construction of Highway No. 4, Tamnuk Road - Khok Kian Junction Phase 1 from the Department of Highways, total work value of Baht 653.23 million with 840-day construction period.
  - Tourism designated area development projects in Pranburi and Sam Roi Yot districts, Prachuap Khiri Khan Province from Department of Public Works and Urban Planning, total work value of Baht 164.48 million with 840-day construction period.
- In August 2021, the 5/2021 Board of Directors' Meeting resolved as follows:
    - Approval of TRC Utilities Company Limited ("TRC-UT"), subsidiary the Company holds 99.97%, to increase registered capital from Baht 1,000,000 (10,000 shares at par value of Baht 100 per share) to Baht 50,000,000 (500,000 shares at par value of Baht 100 per share)
    - Approval of the Company' waiver on subscription of TRC-UT's newly issued ordinary shares amounting 249,851 shares or equivalent to 49.97% of TRC-UT's total newly issued ordinary shares, to Planet Utilities Company Limited ("Planet UT"), a subsidiary of Planet Communications Asia Public Company Limited, a new investor. After that, the Company will hold 49.97% stakes, resulting in TRC-U's status change from the Company's subsidiary to associates.
  - In October 2021, Olive Technology Company Limited ("Olive"), subsidiary of 49.97% holding, increased registered capital from Baht 1,000,000 (10,000 shares at par value of Baht 100 per share) to Baht 10,000,000 (100,000 shares at par value of Baht 100 per share)
  - In November 2021, the Company received "Excellent" rating of recognition from the Corporate Governance of Thai Listed Companies Survey conducted by Thai Institute of Directors Association for 5 consecutive years.

## Year 2022

- The Company and subsidiaries received construction work with a total value of over Baht 333.69 million as per the following major projects:

**TRC:** the significant projects consisting of:

- The gas distribution system to customers in the Nava Nakorn Industrial Zone, Nakorn Ratchasima Province project of PTT Public Company Limited. The contract value was Baht 82.54 million with 450 days construction period.
- The new gas pipeline system for EGCO Cogeneration SPP replacement project of EGCO Cogeneration Company Limited. The contract value was Baht 132.00 million with 540 days construction period.

**Sahakarn Wisavakorn Co., Ltd:** the significant projects consisting of:

- Construction of Highway No. 4, Tamnuk Road - Khok Kian Junction Phase 1 from the Department of Highways, total work value of Baht 653.23 million with 840-day construction period.
  - The community area development at Muang Pitsanulok District, Pitsanulok Province from the Department of Public Works and Town & Country Planning with the contract value of Baht 91.59 million. The construction period was 780 days.
  - Tourism designated area development projects in Pranburi and Sam Roi Yot districts, Prachuap Khiri Khan Province from Department of Public Works and Urban Planning, total work value of Baht 164.48 million with 840-day construction period.
  - The community area development at Tumbon Kumpang, La-ngoo District, Satun Province from Department of Public Works and Town & Country Planning, total work value of Baht 128.50 million (included VAT) with 720-day construction period.
- In January 2022, Olive Technology Company Limited (“OLIVE”), a subsidiary of the Company has established the Express World Tracking Joint Venture (EWT Joint Venture) signed contract between Turnkey Communication Services Public Company Limited (“TKC”) with 40% holding and United Telecom Sales and Services Company Limited (“UTEL”) with 30% holding and Olive Technology Company Limited with 30% holding.

- In March 2022, Olive Technology Company Limited ("Olive") has established the Xsense-Olive Joint Venture signed between Xsense Information Services Company Limited ("Xsense") with 60% holding, and Olive Technology Company Limited with 40% holding.
- In May 2022, the Essence-Olive Joint Venture signed contract to develop a transportation management platform and marketplace system for agriculturist and small entrepreneurs and the purchase of transportation vehicle tracking equipment with data receiving system with Thailand Post Distribution Company Limited with work value of Baht 138.90 million with 180 days.
- In June 2022, the Express World Tracking Joint Venture signed a contract to develop the core operating system of Thailand Post (THP Core System) with Thailand Post Company Limited with total work value of Baht 988.00 million with 24-months.
- In September 2022, Approval of the dissolution of TRC Middle East LLC and TRC Engineering LLC, subsidiaries in Sultanate of Oman, which TRC International Limited held 70% shareholding of such 2 companies. TRC Middle East LLC and TRC Engineering LLC was established to support the operation of Construction of Flow Lines Rima Satellites Small Fields Project from Petrogas Rima LLC. The project was completed and has already been delivered to the client. Due to oil price decreasing situation, the 2 aforementioned companies had no any project on hand since 2015. This caused a loss from the dissolution of Baht 36.85 million.
- In November 2022, the Company received "Excellent" rating of recognition from the Corporate Governance of Thai Listed Companies Survey conducted by Thai Institute of Directors Association for 6 consecutive years.

#### Year 2023

- The Company and subsidiary were awarded by the projects with contract value of Baht 2,124.51 million consisting of the following significant projects:  
**TRC:** the significant projects consisting of:
  - Steel fabrication for construction of hydrogen unit of IRPC Plc., the project owner of Vision Energy (Thailand) Co., Ltd. with contract value of Baht 238.01 million (excluded VAT) and 257 days of execution period



**Sahakarn Wisavakorn Co., Ltd:** the significant projects consisting of:

- Construction Project of Highway No.4140, Thasala-Nopphitam District, at Thasala District and Nopphitam District, Nakhon Si Thammarat Province, of Department of Highway with contract value of Baht 746.73 million (excluded VAT) and 900 days of execution period
- In March 2023, the 3/2023 Board of Directors approved loan provision to TRC Investment Limited (“Subsidiary”) and TRC International Limited (“TRC Inter”), for not exceeding Baht 113,303,500, in which the Company holds 100% shares in the subsidiary and the subsidiary hold 100 % shares in TRC Inter, respectively. This transaction was made for the purpose of investing in ordinary shares of ASEAN Potash Chaiphaphum Plc. (APOT) as per the proportion of share held at 25.1 %.
- In May 2023, Olive Technology Co., Ltd. (Subsidiary) signed the addendum of Express World Tracking Joint Venture Agreement to change a proportion of shares held in such a joint venture from 30% to 4.17%.
- In August 2023, the Company was assessed on quality of its 2023 AGM arrangement by Thai Investors Association and received the full score of 100.
- In November 2023, the 1/2023 EGM had passed the significant resolution related to registered capital as follows:
  - approved the additional subscription of ordinary shares in ASEAN Potash Chaiphaphum Plc. at not exceeding Baht 4,020,240,000.00 divided into 40,202,400.00 shares at par value of Baht 100 per share,
  - approved the Company’ s increase of registered capital by Baht 299,598,338.75 to existing registered capital of Baht 1,198,393,354.75 to become Baht 1,497,991,693.50 by issuing 2,396,786,710 ordinary shares with par value of Baht 0.125 through right offering proportionately to all existing shareholders whose holding of such share would cause the company to be under the obligations of any international laws (PPO) at the number of not exceeding 2,396,786,710 shares,
  - approved the allocation of 2,396,786,710 newly issued ordinary shares having its par value of Baht 0.125 for right offering proportionately to all existing shareholders whose holding of such share would cause the company to be under the obligations of any international laws (PPO) at par value of Baht 0.20,

totally Baht 479,357,342 at a ratio of 4 existing ordinary shares for 1 newly issued ordinary share, and

- approved the issuance and right offering for debentures within a total of credit limit not over than Baht 2,000 million.

- In November 2023, the Company received "Very Good" rating of recognition from the Corporate Governance of Thai Listed Companies Survey conducted by Thai Institute of Directors Association.

## 1.2 Nature of Business

### 1.2.1 Revenue Structure of the Company and its Subsidiaries

The Company Group's core revenue comes from 1. Construction services 2. Other services, and 3. Sales, detailed as follows:

Revenue structure	Operated By	% Shareholding	2021		2022		2023	
			Million Baht	%	Million Baht	%	Million Baht	%
<b>1. Construction Services</b>								
Piping Work	TRC		1,309.42	33.68	533.45	15.82	382.08	17.42
	Hydrotek-Sahakarn Joint Venture	49.00	260.16	6.69	191.39	5.67	90.43	4.12
	SKW	99.99						
Total			1,569.38	40.37	724.84	21.49	472.51	21.54
Engineering Work	TRC		(27.39)	(0.70)			-	
	Sahahydro Pattaya Joint Venture	49.00						
	SKW	99.99						
Total			(27.39)	(0.70)				
Civil Work	TRC		309.90	7.97	184.49	5.47		
	Sahahydro Pattaya Joint Venture	49.00						
	SKW	99.99	1,895.05	48.74	2,071.66	61.42	1,359.41	61.96
Total			2,204.95	56.71	2,256.15	66.89	1,395.41	61.96

Revenue structure	Operated By	% Shareholding	2021		2022		2023	
			Million Baht	%	Million Baht	%	Million Baht	%
construction services revenue	TRC		72.33	1.86	302.83	8.98	292.59	13.34
	Sahahydro							
	Pattaya Joint	49.00	2.70	0.07	25.44	0.75		
	Venture							
	SKW	99.99	8.40	0.22	1.60	0.05		
Total			83.43	2.15	329.87	9.78	292.59	13.34
Total of construction revenue			3,819.47	98.23	3,283.82	97.36	2,124.51	96.84
Construction revenue from government jobs			2,225.70	57.24	2,198.30	65.17	1,187.07	54.11
Construction revenue from private sector jobs			1,593.77	40.99	1,085.52	32.18	937.44	42.73
2. Other Services	TRC Utilities Co., Ltd.	40.00	11.67	0.30			-	
	Olive							
	Technology Co., Ltd.	49.97	5.81	0.15	57.87	1.72	16.76	0.76
Total revenue from other services			17.48	0.45	57.87	1.72	16.76	0.76
3. Sales	Sahakarn							
	Wisavakorn Co., Ltd.	99.99	8.40	0.22	1.60	0.05	0.05	
Interest income			0.49	0.01	1.21	0.04	1.12	0.05
Other Income			42.42	1.09	28.52	0.85	51.50	2.35
<b>Total Revenue</b>			<b>3,888.26</b>		<b>3,373.02</b>		<b>2,193.94</b>	

### 1.2.2 Business & Service

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, supply of machinery and equipment, and construction services. 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 a main contractor, subcontractor or joint-venture partner or

a member of a consortium both locally and internationally, in accordance with the requirements of the clients.

Apart from construction services, core business, the Company has sought opportunities and enhanced potential to ensure sustainable growth by creating consistent revenue recognition, minimized reliance on only the construction business. Therefore, the Company expands business opportunity for development and investment in infrastructure and Smart IoT Ecosystem in the 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 1<sup>st</sup> 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. Later in August 2018, TRC-UT increased registered capital to Baht 50 million and the Company partially waived the subscription right of ordinary shares of TRC-UT to Planet Utility Co., Ltd (“Planet UT”), subsidiary of Planet Communications Asia Public Company Limited, after this transaction, the Company holds shares in TRC-UT in the proportion of 49.97% and in September 2023, the registered and paid-up capital was Baht 31.25 causing TRC to decreasingly hold 40 % of shares.

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 Company Limited receives subcontracting projects from SKW.

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

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

In 2022, Olive Technology Company Limited (“OLIVE”), a subsidiary of the Company, has established the Express World Tracking Joint Venture (EWT Joint Venture) and signed contract between Turnkey Communication Services Public Company Limited (“TKC”) and the Xsense-Olive Joint Venture signed between Xsense Information Services Company Limited (“Xsense”) to develop a transportation management platform and marketplace system for agriculturist and small entrepreneurs and the purchase of transportation vehicle tracking equipment with data receiving system with Thailand Post Distribution Company Limited.

### 1.2.3 Nature of Products and Services

At present, TRC Group consists of subsidiaries, associates, and join ventures, totaling 18 corporate entities as detailed in "Shareholding Structure of the Company Group", operating in 3 business categories as follows:

1. Construction Business
2. Utilities & Investments
3. Smart IoT Ecosystem Business
4. Fabrication Shop of Steel Structure and Large Oil Tank

#### Construction Business

The Company Group provides various construction services as follows:

##### Construction and Engineering Design for Pipeline System

The Company provides services relating to construction/ installation of natural gas/ petrochemical pipeline system, construction of natural gas pressure regulating / measurement stations. 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 1<sup>st</sup> 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 1<sup>st</sup> 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 rather than new pipe installation.



### Construction and Engineering Design of Energy and Petrochemical Industries

The Company provides integrated construction services consisting of engineering design, sourcing/ installation of machinery and equipment for energy and petrochemical Industries such as group of Bangchak Corporation Public Company Limited which includes Bangchak Biofuel Company Limited, group of PTT Public Company Limited which includes PTT Oil and Retail Business Public Company Limited, IRPC Public Company Limited, Trans Thai-Malaysia Company Limited, etc.

### Construction of Basic Utilities and General Construction

Sahakarn Wisavakorn Company Limited (a subsidiary) (“SKW”), formerly known as United Engineering Company Limited, 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 entering into 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 2<sup>nd</sup> 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.

SKW has experience and expertise in providing integrated construction services and civil works. Most projects involved with infrastructure construction such as roads, bridges, and buildings for state enterprises / agencies. Other projects consist 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 Company Limited valued of Baht 2,134 million, sourcing, installing, testing of machinery / equipment system (M-01/2) for

producing cigarettes and expanding tobacco for the Tobacco Authority of Thailand 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 45001:2015 for occupational health and safety management system from SGS (Thailand) Company Limited.

### **Utilities Business and Investment**

The Company aims to generate stable and sustainable income, thus requiring utility and investment businesses to reduce reliance on construction services revenue that are the main revenues of the business. The Company also sees the opportunity to provide construction services from utility or investment projects and will consider investing in businesses related to the Company's existing business, such as basic utilities business, industrial and energy businesses, etc. Currently, the Company has the following utility and investment business:

#### Utilities Business

The Company saw business opportunities in the government's policy that promoted investment in basic infrastructure, as well as the privileges to incentivize investors both inside and outside the country to expand their production base to Thailand. With the Eastern Economic Corridor (EEC) zone that received support in industrial sector continuously, employment and demand for basic utilities are increasing in the future. Therefore, the Company has invested in the production and distribution of water supply in Tasit Subdistrict, Pluak Daeng District, Rayong Province, by establishing a subsidiary namely TRC Utility Company Limited ("TRC-UT"), which started its commercial operation in March 2018.

In 2021, TRC-UT participated in an electronic tender for private water supply in the Provincial Waterworks Authority, Ban Chang Branch, in which TRC-UT won the bid. TRC-UT is currently awaiting the signing of the project contract.

Investment in Government Concessions Business.

The Company invested in a potash mining and processing plant project in Bamnet Narong municipality of Chaiphum Province by acquiring a 25.13% equity share in ASEAN Potash Chaiphum 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

The Company entered into joint venture agreement with Asia Green Energy Public Company Limited (“AGE”) and established a joint venture company namely AT Energy Solution Company Limited (“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 will share greater effectiveness and wider range of customer base.

**Smart IoT Ecosystem Business**

Technology is one of the most important factors 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 an investment agreement with XSense Information Service Company Limited and formed a joint venture company namely Olive Technology Company Limited (“Olive”) to provide research and development services of control and analysis system as well as Big Data. Later, Olive set up a subsidiary namely Mahat Company Limited (“Mahat”) to support production and distribution of information technology management and platform development services.

### **Fabrication Shop Business**

The Company provides a comprehensive production service and fabrication of steel structure and large tank for installation at natural gas and oil plants and petrochemical plants starting from design engineering, procurement of materials and equipment, cutting, welding, forming, painting and installing at site. The previous works consist of Piping Spool Fabrication Works with contract value of Baht 447 million, and Fabrication and Construction of New 15 Storage Tanks with contract value of Baht 484 million and execution period of 2021—2024 at Clean Fuel Project :CFP (CFP) of Thai Oil Plc. Engineering (Thailand) Co., Ltd. which were employed by the joint venture company of Petrofac South East Asia Pte. Ltd., Saipem Singapore Pte. Ltd. and Samsung Engineering (Thailand) Co., Ltd., and Fabrication & Installation of 50,000-ton Oil Tank with 58.23-meter of diameter and 24.38-meter height, total 4 tanks of Pan Asia Storage and Terminal Co., Ltd., Phetchaburi Province with contract value of Baht 186 million.

#### **1.2.4 Marketing & Competition**

##### **1.2.4.1 Marketing**

Overall, the global economy in 2023-2024 tends to face with the risk of rising costs, in terms of construction material prices and transportation costs as a result of the Russia-Ukraine war and Israel War that pushes the price of oil and significant construction materials, especially steel and cement, to be higher and affects construction business to encounter with higher cost whereas contractors need to bear higher cost of nearly all categories of materials, especially steel and steel products, as well as all risk factors of this captioned business such as bearing labor cost remaining higher due to the extended shortage of labor in terms of both quantity and skills including raising of the minimum wage of skilled workers as per the government policy, etc.

This causes the lack of financial liquidity including limitation of cost management, labor shortage and skilled ones that aggravate existing problems arisen by the captioned unresolved wars and as a result, the large scale, medium and small construction projects need to slow down their investment including an opportunity of access to financial resources. From the abovementioned factors, the Company is of the view that the construction trend in 2024-2025 will probably recover with 5.0 – 6.5 % expansion of construction investment through main driving factors from the government investment in the large scale projects linked with

the Eastern Economic Corridors (EEC) that tends to be expedited to achieve Transport Infrastructure Action Plan in the EEC Area, Phase 2 (2022 -2026), and the extension project of transportation routes, especially rail and road i.e. electric trains, dual track trains, motorways and mega projects linked to EEC area as well as other infrastructure projects, private sector's construction investment, in both industrial plants and industrial estate, residential and commercial real estate construction projects tending to gradually recover in line with economic conditions.

#### 1.2.4.2 Competition

Large and medium-sized contractors tend to have advantages in winning government projects especially major infrastructure projects as they have more experiences, technical skills, financial capacity and continuous development in construction techniques and technologies whereas smaller ones will only obtain the opportunity of working in governmental projects as subcontractors. Projects from private sectors will consist of construction of residence, industrial factory, commercial ones, hotels, hospitals, etc. The private investment projects usually fluctuate based on investment confidence of various factors i.e., economy, political stability, basic infrastructure investment and economic campaign stimulated by the government.

### A. Significant Marketing on Products and Services

#### ● Marketing Policy in 2022

1. To select works and projects in line and suitable with vision and capability of employees.
2. To explore new group of industrial customers and new customers.
3. To select alliances to strengthen readiness for bidding.
4. To continuously improve the Company's procurement system to enhance price competitiveness.
5. To strengthen relationship with current customers
6. To extend marketing potential in fabrication shop & tanks

### ● Competitor Overview

The major contractors appears 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 of a number of construction and subcontractor jobs. The competitiveness is also very intense as there are many medium and small-sized contractors across the country and most of them are conservative relying more on unskilled labor than machinery causing limited work capacity and cash flow.

Th construction in the country can be categorized based on type of customers i.e., public, and private sector. Likewise, contractors can be divided into 2 groups; those who work locally and those who work overseas. The 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 500 million).

As TRC Group is considered as the medium-sized enterprise, there are a large number of competitors causing a significantly severe competition of price offering.

### ● Customer characteristics and relationships

Most of the Company's customers are private enterprises in petrochemical industry. Their procurement may be exclusively selected or in a form of 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 proceeded by bidding and in a form of EPC works.

TRC Group adheres to fulfilling customer's needs and managing 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

As the average time spent in each construction project since the commencement until complete delivery is more than 12 months, it requires long-term close coordination with project owner. The relationship with customers is therefore as a teammate who works together



and push the project to accomplishment that helps make the relationship healthy and last long. The Company anticipates repetition of services from existing customers and further recommendation to new customers to create more opportunities in the future.

- **Target Customers**

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, Metropolitan Electricity Authority and Eastern Water Resources Development and Management Public Company Limited, etc. This group of customers consider vendors by specifying qualification that contractors need to be qualified and become registered in their vendor list prior to entering into bidding process. Such qualification includes a number of machinery and equipment and past achievements for private sector customers, they may consider vendors either by registration or performances as recommended by the Company's main 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 selection and in a 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, EPCC).

As Sahakarn Wisavakorn Company Limited ("SKW")'s main services are civil works, most customers are public sector whose procurement is mainly in a form of bidding for procurement of machinery and equipment and construction. Nonetheless, the Company adheres 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 regularly 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 the vendor registration with 29 customers and all were in private sector. In 2023, vendor registration with 5 new customers (TPAC-TPCC, UBE, HMC, TTT and CUEL) from private sector has been completed to maintain and increase bidding opportunities. SKW accumulatively completed vendor registration with 12 customers, 7 of which are in public sector while another 5 are in private sector. In 2023, SKW has proceeded the renewal of registration with all customers to maintain bidding opportunities in the future.

In 2023, the group of company' s proportion of services were mainly only the projects in Thailand as there were ongoing projects required to be delivered and those made the Company' s full capacity to obtain more jobs.

## B. Competitive conditions

### ● Competitive conditions of construction business in 2022

In 2023, pipeline construction business tended to drop and competition especially in natural gas transmission pipeline construction was higher intense due to the economy condition and global oil price. 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, and fabrication shop of steel structure and tankages, etc. to compensate the reduction of income in natural gas transmission pipeline.

For competition in construction business of industrial factory, civil works and infrastructure system, market demand was expanded by mega project investment and stimulating economic campaign from government as well as medium and small-sized project investment under annual budget. However, the growth rate remained lower than estimation resulting in reduction of private investment. Moreover, the ability to gain profit from construction works was on a downtrend due to the labor shortage, particularly skilled labor, and the increase of oil and materials prices. The Company then adjusted by building good

relationship and/or partnership with various vendors such as materials distributors and subcontractors including competitors in industrial factory construction and civil works.

### 1.2.5 Major projects undertaken in 2023

#### ● Petrochemical Industry

1. Thai Oil Public Company Limited has been investing in CFP or Clean Fuel Project worth Baht 1.5 billion since 2018. The Company obtained 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.
2. Welding, assembly and installation of oil tanks Size 50,000 tons, diameter 58.23 meters, height 24.38 meters, totally 4 tanks of Pan Asia Storage and Terminal Company Limited, Phetchaburi Province
3. Welding, assembly and installation of oil tanks, sizes 10,000 tons, 5,000 tons and 2,000 tons of Pan Storage and Service Company Limited, Chachoengsao Province.
  - Size 10,000 tons, diameter 31.50 meters, height 18.0 meters, totally 3 tanks
  - Size 5,000 tons, diameter 26.2 meters, height 14.75 meters, totally 9 tanks
  - Size 2,000 tons, diameter 13.3 meters, height 23 meters, totally 8 tanks
4. Construction of High Total Dissolved Solids for Gas Separation Plant Unit 5 of PTT Public Company Limited.
5. Construction of natural gas pipeline system and gas pressure measurement and pressure control station of B. Grimm Power (Ang Thong) 2 Company Limited and B. Grimm Power (Ang Thong) 3 Company Limited.
6. Construction of New Gas Pipeline System for EGCO Cogeneration SPP Replacement Project.
7. Construction of Steel Structure and Equipment of Mechanical Work for New Hydrogen Manufacturing Unit (HMU-2) Project) of IRPC Plc.

8. RC0630 Pipeline Modification BV WN 2.5-WN3 of PTT Plc.
9. Construction of Concrete Protection for RC0660 Natural Gas Pipeline Running Across Rapheephat Cannel at KM No. 0-80 of PTT Plc.

- **Utilities and General Construction**

1. Reconstruction of Inter-Region Highway Network, Highway No. 41 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 2025.
2. 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 2024.
3. 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. Project delivery date was scheduled in 2024.
4. Construction of Highway No. 4, Tamnuk Road - Khok Kian Junction, Phase 1, Khuraburi District and Takua Pa District, Phang Nga Province of the Department of Highways. Scope of work includes road construction by extending the road from 2 traffic lanes to 4 traffic lanes distance 10.50 kilometers and electrical lighting installation. Project delivery date was scheduled in 2024.

### 1.2.6 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 gained are accurate according to the purchase order and mentioned conditions.

For special materials such as pipe or valve that require certain qualifications according to the works, such qualifications will be determined by designing engineer and/or project owner and may require importing from foreign distributors or producers. Generally, the project owner will provide details of materials that could be sought from various vendors and 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 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 and reduce cost and expenses concerning machinery and equipment.

- **Subcontractor**

The Company considers 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 with similar conditions that the Company has made the contract with the owner or on back-to-back basis; for example, work delivery, quality assurance, inspection and performance warranty.

### **1.2.7 Assets used in Business Operations**

Details appear in "Attachment 4, Assets Used in Business Operation".

### 1.2.8 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 statements as at 31 December 2023 are as follows:

Project Name	Job Description	Work Value (Million Baht)	Estimated Remaining Job Value (Million Baht)	Progress of Remaining Work (%)	Expected Year of Project Completion
<b>TRC Construction Public Company Limited</b>					
1. Raw Water Pipeline System Klong Luang Reservoir-Chonburi	Construction of Water Pipeline System and Pump Station	2,055.00	135.42	6.59	2024
2. Subcontract for Piping Spool Fabrication Works	Fabrication of Piping Spool	451.33	17.56	3.89	2024
3. Fabrication and construction of 15 new storage tanks	15 storage tanks of crude oil	698.24	74.89	10.73	2024
4. High TDS wastewater treatment system construction project	Construction of wastewater treatment system	159.86	51.39	36.26	2024
5. New Gas Pipeline System for EGCO Cogeneration SPP Replacement project	Fabrication of Piping Spool	132.00	3.56	2.70	2024
6. Assembly of Steel Structure for Hydrogen Production Unit of IRPC	Assembly of steel structure	226.67	8.87	3.91	2024
7. Process De Bottle Neck Project	Assembly of steel structure	23.60	6.07	25.72	2024



Project Name	Job Description	Work Value (Million Baht)	Estimated Remaining Job Value (Million Baht)	Progress of Remaining Work (%)	Expected Year of Project Completion
8. Improvement of 36" diameter Natural Gas Pipeline	Improvement of natural gas pipeline	76.20	44.83	58.83	2024
9. Construction of concrete protection for RC0660 natural gas pipeline running across Rapheephath Canal at KM No. 0-80	Concrete Structure Works	32.65	32.22	98.68	2024
<b>Sahakarn Wisavakorn Company Limited</b>					
1. Construction of overpass bridge, Na Ranong Intersection	Construction of overpass bridge, Na Ranong Intersection including lighting system	1,257.08	66.50	5.29	2024
2. Construction of manholes and underground electrical conduits on Rama III Road in conjunction with the Construction of overpass bridge, Na Ranong Intersection	Construction of manholes and underground electrical conduits	277.83	57.27	20.61	2024
3. Conversion of Overhead Line to Underground System Project, Ratchadaphisek-Asoke Route	Conversion of Overhead Line to Underground	2,213.68	1,094.67	49.45	2024

Project Name	Job Description	Work Value (Million Baht)	Estimated Remaining Job Value (Million Baht)	Progress of Remaining Work (%)	Expected Year of Project Completion
4. Ditch improvement Vibhavadi Rangsit Road Section 3	Improvement of roadside drainage system, lighting system and water supply of Vibhavadi Rangsit Road	264.88	31.16	11.76	2024
5. Ditch Improvement along Vibhavadi Rangsit Road, Section 1 of KM 5 + 500.000 KM 10+700.00	Improvement of drainage system including electrical and water supply works	699.95	172.65	24.67	2024
6. Construction of manholes and underground electrical conduit of ditch improvement project, Vibhavadi Rangsit Road, Section 2, Part 1	Construction of manholes and underground electrical conduits	44.52	16.90	37.96	2024
7. Construction of water supply and relevant works of Vibhavadi Rangsit Road, Section 1	Construction of water supply and relevant works	33.91	18.40	54.27	2024
8. Conversion of Overhead Line to Underground System Project, Rama IV Route	Conversion of overhead line to underground	517.76	224.88	43.43	2024
9. Construction of the Medical Building for Thabo Crown Prince Hospital Project	Construction of a ten-storey hospital building	694.84	206.06	29.66	2024

Project Name	Job Description	Work Value (Million Baht)	Estimated Remaining Job Value (Million Baht)	Progress of Remaining Work (%)	Expected Year of Project Completion
10. Construction of Highway No. 9: Outer Ring Road of Bangkok (Western)\	Construction of highway	480.36	136.23	28.36	2024
11. Construction of Highway No. 4: Ban Tamnang-Khokkhian Intersection, Section 1	Construction of highway	653.23	335.19	51.31	2024
12. Development of specific areas for tourism at Pranburi District and Sam Roi Yot District	Restoration of road, bike lanes, landscapes, and parking lots	164.49	76.84	46.72	2024
13. Phitsanulok Community Area Development Project Phase 2	Construction of the community area development	91.59	41.47	45.28	2024
14. Construction of manholes and underground electrical conduits, Vibhavadi Rangsit Road, Section 2, Part 2	Construction of manholes and underground electrical conduits	53.09	6.02	11.34	2024
15. Development Project at Tumbon Kumpang, La-ngoo District, Satun Province	Construction of the community area development	120.09	97.21	80.95	2024
16. Construction of Highway No. 4140, Thasala Subdistrict-Nopphatam District, Construction of Highway No. 4, Tamnung Road - Khok Kian Junction, Phase 1	Construction of highway	746.73	696.85	93.32	2025

Project Name	Job Description	Work Value (Million Baht)	Estimated Remaining Job Value (Million Baht)	Progress of Remaining Work (%)	Expected Year of Project Completion
<b>Sahahydro Pattaya Joint Venture</b>					
1. Drainage system on the east side of railway- parallel road Phase 1 Pattaya city, Chonburi Province	Construction of drainage system	580.37	37.94	6.54	2027

### 1.2.9 Investment policy in subsidiaries, associates and joint ventures

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

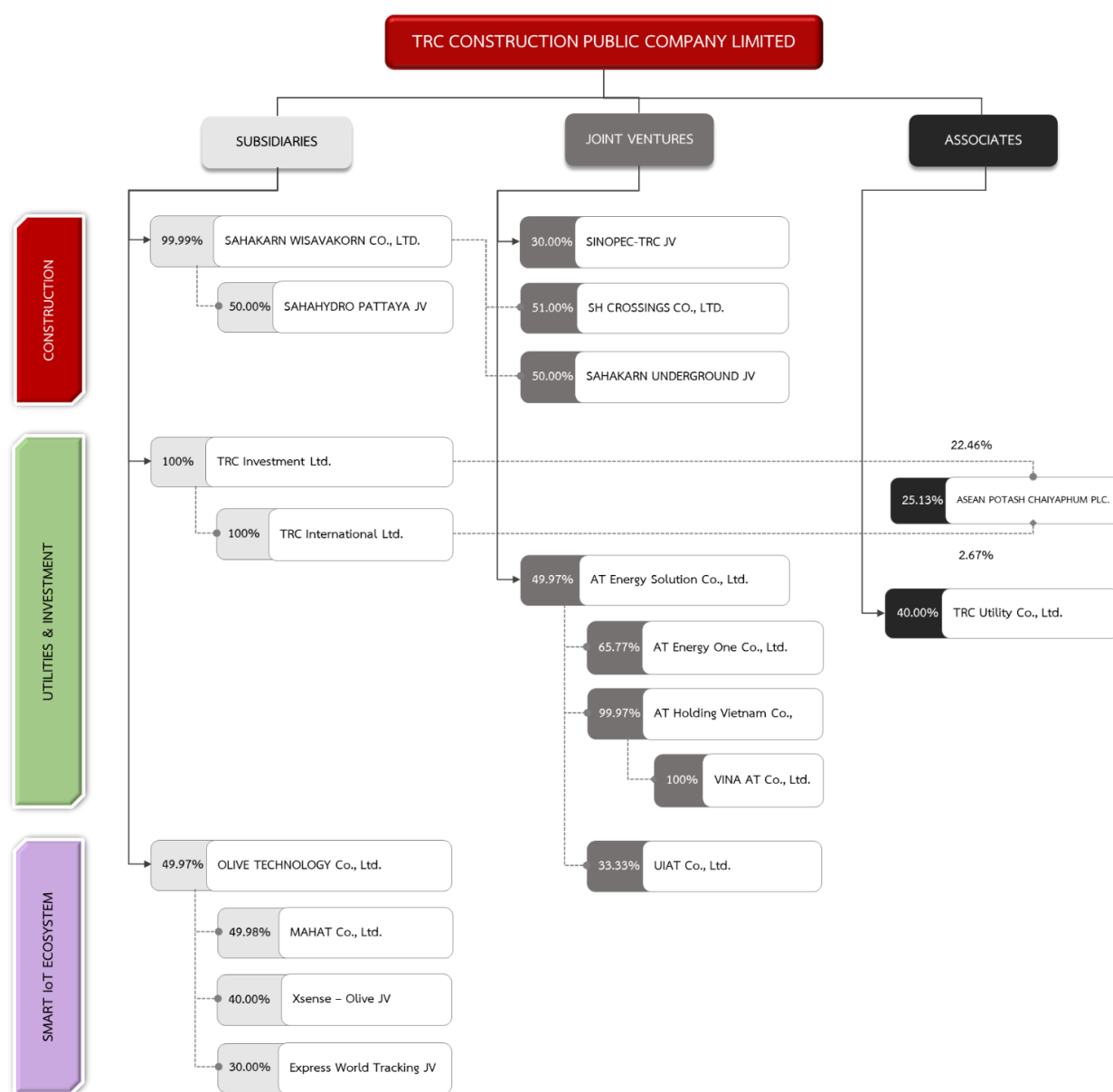
The Company will assign representatives to manage the operation according to shareholding proportion with clearly defined duties and responsibilities to ensure decision making and policy planning of each company. The investment proportion and appropriate returns are the key factors in consideration of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

The investment value of the Company and subsidiaries is listed in the Notes to Financial Statements, item. 13-15.

### 1.3 Shareholding Structure of the 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 converted 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 beginning as a construction service contractor, the Company continually expands investment in other relevant affairs and becomes group of companies that operate its businesses in various industries.

## Shareholding Structure



## Subsidiaries

1. Sahakarn Wisavakorn Company Limited (“SKW”) was established on 2 February 1954. Later in 2007, TRC acquired SKW shares from existing 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. Olive Technology Company Limited ("OLIVE") was established 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 10 million of which Baht 3.10 million was paid up. OLIVE's business is to provide research and development services for inspection, control and analysis system including processing of Big Data.
  5. MAHAT Company Limited ("MAHAT") was established on 23 November 2020. TRC indirectly holds 59.98% through OLIVE while the management holds 0.02% and Wiwitsarn Company Limited holds 39.99% of shares. MAHAT's current registered and paid-up capital was Baht 1 million. MAHAT's business is to produce, distribute and provide services of information technology management and platform development.
  6. Sahahydro Pattaya Joint Venture ("SAHAHYDRO PATTAYA") consist 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.
  7. Express World Tracking Joint Venture ("EWT Joint Venture") consist of OLIVE, United Telecom Sales and Services Company Limited and Turnkey Communication Services Company Limited entered into joint venture agreement on 28 January 2022 with investment proportion of 30%, 30% and 40% respectively. Its business is to contract for the project of THP core operating system (THP Core System) development.
  8. Xsense-Olive Joint Venture ("Xsense-Olive Joint Venture") consist of OLIVE and Xsense Information Service Company Limited with investment proportion of 40% in the amount of Bath 40,000 Its business is to contract for the project of to develop a transportation management platform and marketplace system for farmers and small entrepreneurs. and the purchase of transport vehicle tracking equipment with a data receiving system.



## Associates

1. 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 20,805,797,300 of which Baht 3,256,727,300 was paid up. APOT’s business is potash mining (not yet in the commercial stage).
2. TRC Utility Co., Ltd. (“TRC-UT”) was established on June 20, 2017 in which TRC holds 49.97 % of shares, and TRC’s executives hold 0.03%. Previously, TRC-UT had its registered capital of Baht 50 million and Baht 13.25 million of paid-up capital. Later, in September 2023, the registered and paid-up capital was Baht 31.25 causing TRC to decreasingly hold 40 % of shares. TRC-UT’s business is production and selling of water supply.

## Joint Ventures

1. SINOPEC-TRC Joint Venture (“SINOPEC-TRC”) consists 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, and pipe jacking work.
3. AT Energy Solution Company Limited (“AT”) was established on 14 August 2019. TRC holds 49.97% while the management holds 0.03% and Asia Green Energy Public Company Limited holds 50% of shares. AT’s 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. AT Energy Solution One Company Limited (“AT ONE”) was established on 19 February 2020, TRC indirectly holds 49% through AT. AT One’s registered capital is Baht 10 million. AT One’s business is to operates a power plant to generate and sell electricity to public and private agencies.

5. AT Holdings Vietnam Company Limited (“AT Holding”) was established on 19 February 2020. TRC indirectly holds 97.97% and the management holds 0.01%. AT Holding’s registered capital is Baht 1 million. AT Holding’s business is to conduct investments and acquire shares by any means in other juristic persons in the country.
6. Vina AT Company Limited is registered in Vietnam on 25 November 2020. TRC indirectly holds 100% through AT Holding with a registered capital of USD 0.31 million. Its business is to operates, invests and acquires shares by any means in other juristic persons in the country.
7. Sahakarn Underground Joint Venture (“SAHAKARN UNDERGROUND”) consist of SKW (subsidiary) and Underground Construction Specialist Company Limited that entered into join 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.
8. UIAT Company Limited (“UIAT”) consists of AT, United Telecom Sales and Services Company Limited and IBS Corporation Company Limited holding 33.33% of each company. Its business is to participate in the bidding for the Solar PV Rooftop installation service project on the premises of the Thai Post Company Limited in a joint venture with Energy Solution Management Public Company Limited.

### Information of Entities the Company invested in Exceeding 10%

#### ● Investment in Subsidiaries

Company name and address	Registration No.	Nature of Business	Registered Capital (Baht)	Paid-up Capital (Baht)	Number of paid-up shares (shares)	Share Value (Baht/Share)	Share holding (%)
<b>Sahakarn Wisavakarn Company Limited</b> 8 Soi Sukhaphiban 5, Soi 32 , Tha Raeng, Bangkhen, Bangkok 10220 Tel: 0-2022-7777 Fax: 0-2022-7788	0105497000257	Construction of basic utilities and general construction work	500,000,000	500,000,000	50,000,0000	10	99.99

Company name and address	Registration No.	Nature of Business	Registered Capital (Baht)	Paid-up Capital (Baht)	Number of paid-up shares (shares)	Share Value (Baht/Share)	Share holding (%)
<b>TRC Investment Limited</b> 10th Floor, Standard Chartered Tower, 19 Cybercity, Ebene, Republic of Mauritius	079207 C1/GBL (Registered in Mauritius)	Invest in other businesses	USD 1	USD 1	1	USD 1 /share	100. 00
<b>TRC International Limited</b> Room 2101, Hong Kong Trade Centre, 161-7 Des Voeux Road, Central, Hong Kong	1202588 (Registered in Hong Kong)	Invest in other businesses	HKD 10,000	HKD 10,000	1	HKD 10 /share	100. 00 (Shareholding through TRC Investment Limited)
<b>Hydrotek Sahakarn Joint Venture*</b> consist of Sahakarn Wisavakorn Company Limited and Hydrotek Public Company Limited 8 Soi Sukhaphiban 5, Soi 32 Tha Raeng, Bangkhen, Bangkok 10220 Telephone: 0-2022-7777	0993000342674 (Tax ID)	Construction of provincial waterworks expansion improvement . Koh Samui Branch, Koh Samui, Surat Thani					Sahakarn Wisavakorn Company Limited investing 49%
<i>Remark *On October 31, 2019, the Board of Directors' Meeting No.2/2019 approved to cease the business operation. As at December 31, 2023 such subsidiary had completed of the liquidation process.</i>							
<b>Olive Technology Company Limited</b> 8 Soi Sukhaphiban 5, Soi 32 Tha Raeng, Bangkhen, Bangkok 10220 Telephone: 0-2022-7777	0105563043435	Research and Development services for inspection, control, analyze, and manage big data	10,000,000	3,100,000	100,000	100	49. 97

Company name and address	Registration No.	Nature of Business	Registered Capital (Baht)	Paid-up Capital (Baht)	Number of paid-up shares (shares)	Share Value (Baht/Share)	Share holding (%)
<b>Mahat Company Limited</b> 8 Soi Sukhaphiban 5, Soi 32 Tha Raeng, Bangkhen, Bangkok 10220 Telephone: 0-2022-7777	0105563170399	Produce, sell, and provide services on Information Technology Management and Platform Development	1,000,000	1,000,000	10,000	100	59.98 (Shareholding through Olive Technology Co., Ltd.)
<b>Hydro Pattaya Joint Venture</b> consist of a Sahakarn Wisavakorn Company Limited, Hydrotek Public Company Limited and Sam Prasit Partnership Limited 8 Soi Sukhaphiban 5, Soi 32 Tha Raeng, Bangkhen, Bangkok 10220 Telephone: 0-2022-7777 Fax: 0-2022-7755	0993000441923 (Tax ID)	Construction of road drainage system project along the East Railroad Phase 1 Pattaya City Chonburi Province					Sahakarn Wisavakorn Co., Ltd. investing 50%

### ● Investment in Associates

Company name and address	Registration No.	Business Type	Registered Capital (Baht)	Paid-up Capital (Baht)	Number of shares sold (shares)	Share Value (Baht/Share)	Shareholding (%)
<b>ASEAN Potash Chaiyaphum Public Company Limited</b> 8 TRC Building, 5th Floor, Soi	0107547000478	Potash Mining	29,472,035,900	2,805,797,300	28,057,973	100	25.13 (22.46 Shareholdings through TRC Investment

Company name and address	Registration No.	Business Type	Registered Capital (Baht)	Paid-up Capital (Baht)	Number of shares sold (shares)	Share Value (Baht/Share)	Shareholding (%)
Sukhaphiban 5, Soi 32 Tha Raeng, Bangkhen, Bangkok 10220 Telephone: 0-2001-7733 Fax: 0-2001-7739							Limited and 2.67 through TRC International Limited)
<b>TRC Utility Company Limited</b> 8 Soi Sukhaphiban 5, Soi 32 Tha Raeng, Bangkhen, Bangkok 10220 Telephone: 0-2022-7777 Fax: 0-2022-7788	0105560100101	Production and contribution of tap water	31,250,000	31,250,000	1,250,000	25	40.00

● Investment in Joint Ventures

Company name and address	Registration No.	Business Type	Registered Capital (Baht)	Paid-up Capital (Baht)	Number of shares sold (shares)	Share Value (Baht/Share)	Investment share (%)
<b>Sinopec-TRC Joint Venture</b> consist of TRC Construction Public Company Limited and Sinopec International Petroleum Service Corporation	0993000315961 (Tax ID)	EPC for Provincial Gas Transmission Pipeline Project to Nakorn Ratchasima					30.00

Company name and address	Registration No.	Business Type	Registered Capital (Baht)	Paid-up Capital (Baht)	Number of shares sold (shares)	Share Value (Baht/Share)	Investment share (%)
8 Soi Sukhaphiban 5, Soi 32, Tha Raeng, Bang Khen Bangkok Telephone: 0-2022-7777 Fax: 0-2022-7788							
<b>SH Crossings Company Limited</b> 8 Soi Sukhaphiban 5, Soi 32 Tha Raeng, Bangkhen, Bangkok 10220 Telephone: 0-2022 7777 Fax: 0-2022 7788	0105560194041	Construction of underground electrical conduits, pipe pushing and tunnel drilling work	40,000,000	40,000,000	400,000	100	51.00 (Shareholding through Sahakarn Wisavakorn Company Limited)
<b>At Energy Solutions Company Limited</b> 8 Soi Sukhaphiban 5, Soi 32 Tha Raeng, Bangkhen, Bangkok 10220 Telephone: 0-2022 7777 Fax: 0-2022 7755	0105562139846	Procurement and Services on utility to general industrial plants and power plant businesses.	200,000,000	200,000,000	2,000,000	100	50.00
<b>At Energy One Company Limited</b> 8 Soi Sukhaphiban 5, Soi 32 Tha Raeng, Bangkhen, Bangkok 10220 Telephone: 0-2022 7777 Fax: 0-2022 7755	0105563030902	Power plant business to generate and sell electricity to public and private agencies	10,000,000	10,000,000	100,000	100	49.00 (Shareholding through At Energy Solutions Company Limited)

Company name and address	Registration No.	Business Type	Registered Capital (Baht)	Paid-up Capital (Baht)	Number of shares sold (shares)	Share Value (Baht/Share)	Investment share (%)
<b>At Holdings Vietnam Company Limited</b> 8 Soi Sukhaphiban 5, Soi 32 Tha Raeng, Bangkhen, Bangkok 10220 Telephone: 0-2022 7777 Fax: 0-2022 7755	0105563030953	Invest and acquire shares by any means in other legal entities in the country and abroad	1,000,000	1,000,000	10,000	100	99.97 (Shareholding through At Energy Solutions Company Limited)
<b>Vina AT Company Limited</b> No. L17-11, Floor 17, Vincom Center Building, No. 72, Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	0316626604 (Registered in Vietnam)	Invest and acquire shares by any means in other legal entities in the country and abroad	USD 312,500	USD 312,500	(full investment, no shares and share value).	(full investment, no shares and share value).	100.00 (Invest through At Holdings Vietnam Co., Ltd.)
<b>Sahakarn Underground Joint Venture</b> consists of Sahakarn Wisavakorn Company Limited and Underground Construction Specialist Company Limited 8 Soi Sukhaphiban 5, Soi 32 Tha Raeng, Bangkhen, Bangkok 10220	0093000430859 (Tax ID)	Construction of pits and underground electrical conduits					50.00 (Shareholding through Sahakarn Wisavakorn Company Limited)



Company name and address	Registration No.	Business Type	Registered Capital (Baht)	Paid-up Capital (Baht)	Number of shares sold (shares)	Share Value (Baht/Share)	Investment share (%)
Telephone: 0-2022 7777 Fax: 0-2022 7755							
<b>UIAT Company Limited</b> 44/45 Soi Vibhavadi Rangsit 60 Intersection 18-1-2, Talad Bang Khen Subdistrict, Lak Si District, Bangkok 10210 Telephone: 0-2022-7777 Fax: 0-2022-7788	0105565139120	Solar PV Rooftop installation service	4,800,000	1,200,000	48,000	100	33.33

#### 1.4 Securities and Shareholder Information

##### Number of registered capital and paid-up capital

As of 31 December, 2023, TRC Construction Public Company Limited's issued and paid-up registered capital was Baht 1,198,393,354.75, divided into 9,587,146,838 ordinary shares with par value of Baht 0.125 per share.

##### Shareholder

As of 6 December, 2023, the Company's shareholding structure was as follows

	Number of Shareholders	Number of Ordinary Shares	Shareholding Proportion
Thai Shareholders	11,577	8,545,094,169	89.13%
Foreign Shareholders	13	1,042,052,669	10.87%
<b>Total</b>	<b>11,590</b>	<b>9,587,146,838</b>	<b>100.00%</b>

## List of 10 major shareholders

No.	Name	Number of Shares	Shareholding Proportion
1.	KPK 1999 Co., Ltd. <sup>(1)</sup>	2,712,797,314	28.30%
2.	UBS AG SINGAPORE BRANCH	465,449,533	4.85%
3.	SMPR Holding Pte. Ltd. <sup>(2)</sup>	348,434,992	3.63%
4.	Thai NVDR Co., Ltd.	333,521,398	3.48%
5.	UBS AG LONDON BRANCH	223,988,897	2.34%
6.	Ms. Pasita Leesakul	123,660,694	1.29%
7.	Mr.Thatchai Bavorntaranont	108,955,700	1.14%
8.	Mr.Boontham Kraiwattanapong	104,917,465	1.09%
9.	Mr.Noppachai Nopsuwanvong	93,790,000	0.98%
10.	Mrs.Jarupin Asawadamrongchai	85,825,300	0.90%
11.	Other shareholders	4,985,805,545	52.01%
<b>Total</b>		<b>9,587,146,838</b>	<b>100.00%</b>

Note: (1) KPK 1999 Co., Ltd.'s business involves with real estate rental and management with 50.50% of its share held by Mrs. Paichit Rattananon, Chairman of the Board of Directors.

(2) Ultimate Shareholder of SMPR Holding Pte. Ltd. is SP International Group Limited. (Holds 100% of SMPR Holding Pte. Ltd.'s shares)

Minority Shareholders as of 5 April, 2023

A number of Free Float = 10,884 or equivalent to 69.73 %.

## 1.5 Dividend Policy

### 1.5.1 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.

### 1.5.2 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.

#### Historical Dividend Payment Information

	2020	2021	2022	2023
Net (loss) profit margin (Baht per Share)	(0.05)	(0.01)	(0.01)	(0.05)
Dividend payout ratio (Baht per Share)	-	-	-	-
Ratio of dividend payment to net profit of the separate financial statement after statutory reserve (%)	-	-	-	-
Dividend Payment Date	-	-	-	-

Note: (1) Dividends consist of cash dividends and stock dividends.

## 2. Risk Management

## 2. Risk Management

### 2.1 Risk Management Policies and Plans

Risk management is a part of corporate governance and it is the significant foundation of availing an opportunity, avoiding or mitigating risks that enable the operations to achieve the company's defined objectives towards shareholders and stakeholders. The company therefore implements the risk management process as a tool for continuous effective risk management.

The company's risk management has been carried out systematically under supervision of the Risk Management Committee by following up the implementation results and reviewing risk management arisen by external factors and internal business administration to cope with such situations and effectively mitigate any risk opportunities and impact to be at an acceptable level.

The risk management policy has been disclosed on the company's website, item Sustainability/CG Report and Download/Risk Management Policy".

### 2.2 Risk Factors for the Company's Business Operations

#### 2.2.1 Risk of the Company's Business

In 2023, in view of the review on significant risks affecting the Company's operations, the Company has considered and reviewed the key risk factors in various areas such as strategic risks, financial risks, operational risks, etc. as details shown below:

#### Strategic Risk

- **Risks Associated with Competition in Core Businesses**

The construction business's nature is price-based. At the first stage, the project owner will select bidders who passed the pre-qualification process with proposed lowest price. During the past years, the Company's core business has been mainly operated through pipeline construction project contracts for natural gas transmission of the private sector and basic infrastructure of the government sector. However, currently, the number of competitors in this captioned market tends to be higher and significantly affects competitive pricing. Should the Company's pricing is uncompetitive and fail to maintain its market share, the entire income and profit shall be unavoidably affected. Consequently, to avail more opportunities and advantage for competitiveness, the Company has then developed the

fabrication shop in Rayong to minimize time and cost of construction implementation at the construction site and to provide service for new customers and business partners requiring the contractor having facilities and capability for assembly of constructing works prior to installation. This has been run according to the Company's adjusted policy to expand its business to other groups of customers in parallel with maintaining the existing ones i.e. expansion of customers in oil tank farm and construction of infrastructure of the private sector and medical business group to mitigate risk from severe price competition that will lead to low project return rate until loss.

- **Risks Associated with Bidding Competition for Continual of Project Award**

Currently, the number of contractors in construction business has increased and those are domestic competitors and international ones having capacity of machinery and technology that cause severe competition. In case the Company cannot obtain new awarded project and maintain continual of project award, this shall certainly cause a direct effect to manpower and machinery cost bearing since it is required to maintain the competitiveness for the Company's business growth. Consequently, the cost management policy was then emphasized to manage effective cost for highest interest and competitiveness by focusing on investment in required machinery with maintenance to minimize cost of rental. This has been conducted in parallel with upgrading the fabrication shop in Rayong to avail an opportunity of bidding projects of new groups of customers or partners as well as managing human resource to be always ready for new awarded project. The fabrication shop has been developed until obtaining a certification from ASME U/S/R Stamp certifying the standard of design and pressure vessel tank fabrication that will avail an opportunity of being awarded by the group of customers requiring pressure vessel tank fabrication and maintenance under the captioned standard.

#### **Financial Risk**

- **Risk Associated with Liquidity**

Construction industry needs high volume of working capital and the Company would receive payment after each project completion and delivery. Therefore, in case of delayed project execution and no work delivery in each installment as well as improper management of working capital, the liquidity of ongoing projects will be affected. To minimize such a risk, the Company therefore determines the controlling measure to control all projects

by advance preparing of cash estimation with monitoring of cashflow evaluation on monthly basis to ensure sufficiency of cashflow for project execution and completion as per the contract including providing capital reserve available in case of necessity. The Company has policy to acquire loans from financial institutions such as applying for a permanent credit line/general credit line, project finance, etc. Additionally, the monthly cash-flow forecast and report of the actual cash flow statement have been reported to the Executive Committee on monthly basis with attentive manner for sufficient and appropriate liquidity management and minimum of financial cost.

- **Risks Associated with Financial Stability and Financing Ability**

Since the construction industry is the competitive business requiring continual of project award for financial stability that help create reliability for source of short-term and long-term loan, the company therefore emphasizes on competitive strategy in its core business market in parallel with expansion of new one as mentioned above in the strategic risk management section. Moreover, the Company also has its policy to invest in other businesses i.e. infrastructure of water supply for consumption, etc. Over the past years, the Company has regularly adhered to compliance with the conditions of loan and all related conditions to ensure reliability towards the financial institutions and source of funds.

#### **Operation Risk**

- **Risk Associated with Negative ROI from Project execution**

The risk from project execution in which return of investment is required to be achieved as planned mostly incurs due to delay of implementation. The Company therefore defines a preventive guideline to mitigate such a risk since the construction site survey stage to evaluate potential risk, plan the construction method and duration, monitor and control project execution to be in accordance with the construction plan. Delay of works may be arisen by various factors such as delay of obtaining land permit or delivery of land for construction, lack of experience and skill of subcontractors, removal delay of utility or structural obstacle, etc.

For delay of obtaining land permit or delivery of land for construction, normally it is under the project owner's responsibility; however, in case of delay, the works cannot be completed within timeframe. Although the Company can ask for contract extension in order that penalty can be waived, direct impact to the construction cost will unavoidably be arisen due to longer period of project execution. Consequently, the Company usually



evaluates this type of risk for cost estimation since the early stage of bidding and during project execution by monitoring various subcontractors to minimize risk in case of delay from any one of them and expedite the project execution to be earlier completed with minimum cost effect in parallel with controlling the project expenses to be within the approval budget.

In view of general labor and skilled labor shortage, it is due to high competition of construction business. Should the Company be competitive in labor cost, the opportunity in being awarded by bidden projects and gaining return of investment as targeted shall be higher. As the labor cost of local labors is higher than the cost of ones from neighboring countries (CLMV), the Company then manages a proportion of labors by legally employing migrant labors as per the guideline of Ministry of Labor to reduce labor shortage problem and to be competitive in labor cost.

For removal delay of utility or structural obstacle mainly affecting the awarded project, it is due to nonidentification of utility or structural obstacles in drawing or quantity of works as per the contract that have been undiscovered. However, survey on obstacles is preliminarily undertaken to confirm their locations since the early stage of project bidding and reconfirmed prior to starting construction in order to effectively arrange the operation plan and allow minimum waste of time due to the captioned problem during the project execution.

#### ● Risk Associated with Project Contract Liability

The risk associated with project contract liability is often caused by failure of project delivery as per the contract whereas the penalty clause of each project contract is variedly stipulated. Consequently, the Company exercises the strategy of project management by selecting any subcontractors having expertise in specified work type, size and value of each awarded project. The selected subcontractors are required to meet requirements of qualification criteria in which their financial status, experience and past work values will be evaluated to ensure that the assigned projects will be properly executed without any impact on the contract conditions and the Company's reputation. However, to minimize this captioned risk, the liability clause aligned with the project contract has been stipulated in each subcontractor contract.

Risk associated with liability towards damage arisen during project execution is often caused by unexpectable underground utility system. Normally, prior to project execution, site survey will be undertaken to assure obstacle points of construction as specified in the

construction drawings and bill of quantity. Nevertheless, there might be some unspecified and unexplored obstacles that probably cause any damage during construction. To cope with this type of risk, the Company provides all projects the contractor all risk insurances with a coverage of damage value that may be arisen and such an insurance will be appropriate with each utility system and insurance condition of each project contract.

- **Risk Associated with Information Technology and Cybersecurity Threats**

Due to a large number of data required for secured management such as procurement, accounting and assets, human resource, etc., information technology is then necessary and plays a vital role for business operating while there maybe unexpectedly concealed risk in terms of both information technology risk or cybersecurity threats that tend to be considerably increased and potentially cause damage and effect towards confidentiality, integrity and availability of data at all times. The Company therefore appoints IT officers to monitor the information system as per the information technology security policy and adhere to the guideline of information technology management such as provision of the standard server room, firewall /LOG installation for both head office and project sites to prevent the system from any malware, VPN join domain installation for connection with Active Directory Server to control and monitor security of in-house computers, both head office and project sites. However, this captioned measure can cover only the security for well-known risks and cyber threats whereas the cybersecurity threats are always changed and developed. To deal with such a risk, the Company then arranges the reaction and emergency management plan focusing on readiness for dealing with any threats i.e. interval plan drill, tracking and analysis system, damage control and recovery; schedule of interval data reserve, etc. to effectively respond and minimize impact that maybe arisen in the information technology system and network and for continuation of the business operating.

- **Risk Associated with Employee Retention with Career Development**

Realizing that employees are the essential resource in driving the business growth, the Company therefore places an importance on employee retention to allow them grow along with the Company's growth. To minimize risk of employee loss, the measures were defined as followings; 1) yearly conducting an employee survey on employee satisfaction in order to properly improve human resource management, 2) surveying and adjusting employment rate to be matched with the current situation of the similar industry, 3) providing employees proper welfares and facilitating quality of life with healthy environment for safety

at workplace, 4) exercising performance appraisal with clear criteria for salary increment and reward payment for their career development and succession to motivate and retain them until retirement.

- **Social and Environmental Risks**

The Company has been aware of safety, occupational health and environment's management and give precedence to considering of stakeholders both inside and outside an organization. In working and nearby areas as well as society and environment by ensuring minimum impact from construction. The Company continuously applies the quality management standards of ISO 14001:2015 and Iso 45001 : 2018, an accepted international standards, for administration and improvement of working procedures to mitigate impact from construction works and build up the occupational health and safety of working i.e. control of environmental impact such as dust, wastewater, noise and vibration from machinery to be in accordance with the obliged standards , and controlling measure for safety of working, etc.

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.

- **Compliance Risk**

As the listed company in the Stock Exchange of Thailand (SET), the Company recognizes its operations in accordance with the regulatory agencies' changes in regulations and rules related to construction and other works. Construction business operations involve with a number of laws and code of conduct of the SET including professional expertise under controlling laws in related fields; architects and engineers, labor laws, environmental laws and accounting standards, etc. The Company has to completely conform with the required actions. In case of failing to conform with such laws, it may cause damage to the Company. Consequently, to mitigate this captioned risk, it is the policy of the Company to operate its business with strict compliance with the regulatory obligations including establishing the working unit to be responsible for monitoring and investigating implementations to cope with the emerging changes at all time.

It is the Company' s duty to operate its business in consistent with the relevant regulatory laws, regulations, rules of the concerned authorities and failing to comply

with such obligations shall cause risk to the Company or executives to obtain a penalty as stipulated in the related laws. The Company therefore places most importance on select qualified employees including determining the effective and efficient code of conduct for ease of governance.

- **Emerging Risk**

N/A

## 2.2.2 Risks Affecting the Rights or Investments of Shareholders

- **Risk associated with the Company's large accumulated losses and inability to pay dividend in the near future**

In the fiscal year 2023, the Company has continuous net loss on operation according to the separate financial statement of Baht 445.71 million which has been the 5<sup>th</sup> year of consecutive net loss (counting from 2019). As a result, the Company has accumulated losses according to the separate financial statement as at 31 December 2023 of Baht 1,422.64 million.

The aforementioned loss causes the Company to be unable to pay dividends to shareholders as obliged by laws since the revolving fund remains required for ongoing project execution of which the construction period has been extended including penalty for breach of contract and large amounts of outstanding expenses.

At present, the Company follows strategic plan and properly manages cost and expense control for the operation to gain profit and be able to recover from accumulated loss as soon as possible so that the Company can have accumulated profit and able to pay dividends to shareholders from the year gaining net profit from operations onwards.

- **Risk Associated with Major Shareholder Holding More Than 25 % of Shares**

As at 31 December 2023, 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 held by Mrs. Paichit Rattananon, Chairman of the Board of Directors) and the shareholding proportion may be significant for decision making and resolution on any other agenda that requires a majority vote of shareholders' meeting except an agenda that requires not less than three-third of the total votes as required by laws or company's articles of association.

Therefore, other shareholders may have risk of being unable to gather sufficient votes to balance and investigate the matter proposed by the major shareholder.

Nonetheless, to ensure that the Company's business operates according to good corporate governance with power balance, the Company defines clear and transparent scope, duties and responsibilities of each subcommittee including policy for connected transaction between directors, major shareholder, executives, controlling person and person with potential conflict of interest whereas such a meeting, certain invested person will not have right to vote in certain agenda. Additionally, the independent Audit Committee is also appointed to be members of the Board of Directors to show transparency and ensure shareholders that review of operations and balance of power can be done to some extent including screening all matters prior to proposing to the shareholders' meeting.

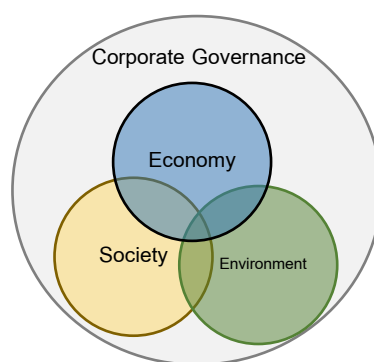
### 3. Business Drive for Sustainability

### 3. Business Drive for Sustainability

#### 3.1 Guidelines and Management Goals for Sustainability

##### Principles of Sustainable Development

With the Company's vision, "We are committed to innovating and meeting the best needs for customers in both domestic and Southeast Asia region (CLMVT)" to achieve the vision laid out. Therefore, the Company has established a framework for sustainability that covers sustainability dimensions including economy, society, and environment. Under the implementation of good corporate governance principles, it guides the formulation of strategies and policies in the Company's operations



Corporate Governance	Environment	Society
1. Business Code of Conduct	8. Environmental Impact from Project Execution	12. Occupational Health and Safety
2. Supply Chain Management	9. Environmental Laws and Regulations	13. Employment and Labor Practices
3. Economic Performance	10. Energy Consumption	14. Training and Passing on Knowledge
4. Anti-Corruption	11. Water Consumption	15. Local Community nearby Ongoing Project
5. Risk Management		16. Social Laws (Youth labor, Forced Labor)

##### Report on Sustainable Development

The Company recognizes the importance of sustainable development and has given great importance to generate maximum sustainable returns to all stakeholders with the awareness that construction business is a fundamentally important business of the country that contributes to driving the country's entire economic growth. Running a construction business

therefore requires engagement with several groups of stakeholders especially in terms of the impact on well-being and safety of not only employees and workers of the Company but also society and the environment. Construction work is one of the factors causing various aspects of pollution that may affect social communities nearby the Company or construction sites, as well as risks that can be harmful to life and property in case of lack of safety measures, control, and effective management. The Company aims to operate business for sustainable development in every process by complying with relevant laws and regulations and under the key vision and missions focusing on transparency and trustworthy. To achieve goals and strategies, the Company therefore determines various policies and guidelines to be conducted continuously with follow-up and evaluation for better development. The Company's social and environmental responsibility operations are divided into 2 parts:

1) CSR In Process: The Company operates with caution at all stages with responsibility to minimize impact and maximize benefit to all stakeholders equally.

2) CSR After Process: The Company has a policy to participate in and support activities directly and indirectly to ensure that the community has better living and able to grow sustainably without being involved in the Company's operations.

The report on sustainable development is prepared to demonstrate the Company's determination to manage sustainable growth and the performance results since January 1, 2023 – December 31, 2023 showing the treatment to stakeholders properly and transparently.

The followings are significant changes of sustainable development in 2023:

1. Environmental and Safety Key Performance Indicator (KPI)

- To minimize electricity consumption to reduce  $\geq 2\%$  compared to 3 years backwards
- To control pollution arisen from construction activities in order to have standardized and qualified environment as obliged by laws. Realizing significance of waste and pollutant discharge from the Company's activities, the Company has conducted the certification process of ISO 14001:2015 with establishment of objective and goal to eliminate or control any activities releasing waste and pollution into the environment and communities. In 2023, lubricant waste from internal maintenance of machinery was delivered to an external organization obtaining waste disposal permit for recycling as the new product. Additionally, controlling and eliminating pollutant



discharge such as dust, wastewater has been placed an importance to reach regulatory requirements. All projects are required to be executed under the environmental, health and safety monitoring plan with parameters inclusive with all pollutant discharge from construction activities whereas such operation results have been reported to the Company's management for acknowledgement and better solution and development.

- To control workplace accident (Recordable Case = 0)
- To control illness from work, target and loss at work to have recordable case = zero

2. Improvement of Health Check-Up based on risk factors

3. Improvement of Sub-Contractor Performance Assessment

### **3.2 Managing the impact on stakeholders in business value chain**

#### **3.2.1 Value Chain**

In business operations, the Company has taken into account sustainable supply chain management to reduce costs and enhance competitiveness in the industry and reduce risks in different areas of business operations for work quality, customer satisfaction, and on-time delivery by coordinating and cooperating with stakeholders, along with managing competitive costs in the business.

For competitiveness, the Company has analyzed construction costs that are labor costs, raw material costs, machine costs, consumables, project management costs, all of which are the most cost of total costs. Controlling construction costs is therefore the most important factor that contributes to profits and increases value. Start by planning a bid or taking a job from a customer (project owner). When the job is obtained, construction and resource plans must be tightened. Conduct pre-evaluation and assess all aspects of the risks to ensure accurate cost estimates of each job and construction operations are effective in accordance with the requirements as planned. To ensure quality and timely delivery, if there are any factors that have changed or unexpected events that may affect work or increase costs, all parties involved must be congressed to prepare and manage the problem as quickly and efficiently as possible. The Company has set up a working group and experts in each business area as well as machines, equipment, and materials. The Company also values the safety of life and property of employees and stakeholders including balancing environmental impacts and friendliness to surrounding communities throughout the operation to ensure business operation for sustainable growth.



1. **Primary Activities** are the continuous interconnectivity of the 5 main activities according to the context of the construction business, detailed as follows:

Activities in value chain	Identification of related activities.	Identification of stakeholders
1) <b>Bidding</b> is an activity that focuses on getting the opportunity to become a contractor to generate income for the Company.	<ul style="list-style-type: none"> <li>● Search from various media or sometimes directly contact by the customer</li> <li>● Conduct construction feasibility study</li> <li>● Buy bidding envelopes for tender offering</li> </ul>	<ul style="list-style-type: none"> <li>● Customer (Project Owner)</li> <li>● Competitor</li> </ul>
2) <b>Assessment and Tender Offering</b> are activities that must be conducted prudently because the construction business is a lump sum pricing (the price is set from beginning to end, excluding future increase/reduction of work)	<ul style="list-style-type: none"> <li>● Conduct reverse engineering or quantities take-off of the construction by calculating construction plan, engineering techniques and construction conditions from customers</li> <li>● Submit tender</li> </ul>	<ul style="list-style-type: none"> <li>● Customer (Project Owner)</li> <li>● Competitor</li> </ul>
3) <b>Project Management and Construction</b> are the main activities, which consume labor resources for the operating time on average of 2-3 years per project	<ul style="list-style-type: none"> <li>● Sign construction contracts</li> <li>● Conduct construction preparation</li> <li>● Prepare material/labor resource planning</li> <li>● Conduct construction of all stages</li> </ul>	<ul style="list-style-type: none"> <li>● Customer (Project Owner)</li> <li>● Project Consultant (Auditor)</li> <li>● Suppliers of materials/labor</li> <li>● Employees</li> <li>● Subcontractor</li> </ul>

Activities in value chain	Identification of related activities.	Identification of stakeholders
and are part of the business revenue generating activities.	<ul style="list-style-type: none"> <li>● Conduct job quality monitoring</li> <li>● Proceed with billing based on job progress</li> </ul>	<ul style="list-style-type: none"> <li>● Communities around the project</li> <li>● Government agencies, regulatory agencies that control quality</li> </ul>
<b>4) Project delivery</b> is an activity that include job-finishing services that comply with the performance guarantee contract.	<ul style="list-style-type: none"> <li>● Conduct commissioning</li> <li>● Provide training/instruction manual (depending on project contract)</li> <li>● Deliver work</li> </ul>	<ul style="list-style-type: none"> <li>● Customer (Project Owner)</li> <li>● Project Consultant (Auditor)</li> <li>● Suppliers of materials/labor</li> <li>● Employees</li> <li>● Subcontractor</li> <li>● Communities around the project</li> <li>● Government agencies, regulatory agencies that control quality</li> </ul>
<b>5) Project Warranty</b> is an activity to provide services after the delivery of the work, which is subject to the contractual agreement.	<ul style="list-style-type: none"> <li>● Proceed with correction of damaged works</li> <li>● Conduct equipment maintenance</li> <li>● Provide after-sales service</li> </ul>	<ul style="list-style-type: none"> <li>● Customer (Project Owner)</li> <li>● Suppliers of materials/labor</li> <li>● Communities around the project</li> <li>● Subcontractor</li> </ul>

**2. Support Activities** are activities that encourage the main activities to achieve goals, which are not less important than the main ones. The Company has taken careful action and appropriately adhered to management criteria for occupational health, safety, and environmental work, financial and accounting, human resource development, information technology systems, and administrative support consisting of the followings:

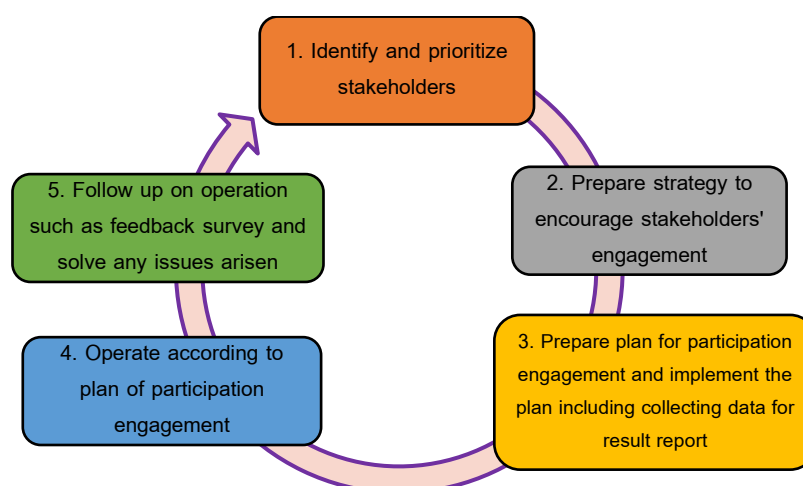
Activities in value chain	Identification of related activities.	Identification of stakeholders
<b>1) Procurement Management and Logistics</b> is responsible for conducting procurement for use in various construction	<ul style="list-style-type: none"> <li>● Plan for procurement in collaboration with the management and project managers assigned to manage the newly opened projects</li> </ul>	<ul style="list-style-type: none"> <li>● Customer (Project Owner)</li> <li>● Project Consultant (Auditor)</li> </ul>

Activities in value chain	Identification of related activities.	Identification of stakeholders
<p>projects of the Company. The activities include selecting quality materials and services in accordance with the requirements of the construction contract in the correct quantity and amount of time at the right price and conditions. Monitoring the delivery of procurement materials, equipment, and services to the construction project completely, and applying the sustainability assessment criteria in both social and Green Procurement environmental supervision dimensions to be applied in procurement work, such as considering fair labor practices, human rights practices, non-use of child and illegal labor, and compliance with environmental laws.</p>	<ul style="list-style-type: none"> <li>● Select vendors/service providers from the list of vendors/service providers based on the list available at procurement department</li> <li>● Send details of equipment/service requirements to the seller/service provider with the schedule of the price offering presentation</li> <li>● Validate the summary of price offering and compare prices and conditions offered by each seller/service provider</li> <li>● Discuss with management and project managers to verify the accuracy to meet the needs and negotiate prices and conditions with sellers/service providers</li> <li>● Prepare summary of the seller/service provider who offers the best prices and conditions with comment then propose to executives for approval</li> </ul>	<ul style="list-style-type: none"> <li>● Suppliers of materials/labor</li> <li>● Subcontractor</li> </ul>
<p><b>2) Work on quality, occupational health, safety and working environment (QSHE)</b> to ensure that the Company's construction projects are of quality in accordance with the requirements of construction contracts, safety and reduce environmental impact on</p>	<ul style="list-style-type: none"> <li>● Plan for quality, occupational health, safety, and environment work in collaboration with the management and project managers assigned to manage the newly opened projects</li> <li>● Coordinate details of work requirements on quality, occupational health, safety, and environment</li> </ul>	<ul style="list-style-type: none"> <li>● Customer (Project Owner)</li> <li>● Project Consultant (Auditor)</li> <li>● Suppliers of materials/labor</li> <li>● Subcontractor</li> <li>● Government agencies, regulatory agencies that control quality</li> </ul>

Activities in value chain	Identification of related activities.	Identification of stakeholders
those involved in the work of construction projects, as well as to comply with the relevant laws or requirements for the operation, such as consideration of fair labor treatment, human rights practices, non-use of child and illegal labor, and compliance with environmental laws, etc.	<ul style="list-style-type: none"> <li>● Monitor and supervise work on quality, occupational health, safety, and environment</li> <li>● Summarize performance on quality, occupational health, safety, and environment and propose to executives for approval to achieve continuous improvement</li> </ul>	<ul style="list-style-type: none"> <li>● Employees</li> <li>● Society and communities around the project</li> </ul>
<b>3) Human Resources</b> When a new project is opened, human resources department has the ability to allocate the right personnel for both competence and number of personnel in each type of work, as well as allocate workers appropriately enough to maximize the efficiency of the operation by appointing a project manager to complete the management duties within the project.		
<b>4) Accounting</b> is responsible for the accounting system, taxation, preparation of financial reports to be presented to executives and external organizations such as the Stock Exchange of Thailand, Securities and Exchange Commission, etc.		
<b>5) Finance</b> is responsible for obtaining working capital in construction projects, providing warranty bond, as well as tracking on billing and payment according to construction contracts to vender or subcontractors.		
<b>6) Information Technology and Data Center</b> is responsible for installation, development, and maintenance of the information technology system of the organization, and the Company has developed updated programs and technologies to increase operational efficiency.		

### 3.2.2 Value Chain Stakeholder Analysis

The Company bonds with each group of stakeholders varies depending on the appropriateness of the opportunity and the level of the relationship both in formal and informal form to jointly drive positive change and reduce the potential negative impact for all parties. In 2021, guidelines for engaging with stakeholders set out as follows:



The Company recognizes the importance of establishing effective ways of engaging with stakeholders. Therefore, workshops were held in conjunction with the agencies relevant in the analysis to identify stakeholder groups, their expectations, and guidelines for engaging with stakeholders, which can be summarized as follows:

Identify and analyze stakeholders and method of engagement			
Stakeholders	Issues/Expectations	Operating Guidelines	Engagement Channels
1) Shareholders/ Investors	<ul style="list-style-type: none"> <li>● Steady and sustainable corporate returns and growth</li> <li>● Operation achieves its goals</li> <li>● Good return management capabilities</li> <li>● Good corporate governance of the board of directors</li> <li>● Adapt organization to keep up with new businesses</li> </ul>	<ul style="list-style-type: none"> <li>● Expand investments into other businesses to generate additional income</li> <li>● Join the CGR program as guideline of development of corporate governance of the Company</li> <li>● Treat shareholders in accordance with business ethics policies as well as respect the right of shareholders to receive news that is necessary and correct according to the Stock Exchange of Thailand and the Securities and Exchange Commission's determination</li> </ul>	<ul style="list-style-type: none"> <li>● Annual General Meeting (AGM)</li> <li>● Investor meets executives (Opportunity Day)</li> <li>● Annual Registration Statement/2021 Annual Report (Form 56-1 One Report)</li> <li>● Disclosure of the Company's news to SET</li> </ul>

Identify and analyze stakeholders and method of engagement			
Stakeholders	Issues/Expectations	Operating Guidelines	Engagement Channels
2) Customers	<ul style="list-style-type: none"> <li>● Deliver work and services with quality and conditions of time as determined at an agreed price</li> <li>● Transparent operation</li> <li>● Cooperation in solving problems</li> </ul>	<ul style="list-style-type: none"> <li>● Treat customers based on international standards, meet customer needs</li> <li>● Deliver the right work on time and keep customers' confidential</li> <li>● Joint contract management and deals with agreements or disputes</li> </ul>	<ul style="list-style-type: none"> <li>● Meeting with customers</li> <li>● Customer Satisfaction Survey</li> <li>● Customer feedback and complaints</li> </ul>
3) Competitors	<ul style="list-style-type: none"> <li>● Fair competition</li> </ul>	<ul style="list-style-type: none"> <li>● Do not treat commercial competitors in dishonest or inappropriate means, do not attack or damage the reputation of competitors by making malicious accusations, or use other wrong means and do not bully or unfairly disadvantage their competitors</li> </ul>	<ul style="list-style-type: none"> <li>● Policy to support commercial competition cooperation in the best interests of customers within the framework of fair free competition rules, not seeking confidential information of commercial competitors in dishonest or inappropriate means</li> </ul>
4) Partners	<ul style="list-style-type: none"> <li>● Build trust and corporate governance</li> <li>● Fairness and Equality</li> <li>● Exchange of knowledge, experience, and expertise among each other</li> <li>● Fair compliance with contracts or agreements</li> <li>● Get accurate information quickly according to the conditions of duration of education and joint development</li> </ul>	<ul style="list-style-type: none"> <li>● Evaluate qualifications of partner selection</li> <li>● Prepare standard procurement systems</li> <li>● Negotiate and discuss together to find a working agreement</li> <li>● Focus on partners as business alliance that contributes to sustainable development by treating partners fairly and equitably, maintaining good relationships with each other</li> </ul>	<ul style="list-style-type: none"> <li>● Joint Meeting</li> <li>● Hearing and receiving complaints</li> <li>● Visit in the Company's projects.</li> <li>● Communication through various channels</li> <li>● Make memorandums of agreements, including business confidentiality</li> </ul>

Identify and analyze stakeholders and method of engagement			
Stakeholders	Issues/Expectations	Operating Guidelines	Engagement Channels
	<ul style="list-style-type: none"> <li>● Competency and professionalism of the team</li> <li>● Ability to operate business and corporate governance</li> </ul>	<p>and taking into account mutual interests.</p> <ul style="list-style-type: none"> <li>● Follow procurement policy</li> <li>● Develop partners by introducing cognition to joint development</li> <li>● Build understanding of business practices such as having anti-corruption policies and promoting fair treatment of partners</li> </ul>	
5) Employee	<ul style="list-style-type: none"> <li>● Fair compensation and benefits</li> <li>● Continuous training and development</li> <li>● Stability and career growth</li> </ul>	<ul style="list-style-type: none"> <li>● Treat employees fairly, take into account human rights principles and continuously develop their potential</li> <li>● Proper compensation and benefits</li> <li>● Employee development covers core organizational competencies, both management capabilities and ability to perform</li> </ul>	<ul style="list-style-type: none"> <li>● Executive meet employees (CEO Talk)</li> <li>● Welfare Committee in the Workplace</li> <li>● Complaint Box</li> <li>● Employee Training Plan</li> <li>● Annual Performance Assessment</li> <li>● Annual Activity Plan</li> <li>● Line @trcconstruction</li> <li>● Line @trchr</li> </ul>
6) Society and Community	<ul style="list-style-type: none"> <li>● Operate with social and environment responsibility</li> <li>● Participate in sustainable community development</li> <li>● Listen and solve problems in timely manner</li> </ul>	<ul style="list-style-type: none"> <li>● Environmental and safety management in accordance with the laws and related requirements to prevent risks that may occur to the community on an ongoing basis</li> <li>● Listen to comment and resolve complaints</li> <li>● Together with the community, conduct</li> </ul>	<ul style="list-style-type: none"> <li>● Representatives of the Company hold meetings with villages and communities to understand the impact or comments on the implementation of the project</li> <li>● Complaints Channels</li> <li>● Environmental operations in construction projects</li> </ul>



Identify and analyze stakeholders and method of engagement			
Stakeholders	Issues/Expectations	Operating Guidelines	Engagement Channels
		activities/projects in education, preservation of local cultures and contribute to the development of community places to be better	<ul style="list-style-type: none"> <li>● Projects for the benefit of society and communities</li> </ul>
7) Creditors	<ul style="list-style-type: none"> <li>● Comply with terms and conditions of the transparency business contract</li> <li>● Ability to repay debts</li> <li>● Reliable credit level</li> </ul>	<ul style="list-style-type: none"> <li>● Strictly comply with the terms and conditions of the contract</li> <li>● Follow repayment plan</li> <li>● Revenue analysis and estimation</li> </ul>	<ul style="list-style-type: none"> <li>● Company Phone No.</li> <li>● Email</li> <li>● Confirmation letter</li> </ul>
8) Government Agencies	<ul style="list-style-type: none"> <li>● Comply with applicable legal regulations</li> <li>● No impact on society and environment</li> </ul>	<ul style="list-style-type: none"> <li>● Comply with all legal regulations</li> <li>● Transparent disclosure</li> </ul>	<ul style="list-style-type: none"> <li>● Report information as required by law</li> <li>● Submit taxes according to the law</li> <li>● Support government projects that benefit the public</li> </ul>

The Company's operation has always been involved in the domestic economic and social development with pride in pushing and growing with the country and having the opportunity to create positive and negative impacts on society and safety, both internal and external society. Therefore, social responsibility and safety is another ideology for business operations and an important mission to contribute to the creativity and safety of all societies that the Company has contributed to by promoting and supporting social activities in various areas. The Company always looks forward to enjoying happiness with society and communities for the past over 24 years.

The Company has strong commitment to conducting business with ethics and good management. With the ability to conduct business in a fair manner along with participation in social and environmental responsibility by establishing social responsibility policies and practices that adhere to the approach of the Stock Exchange of Thailand. 1) Good corporate governance

2) Fair business operation 3) Respect for human rights and fair treatment of labor 4) Safety and environmental protection 5) Responsible to consumer 6) Joint community and social development by ensuring that all processes do not have negative impacts on the community, security and the environment, along with the development of social activities, which help to strengthen the social community as a whole and stakeholders to ensure the sustainability of the Company.

### **3.3 Sustainability Management in Environment Perspective**

#### **3.3.1 Environmental Policies and Guidelines**

The Company manages sustainability in the environmental dimensions including resource utilization, waste management, water management, control, and reduction of pollution, as well as providing services with responsibility to environment and communities around the project. The Company establishes various policies including "Quality, Security, Safety, Occupational Health, Environment and Social Responsibility (QSSHE Policy)". This policy applies to the whole organization from high-level executives to operational employees, including contractors who work in the area. Executives, in particular, must lead the organization as role model in continuously practicing, supporting, driving, monitoring, reviewing performance, and improving the operational processes to achieve the organization's vision and missions and "energy and environmental conservation policy" that communicate to executives and employees as common practices within the organization. For instance, vehicle use, electricity and lighting use, air conditioning and ventilation fans use, office equipment use, water use, garbage reduction and recycling. It also prioritizes the management of waste in the process by applying 3R: Reuse Reduce Recycle and wastewater treatment before discharge and minimizing the remaining debris in the project, as well as providing environmentally friendly materials/construction methods and service models to the project owner. (Additional policies can be found on the Company's website on "Corporate Governance").

In addition, the Company values the operational activities of various projects to have the least impact on society and environment, including wastewater, dust, and noise management in accordance with the standards and laws. The Company has environmental management in every project by appointing safety and environmental agents to monitor the Company's operations to comply with the measures to reduce the impact of the construction phase in accordance with the requirements of the project and relevant authorities.

### **3.3.2 Environmental Performance**

The Company recognizes the importance of actions to reduce environmental impacts by implementing ISO 14001 to manage the basics of business operations. It also reflects the Company's ability to manage well. The Company has operations to reduce the environmental impact of its operations as follows:

#### **3.3.2.1 Implementation of ISO 14001**

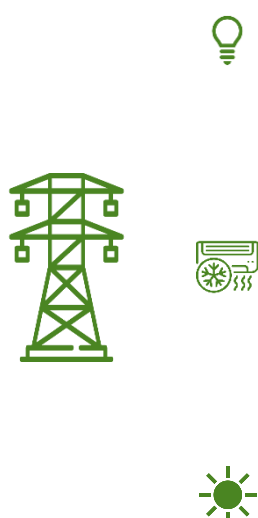
To increase the confidence of all stakeholders regarding the Company's environmental actions, the executives assigned the unit to responsible in requesting for the adoption of ISO 14001, an international environmental management standard, to effectively manage environmental aspects of the organization together with environmental protection, pollution protection and business operation. It also ensures legal compliance, which can avoid risk in possible illegal action. The Company has been certified ISO 14001 since 2017 to present day and remains committed to developing for better certification.

#### **3.3.2.2 Electrical Energy Management**

Electricity is a key factor in the economic and social development of the country, where today the steady increase in energy demand results in energy scarcity and affects volatility in the use of rising production costs. Therefore, the Company attaches importance to energy conservation and energy consumption by managing energy consumption as efficiently as possible. The Company has set guidelines and goals of energy management as follows:

##### **3.3.2.2.1 Electrical Energy Management Guideline**

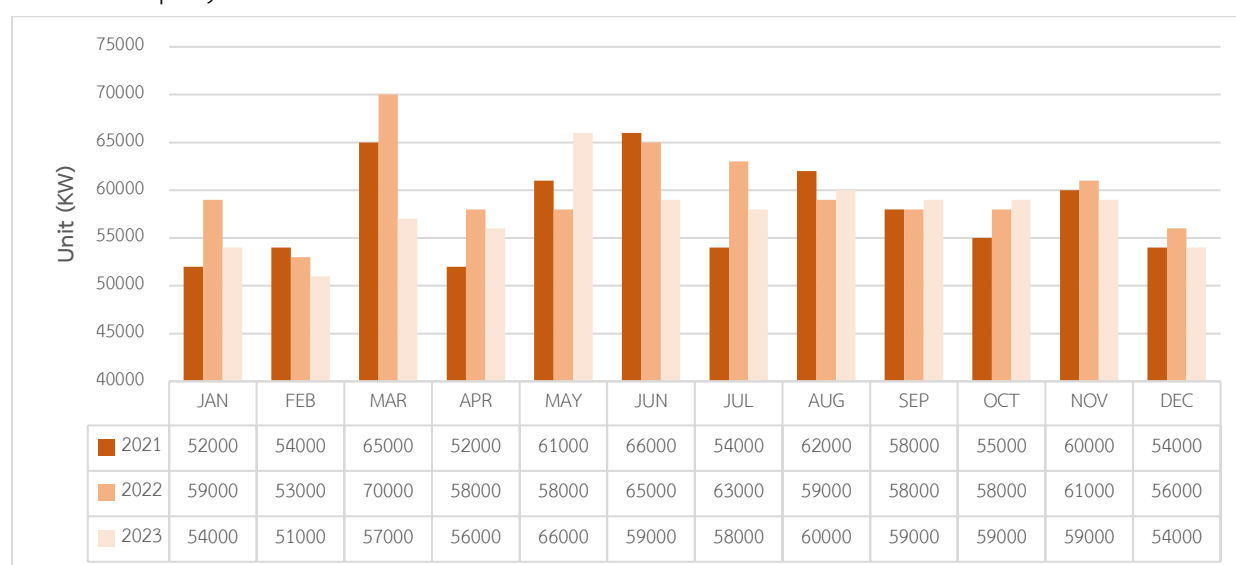
The Company approaches energy issues by supporting government policies towards energy conservation and encouraging employees to be mindful and attentive to energy consumption in an economical and efficient manner. To reduce the Company's use and energy costs, it starts with management within the head office, such as turning off electricity in the work area during lunch breaks or when discontinued, supporting the replacement of florescent lamps to LED (Light Emitting Diode) and solar energy, setting for air conditioning shutdown before finishing time, controlling temperature, replacing office electrical equipment to energy saving (No.5) label and installing solar panels to replace electricity use partially, etc., Details of electricity saving actions are as follows:



- 1) Using LED lamps, which use less current, offer high brightness but low heat and last longer, which, according to the calculation, saves about 60% of energy compared to conventional power-saving lamps.
- 2) Using air conditioning at the head office building in the VRV (Variable Refrigerant Volume) system and allowing some areas to use inverter air conditioners that consume about 20-30% less energy than conventional air conditioners.
- 3) The Company begins to use solar power generated by the installation of solar panels to replace some of the electricity consumption at the head office building, such as lighting lamps around the parking lot.

The Company has collected statistics data on electricity consumption from 2019 to 2023. Considering the solar energy generated by the installed solar panels to replace some electricity consumption at the head office and turning light bulbs into LEDs from late 2019, comparison table for electricity consumption for the past 3 years (2020-2023) at the head office can be shown as follows:

The graph shows data comparing the amount of electricity consumption units during 2020-2023 at the Company's head office



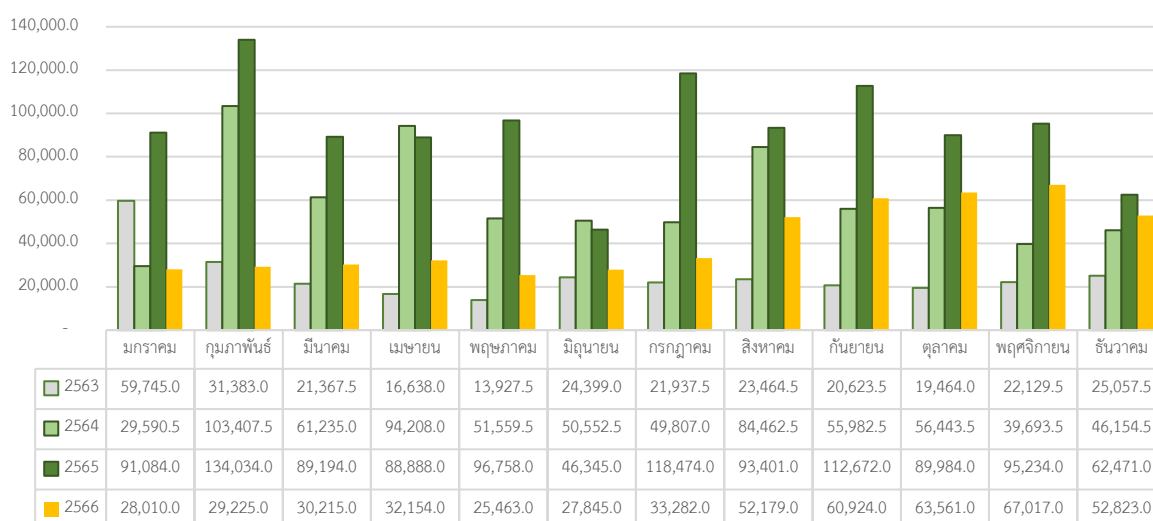
Remark: Electricity consumption information at TRC Construction Public Company Limited's head office

The above statistics show the volume of electricity units in the head office in 2023 that was 692,000 units compared to 718,000 units in 2022, which was decreased by 3.621% (26,000 units).

### 3.3.2.3 Reducing paper consumption

All units in the Company have a goal to reduce paper consumption to increase efficiency and speed of management, as well as to conserve environmental resources in their own units by improving the workflow, reducing redundant steps so that paper consumption can be reduced, and productivity can be improved such as: shortening approval procedures, reducing printing or copying, printing and using both pages of paper, reducing document storage and destruction, etc. In addition, the Company assigns the Information Technology Department and Data Center to develop the document storage system to be in digital file format instead of hard copying documents, and establish an on-line approval system through intranet or I-Service system instead of on-paper approval e.g., employee's leave request, business card request, travel by car request, personnel document request, etc. Moreover, in relation to the procurement system, the Company develops the Materials Requisition System online so that it can record, process and display data through the program.

Graph showing comparison of paper usage volume at the Company's head office : 2020-2023



According to statistics, the volume of paper used in head office in 2023 was 502,698 sheets compared to 1,118,539 sheets in 2022, representing a 55.06 % decrease (615,841 sheets) due to recycling of higher number of reused paper and sending documents via email.

### 3.3.2.4 Water and Wastewater Management

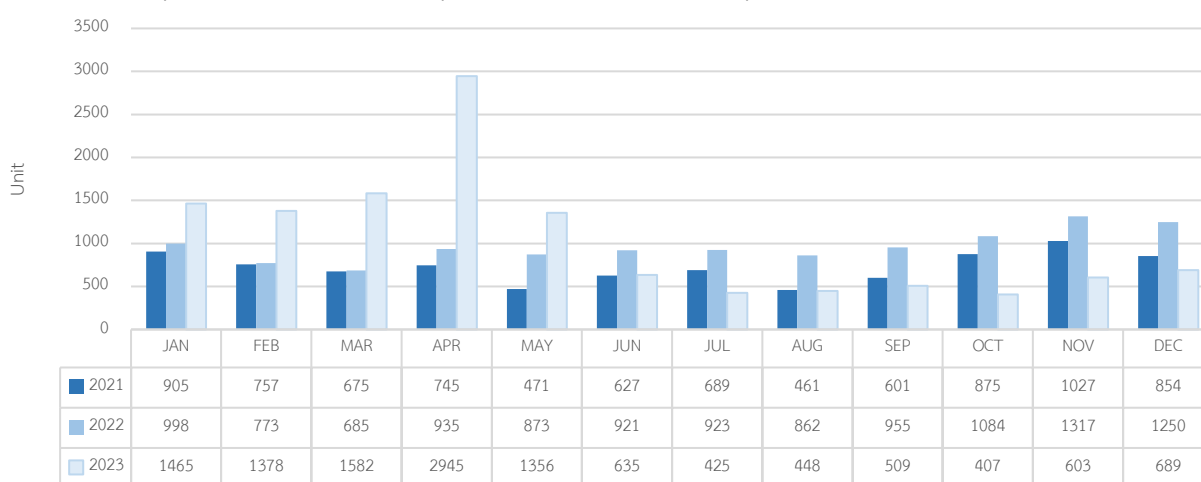
Water is a resource that can be reintroduced in the cycle (by being treated through the purifying process prior to reuse). It is therefore a useful resource to humans directly and indirectly. Humans use water for everyday consumption, purify various impurities, use as a component in food production, as well as a factor in industrial and agricultural production. Water is also used to generate electricity, in transportation, recreation, fisheries, as a source of supplements for animals and aquatic plants, maintain natural balance; temperature, rainfall, gases in the atmosphere, etc.

#### 3.3.2.4.1 Water Management

The Company recognizes the importance of water management since it is considered a crucial resource for the livelihood and economic development. The company has set guidelines and goals of water resources management. Therefore, measures are imposed on controlling the cost-effective use of water in office as follows:

- 1) Communicate through the associated press and campaign to remind employees to turn off the water faucet every time after use.
- 2) Maintain the water supply system efficiently and in ready-to-use conditions.
- 3) Reuse the circulating water system for watering plants at head office, etc.
- 4) Change the sprinkler device for more water savings.
- 5) Inspect and fix any water leaks.

Graph showing data comparing of water consumption for the year 2020-2023



Remark: Water consumption information at TRC Construction Public Company Limited's head office

The chart shows the total amount of water supply units for 2023 at the amount of 12,442 units compared to 11,576 units in 2022 or 7.48% increase since some parts of the Company's building have been rented by other companies.

#### 3.3.2.4.2 Wastewater Management

The Company recognizes the importance of wastewater management as the discharge of wastewater into public drainage systems or into the environment will create a negative impact on the environment and social communities. Therefore, there are measures to control wastewater as follows:

- 1) Install wastewater treatment system so that the water used in the process is treated before discharge into the public drainage system.
- 2) Maintain efficient wastewater treatment systems in ready-to-use conditions at all times.
- 3) Check wastewater quality regularly.

**Wastewater Quality Measurement Results :** The wastewater management at the head office has been conducted in accordance with the standard requirements of controlling the drainage of the building (C-type building with a living area of 5,000 square meters but not more than 10,000 square meters) since 2018 to present whereas wastewater quality such as: pH, BOD (Biochemical Oxygen Demand), SS (Suspended Solids), TDS (Total Dissolved Solids), Settleable Solids, Sulfide, TKN (Total Kjeldahl Nitrogen), FOG (Fat, Oil and Grease) are inspected to meet requirement of the specified standard before being discharged.

#### 3.3.2.5 Waste Management

The Company has set guidelines and goals for waste management. and/or reducing pollution by manages construction waste as follows:

- 1) The Company's head office sorts waste before disposal based on the types of waste such as:
  - **General waste** refers to waste or disused materials that are not contaminated with chemicals or hazardous substances and cannot be recycled. These shall be disposed by a certified waste management company.

- **Recycled waste** refers to waste or disused materials that are valued and can be recycled. It shall be further processed as raw material in the production process.
  - **Hazardous waste** refers to waste or disused materials containing elements or contaminated with chemicals or with harmful properties that are flammable, toxic substances, corrosive substances, or Irritating substances. These shall be disposed by a certified waste management company.
  - **Infectious waste** refers to waste or disused materials containing mixed or concentrated pathogens that can cause the risk of disease in case of exposure and close contact. These shall be disposed by a certified waste management company.
- 2) At each site office, waste disposal has been managed as follows:
- Develop and adjust the operational processes of both Operation Department and production supporting activities continuously for minimum leftovers.
  - Manage construction waste in accordance with the law, starting from storage of waste, further use within the project, and removal for treatment/removal outside the project.
  - Reduce waste landfill capacity by sorting and disposing each type of waste according to its potential utilization.
  - Continuously monitor, inspect and evaluate waste management.
  - Coordinate with government agencies by complying with the rules set by the Ministry of Industry.

### 3.3.2.6 Environmental Operations in Construction Projects

Pollution reduction during construction is considered as the Company's policy to conduct in construction operations to reduce or avoid the impact of various pollution during construction. The Company establishes environmental management and mitigation measures i.e., impact from dust, noise, and surface water. All units must comply with the following measures during construction.



- 1) Keep the construction sites in a neat and clean condition, control the materials storage, control the movement of materials, sort of the leftover materials that can of use including used materials that can be renovated, processed, or reused.
- 2) Provide a tarpaulin around the building and the fence area of some projects next to the community, as well as installing material supports at above ground level to prevent the dispersion of materials and dust.
- 3) Cooperate with government agencies in the event of requests or orders from the owner to stop construction on certain days to reduce the likelihood of small particulate matter (PM 2.5).
- 4) Control the speed of vehicles in the project, control dust during construction, regularly clean the streets of the project, prepare a wheel washer to prevent debris from causing dirt on the area outside the construction site.
- 5) For construction sites with opening surface, water carpets are regularly sprayed to prevent dust dispersion, as well as reducing the amount of small particulate of dust.
- 6) Noisy construction activities shall be conducted only at the duration of the agreement with the communities surrounding the construction site, and if the activities are to continue from the agreed agreement, the publicity would be made in advance to nearby communities for acknowledgement.
- 7) Sort waste by type, control wastewater, provide grease trap system, and supervise machine and equipment to stay in good condition with no oil leak. Waste must be controlled appropriately according to sanitization.
- 8) Take care of air quality on construction sites by measuring the quality and establishing a plan to maintain cleanliness and air quality during construction.

#### **Communication Channels related to Social and Environmental Impact**

The Company provides a channel for complaints that may affect community and environment during construction. Complaints can be made to project manager based on

information communicated in front of the project or at [corporatecomm@trc-con.com](mailto:corporatecomm@trc-con.com). During the past year, the Company received no significant complaint regarding impact on community and environment surrounding construction area.

### 3.3.2.7 Environmental Campaigns

The Company's executives not only recognize the importance of environmental protection during the work process, but also consider environmental protection from daily life of all employees. Various environmental campaigns are therefore initiated such as:

Project Name	Description
"TRC Go Green" Project	Since 2020, the Company has aimed to have all employees reduce the use of single-use plastics at both head office and project sites. Communication and activities have been continually organized to all employees by initiating the TRC Go Green Project to raise their awareness to realize the need to maintain the environment, including global warming caused by human daily lifestyle destruction. In 2023, such a target continuously remained for reduction of single-use plastic.
"Braille Book" Project	Realizing reduction of littering by reuse, which has been running for more than 6 years, this project was undertaken by gathering old calendars, books and magazines in order to forward them to the Center for Educational Technology for the Blind to produce braille books for visually impaired agencies nationwide.
"Carbon Footprint Reduction" Activity Project	In 2023, the campaign of Carbon Footprint Reduction Project i.e. using a watchable coffee cup in replacement of plastic one, reduction of plastic bottle, glass waste separation, reuse of paper and reduction of 1 plastic bag per day, was launched via the Company's monthly newsletter and site visit to directly communicate with all employees.

### 3.3.2.8 Greenhouse Gas Report

Realizing the importance of greenhouse gas management or greenhouse gas emissions from its operations, mostly related to direct fuel usage or direct greenhouse gas emissions (Scope 1) and indirect fuel usage or indirect greenhouse gas emissions (Scope 2), the Company therefore has tried its best efforts to operate business with an awareness of conserving environment and worthwhile resource utilization for efficient operation, and reduction of impact on the environment.

The management emphasizes on arranging reports on the reduction of greenhouse gas emissions arising from both direct and indirect processes in order to know the amount of greenhouse gas emissions that have occurred and also help determine a policy and plan to clearly manage the reduction of greenhouse gas emissions to be proposed for approval of the Board of Directors. Additionally, the Company establishes a working team to prepare the greenhouse gas emissions reports and encourages employees to be trained with the Stock Exchange of Thailand and the Thailand Greenhouse Gas Management Organization (TGO) to obtain knowledge and understanding of greenhouse gases and the importance of the organization to be a part of regulating greenhouse gas emissions.

Based on the data of the Company's electricity consumption in 2020 – 2023, the collected data can be calculated as data on greenhouse gas emissions in scope 2 or indirect greenhouse gas emissions generated by energy consumption (Energy Indirect Emissions) from the purchase of electricity for consumption within the organization. Calculation based on the electricity consumption at the Company's head office building showed as follows:

Year	2020	2021	2022	2023
kWh (kWh)	763,000	693,000	714,000	692,000
Ton carbon dioxide equivalent (tCO <sub>2</sub> e)	443.53	402.84	415.05	402.26

Further to the implementation of the electrical energy management guidelines, in 2023, the Company was able to reduce the release of glass greenhouse gases by 41.27 tons of carbon dioxide equivalent (tCO<sub>2</sub>e). However, the aforementioned greenhouse gas emission in Scope 2 has not yet been reviewed by the verifier authorized by TGO or equivalent. Additionally, the Company is in the process of obtaining a review from an external verifier registered with the TGO or equivalent to ensure reliability of information towards investors,

shareholders, and related parties and to standardize the operations for further comparison with the next year company's operations.

### **3.4 Sustainability Management in Social and Safety Perspective**

#### **3.4.1 Social Policy and Practices**

**Employees and labors** are important factors to ensure the successful completion of the business. The Company needs to manage based on appropriateness in accordance with its responsibilities and human rights. This must be consistent and supported by the Company's strategy and goals by operating clearly, transparently, fairly, and equitably in the personnel management process, including supporting the development of employee knowledge, competence, and skills, taking care of and retaining employees as long as possible, as well as providing fair compensation and benefits to all employees as follows:

##### **3.4.1.1 Human Rights Management Guidelines and Fair Treatment of Labor**

All employees must strictly adhere to human rights principles. The Company provides employees with knowledge and understanding of international human rights principles to be implemented as part of the operation. The Company has a policy on recruitment based on ethics for recruitment and employment without discrimination in race, religion, skin color or gender, and no child or illegal labor. This shall also be conducted with contractors who collaborate with the Company.

The Company provides everyone with equal opportunities to be selected as an employee of the Company with equality in salary, wages and other benefit to all employees and labors based on their knowledge, ability, and suitability in each position, as well as welfare in various fields such as housing allocation, medical care, health insurance, etc. without discrimination between regular employees, employees/labor with disability or foreign labor. In addition, the Company offers everyone the opportunity to obtain training to develop themselves for career advancement on proper and equal basis as well as to support people with disabilities to have equal opportunities with other people i.e. recruiting disabled people with facility provision in the head office building such as passenger lift, wheelchair ramps at the entrance and exit. Additionally, the Company complies with the law on employment of people

with disabilities by coordinating with relevant government agencies and Srithanya Hospital to access disability employment by participating in disability employment programs to work in communities or public works such as schools, hospitals and local government. This is a new approach towards employment of disabled people by reaching out to them living in communities in accordance with government policies. In the meantime, opportunities for potential disabled people are also availed to be ready to work as employees of the Company by focusing on their contribution to communities or public charity organizations as a representative of the Company and in line with the Company's policy of ensuring equality for society and creating economic value for the country.

#### 3.4.1.1.1 Employment

In 2023, the Company had a total of 1,392 employees and labors consisting of 356 females (25.57%) and 1,036 males (74.42%) of which 73 were foreigners (5.24%), and 6 disabled ones or 0.43 % of a total of employees.

##### Summary of Employment in 2020-2023

Employee	2020	2021	2022	2023
Permanent Employee (Person)	484	443	258	226
Contract Employee (Person)	1,078	699	774	1,116
Total (Person)	1,562	1,142	1,032	1,392

The Company places an importance on the principles of equality and equality in employment. However, since the Company's business is construction, most employment are for project operations. The proportion of employment by job title is therefore more male employees than female. Employment of people with disabilities of the Company is according to the amount set out by laws. The Company is aware of the safety in workplace, therefore the employee with disability is assigned to work in the area not involved in the construction work and arranges to work in the appropriate position.

#### 3.4.1.2 Human Resource Development Policy and Promotion of Career Growth

The Company has a policy to develop and promote personnel at all levels to be knowledgeable, competent and skillful for working to be able to perform tasks

efficiently and create work in accordance with the Company's goals in terms of both knowledge related to the line of responsibility and knowledge of management to provide all employees with knowledge and ability to meet the standards and create good work for customers, as well as understanding the requirements in accordance with the relevant operating standards. The Company encourages the development of knowledge and the ability for employees to always have updated knowledge of the development of the industry and support the Company's growth in the future. Qualified employees can be a great support of the organization and society for sustainable development by using their knowledge and experiences to create quality performance that drive to advance development society. Even when such employees move to other organization, they can still contribute their knowledge, capability, and expertise to create good and quality performance to that organization which can be a sustainable development for society as a whole.

The Company provides training section responsible for preparing training courses for employees at all levels in the organization, including skilled workers in construction sites. Training Section shall plan training courses that are in line with the organization's strategy and select personnel within or outside the organization with expertise in various topics to transfer knowledge with advance planning and determining target group of audiences to be trained on yearly basis. Training Section shall promote training courses through the Company's internal channels and monthly journals so that employees can be informed and plan for attendances.

To enable training of employees and workers in certain positions to be conducted regularly and continuously, especially in areas related to safety and specialty, the Company submitted the request for registration with the relevant authorities to establish as a training agency. The Company also promotes, develops, and supports employees who meet the requirements specified by the Department of Labor Protection and Welfare to be trained in the courses accredited by Department of Labor Protection and Welfare . This enables the Company to use the capacity of existing employees to provide internal training to other employees in each course effectively and efficiently whereas the Company can issue training certificates in various courses.

#### **3.4.1.2.1 Career Path Development**

The Company organizes personnel development planning annually with continuity to make career progress for employees by developing individual

development plans (IDP). The objective is to make employees aware and understand the opportunities for self-improvement to progress along the line by competing with the commitment to creating "quality of people, quality of work" and in line with sustainable organizational development. The Company sets training plan and schedule in advance throughout the year and makes announcement for employee. The superior is responsible for adjusting time for the employees to attend training according to the topics and the duration. Employees can apply their knowledge to develop their work to be more efficient, which would allow all employees to progress their duties. Target groups of personnel development are: 1) the group of employees at operational level to executive level, 2) the group of employees of operational level including construction site labor.

For the development of employees at the operational and executive level, the Company adopts competency system as a tool to develop personnel potential, with the goal of metrics and development plans in accordance with IDPs (Individual Development Plans). To achieve goals or expectations, the development is divided into 3 levels as follows:

Types of Competencies	Development Target Group	Course Goals
Core Competency Required core abilities of everyone in the organization	All employees at all levels of the organization	For employees in the organization to realize the Company's core values according to the principles as follows: 1) commitment to success, 2) effective cost management, 3) customer focused, 4) creative initiatives, and 5) awareness and quick resolution, etc.
Managerial Competency	Executive/Manager	Focusing on developing managerial competency of executives such as 1) critical and preventive planning, 2) resource management capabilities, 3) risk management, 4) change management. 5) principles of communication and coordination, and

Types of Competencies	Development Target Group	Course Goals
		6) leadership which are the main principles of management for further personnel preparation.
Functional Competency Required ability of each position	Professional and operational staff	<ul style="list-style-type: none"> <li>● Focusing on developing professional skills, technical skills, and positional and responsibility-based performance.</li> <li>● Career development for employees according to the designated career path of each position.</li> </ul>

In addition, the Company organizes the orientation of new employees by providing basic training in various fields of knowledge necessary for the operation, including the history and business characteristics of the Company Group, basic knowledge of business processes, Vision, Mission, Goals, organization structure, core value, rules and regulations, welfares, corporate governance practice and anti-corruption policy, introduction to ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018, information technology network and operating system with operational safety, etc. In 2023, there were 2 orientation programs participated by 36 employees.

During the past year, TRC and SKW organized in-house and public trainings as follows:

Training Topic	Total (Courses)
Performance Improvement Technique	14
Safety	17
Environment	3
Others	4

And the followings are a total of training participants and hours in 2020-2023:

Employee Training	2020	2021	2022	2023
<b>Total participants</b>	464	315	355	496
<b>Total hours</b>	352	243	462	633



#### **3.4.1.2.2 KM System Development (Knowledge Management)**

The Company gathers knowledge, procedures, techniques in various works and publicizes for employees to access at all time, including answering questions online in order to encourage employees to participate in online activities to ensure their regular and continuous knowledge development.

#### **3.4.1.2.3 Employee Performance Management**

The Company has a system for managing the results of operations to support employees to perform effectively and efficiently at each employee level to achieve consistency and in line with the Company's goals in striving to develop the business to be competitive for the organization to continue to prosper sustainably. The superior has a duty to manage, evaluate employees under their supervision's performance and bring to success by assigning responsibilities in accordance with the targets and organizational strategies, as well as developing their knowledge through coaching, training, and assigning in accordance with the aptitude and competence of employees. Employees are responsible for performing their assigned duties to achieve the assigned results and in accordance with the specified standards, along with exploring an opportunity of self-development for satisfactory performance.

The Company conducts an evaluation on employee performance on yearly basis to review the allocation of compensation, including promotions, to promote and motivate employees to use their knowledge to perform their duties with full dedication and continuously improve their performance.

#### **3.4.1.3 Policies and Guidelines for Appropriate Remuneration and Welfare**

The Company has a policy of paying remuneration to employees in accordance with the Company's performance in both the short and long term to incentivize the performance of employees to achieve the goals. The performance is assessed in the form of a key performance indicators (KPIs) and competency as tools for managing short-term remuneration, that is, salaries, as well as other welfare arrangements other than those prescribed by law, to ensure the stability of employees and their families including the creation of employee engagement with the organization, without discrimination or difference in salary rates and compensation between female and male, such as consideration of salary increases, annual bonuses, performance awards, including various welfare benefits. In terms of long-term remuneration, the Company considers the overall investment of the Company and the overview

of the industries in which the Company operates. The Company regularly reviews the remuneration and welfare arrangements for employees to ensure that the Company's remuneration is at the appropriate level.

The Company provides welfare and benefits to employees to reduce the cost-of-living expenses and help supporting employees and their families' living. The Company allocates welfare and benefits to employees from the date the employee is appointed as a full-time employee and employees at the same work level shall receive the same welfare and benefit regardless of gender, race, age, and religion. The Company publicizes all employees to be informed of their rights through employee handbooks and internal communications. For welfare and benefit in health support, the Company provides annual health check-up for employees to be informed of their basic health conditions. If there is an abnormality, they can find further prevention and treatment. As part of the Company's head office, the Company provides first aid rooms with regular nurses including household medicines for primary medical services to employees.

#### **3.4.1.3.1 Provident Fund**

The Company establishes a provident fund under the Provident Fund Act B.E. 2530 (1987) by registering provident fund on 1 June 2005 to save money and secure employees and their families as a long-term financial stability. Employees can choose an investment plan to receive benefits in return for investments as the employees deem appropriate, and to encourage employees to have an understanding of investment plans, opportunities and risks, as well as returns, the Company coordinate with asset management company to meet with executives and employer and employee representatives to report the fund's performance as well as the investment environment, opportunities and risks, short-term and long-term investment trends and widely inform employees who are members of the fund so that they can make decisions on the right investment plan. As part of the cumulative payout rate, employees can choose the monthly cumulative payout rate to the fund at a rate of between 3% to 10% of the salary voluntarily as the employee's request. In addition, the Company pays another contribution to employees at the rates of 3% to 7% of salary depending on years of service of each employee. In 2023, the Company and Sahakarn Wisavakorn Company

Limited contributed provident fund to employees at the amount of baht 3.84 million and baht 1.82 million at the rate of 3% to 7% of the basic salary.

The permanent employees who have exceed 1 year of service are eligible to become a member of the Fund (voluntary application) and the Company' contribution rates are set as follows:

Number of Service Years	Contribution Rate (%) (by the Company)
1-3 years	3
3-10 years	5
10 years and over	7

#### Terms of accumulated reimbursement and contributions

The Company shall pay accumulated funds in the employee's part and contributions on the Company's part to employees who resign from the fund when their employment status ends. The Company's contribution rate and the consequences of such funds shall be varied subject to the years of service.

#### **3.4.1.3.2 Health Promotion**

The Company provides head offices and branch offices with first-aid room with nurses providing basic care to treat primary illnesses, breastfeeding service rooms including proper and appropriate consultation on healthcare and medications to enhance employees' healthiness. The Company encourages employees to have after-hours physical activity and arranges a gym with equipment and instruction of proper use of equipment with safety. In 2023, yoga activity with a trainer was provided for employees' physical, mental, and spiritual practices on every Wednesday and Thursday at the first floor of the head office building. As for project sites, the project administrators also arrange appropriate fitness facilities by providing basic sports equipment such as table tennis, football, badminton, etc. This is to encourage employees to have the opportunity to exercise after work every day with free of charge to avail them not to use exercising service far from each project site.

**3.4.1.3.3 Housing Benefits**

The Company provides residential welfare to employees to ease their burden on housing costs, facilitate and reduce risk of commuting to work by providing accommodation for them in nearby area of each construction sites by taking into account their hygiene and security of the residence.

**3.4.1.3.4 Employee medical expenses**

The Company provides medical benefits to employees in case of outpatients, in addition to the benefits received from the Social Security Office, where the Company is responsible for the cost of sustaining accident insurance and life insurance partly to employees. Besides, the Company provides group health insurance for illness and accident treatment as well as arrange visit to employee in case of inpatients as a show of concern and consolation to the employees.

**3.4.1.3.5 Accidental and Life Insurance and Other Funds**

The Company provides employees life insurance with FWD Public Company Limited and health insurance with Sunday Ins Company Limited by which employees can call medical treatment at the hospitals as specified in the insured limits and conditions of the insurance. For social security fund, the Company also pays subsidy as required by law to the Office of Social Security and the Workmen's Compensation Fund.

**3.4.1.3.6 Other Financial Assistance**

The Company provides subvention for funeral in case of death to employees including parents, spouse, and children to ease the burden of expenses with wreaths to express condolences.

**3.4.1.3.7 Welfare Committee in the Workplace**

The Company establishes a welfare committee in the workplace to carry out the legal requirements by holding the election of the Welfare Committee to represent employees, acting as a mediator in conveying the welfare needs of employees to employer, suggest, audit, oversee welfare management within the organization, promote employee-relations activities, seek ways to improve welfare and work environment, as well as

raise morale for employees, which will result in increased productivity and efficiency in works. In recent years, meetings were conducted to propose requests and recommendations from employees to employer's representatives to jointly consider measures the employer can process for employees appropriately and fairly. Thus, there was no dispute or complaints regarding unfair treatment to employees.

#### **3.4.1.4 Employee Relations Activities and Communications**

The Company recognizes the importance of employee relations and internal communication between the Company and employees. The Corporate Communications Department plays a role as the center of collecting and disclosing information within the organization through various channels so that employees can be informed and have same understanding of the policies, regulations, news, and activities. Main channel used in such communications is intranet where information is disclosed to employees such as ERP learning materials, ISO regulations and documents, event photos, as well as employee-related information e.g., event calendar, company news, new employee introduction, etc. Moreover, there are communication via e-mail, Line application and employee board. The captioned activities for creating good relations are as follows:

**3.4.1.4.1 Mr. Engage**, which is a communication through Line group between Human Resources Department and employees within the organization, for ease of providing information and advice to relevant employees.

**3.4.1.4.2 Lunch Talk** in which executives and employees can have lunch together to avail meeting and discussing opportunity in various occasions i.e. Big Cleaning Day, Songkran events, etc.

**3.4.1.4.3 HRBP (HR Business Partner)** a responsible person from Human Resources Department is assigned to effectively reach out to the problems of employees.

**3.4.1.4.4 5S activities** to strengthen discipline and good habits for employees, with representatives of executives and employees from each department to jointly evaluate the activities.

**3.4.1.4.5 New Year's Party** for executives, employees at both the Company's head office and project sites to have the opportunity to socialize in a warm atmosphere.

**3.4.1.4.6 Receiving complaints**, the Company allows employees to suggest, comment, or complaints through the comment box to be opened by the Human Resources Manager collecting such feedback or complaints to present to the Personnel Management Committee for consideration and further action. The detailed information of the complains shall be kept strictly confidential. At each project site, the officers are appointed for surveying nearby communities with a contact center for collecting any complaints and recommendations.

**3.4.1.5 Measures to Prevent and Mitigate Problems Arisen from the Covid-19 Pandemic**

In 2023, in spite of a decrease of the Covid-19 pandemic, the Company has continuously maintained the measures by considering the Covid-19 as an endemic to prevent and mitigate the problem regarding the Covid-19 pandemic by encouraging strict New Normal practices as per the government requirements. Additionally, communication on prevention of risk of this captioned disease has been conducted such as regularly wearing a mask, maintaining social distancing, washing hands with alcohol, etc.

**3.4.1.6 Activities for the benefit of society and communities**

It is considerably important for the Company in conducting business with an awareness on society and community, such as promoting the development and learning of children and youth, blood donation, donation for public interests of disadvantaged people in society and communities, community development activities and other important activities to avail opportunities for society and nearby communities and show the promotion of awareness of social responsibility in parallel with achieving the Company's goal of delivering qualified works that meet the requirements of customers within timeframe. The projects that develop and benefit society in various areas were as follows:

Campaign	Description
Promoting development and education of children and youth	<ul style="list-style-type: none"> <li>● <b>Gifts on National Children's Day</b> the Company participated in National Children's Day activities to raise morale for children who will be an important force for the country in the future. <ul style="list-style-type: none"> <li>● Participate in Children' s Day at Wat Pornpraroung Prasit Kindergarten and Pornpraroung Prasit School by giving gifts to students</li> <li>● Raise educational funds for students at Ban Nong Fab School</li> <li>● Raise educational funds for students at Wat Preng Child Day Care Center</li> </ul> </li> <li>● <b>Open space for students of Ban Khai Technical College to learn on-the-job training:</b> The Company entered into a memorandum of cooperation for vocational education with Ban Khai Technical College by availing a branch office space in Rayong Province for students to have on-job-training.</li> </ul>
Community Development and Key Activities	<ul style="list-style-type: none"> <li>● <b>D.A.R.E Project Participation with Khannayao Police Station:</b> In compliance with the cabinet' s policy on drug problem solving based on the principle of protection and suppression to create drug immunity for persons experiencing drug addiction, rewards and certificates were given to students winning D.A.R.E composition writing competition, declaring the oath of D.A.R.E students and launching a campaign of 18 tricks of criminals “Do not believe, hurry, transfer but be aware of fraud” launched at Wat Khoo Born School (Watthananun-uthit), Bangchan, Khlong Samwa, Bangkok.</li> <li>● <b>Commonwealth Project</b> <ul style="list-style-type: none"> <li>● Provision of drinking water to Mab Ta Phut Police Station, Rayong Province for 7-day of danger during new year festival</li> </ul> </li> </ul>

Campaign	Description
Creating opportunities in society and communities for public interests.	<ul style="list-style-type: none"> <li>● <b>Blood Donation</b> the Company has held blood donation activities twice a year continuously since 2008 in which employees and people in nearby communities are allowed to participate in blood donation. In 2023, it was held in September to donate blood to Rajavithi Hospital with a number of 91 bags of donated blood and 5 bags of platelet or 37,050 milliliters.</li> <li>● <b>Donation of beverage boxes, staple, aluminum cap loops, calendars, and disused items</b> as details shown below: <ol style="list-style-type: none"> <li>1) <b>Beverage box (UHT)</b> the Company supported by collaborating with representatives from Big C Supercenter Public Company Limited to recycle the beverage boxes into roof sheets in the project "The Green Roof Project for Friends in Need (of "PA") Volunteers Foundation" with the aim of raising awareness of the management and reuse of non-use items (1 roof is 1x2.40 meters, uses approximately 2,083 beverage boxes in production).</li> <li>2) <b>Staple, and aluminum cap loops</b> the Company supported by collecting used aluminum cap loops to the Association of Persons with Physical Disability International, allowing each department employee to sort the staples from disused paper, and aluminum cap loops, to be collected to the Association of Persons with Physical Disability International, Pathum Thani province to use as materials in making prosthetics for helping people with disabilities and throughout 2023, a total of 3.4 kg. were collected.</li> <li>3) <b>Calendars and disused items</b> the Company supported by collecting disused calendars and magazines to the Educational Technology for the Blind Center to produce braille books for visually impaired agencies nationwide to support knowledge opportunities.</li> </ol> </li> </ul>



Campaign	Description
	<p>4) <b>Disused items</b> such as bags, shoes, books, and electrical appliances, etc. were also donated to the Mirror Foundation to be utilized for communities, society and interested persons.</p> <p>● <b>Quality of Life Promotion for Patient at Srithanya Hospital</b>  As the Company recognized the importance of the livelihoods of patients in Srithanya Hospital, the campaign to support the quality of life of patients was initiated by promoting the creation of careers so that patients can earn income, have willpower with recognition of self-esteem and the Company will provide willpower and send its support to the society at all time.</p>

### Promoting development and education of children and youth



### Community Development and Key Activities





Creating opportunities in society and communities for public interests.



### 3.4.2 Policies and Guidelines on Health and Safety at Work

The Company manages sustainability in health and wellness aspect and values safety at work. With recognition that those who work in the Company's operating area are at risks of occupational health and safety. The Company is committed to preventing risks in occupational health and safety by setting policies on quality, security, safety, health, environment, and social responsibilities (QSSHE Policy). This policy applies to all units throughout the organization, from high-level executives down to operational employees, including contractors who work in the area. Executives, in particular, must lead the organization as a role model in supporting, pushing, monitoring, following-up performance and improving the way to operate in order to achieve the vision and missions of the organization through the implementation of ISO 45001, implementing relevant laws, communicating to executives and employees as a common practice within the Company: For instance, promote a safe and hygienic working environment, compliance with the law, monitoring, measuring and controlling performance, registering safety training unit, implementing measures to prevent and mitigate problems in accordance with the Covid-19 pandemic, creating a safe working environment, communicating regarding safety, and raising awareness. Conducting the construction method defined by the project owner is also complied (more information on various policies can be studied at the Company's website under "Corporate Governance").

The Company values the management of safety, occupational health, and environment by having executives and employees at all levels together to not only compliance with the laws and policies but committed to raising standards to be internationally recognized and be an accident-free organization for the quality of life for both employees and stakeholders. The Company's executives determine that all projects are operated with safety to life and property without impact to environment. It should be everyone's cooperation and responsibility with a goal of "**Zero accident**", with the executives leading the responsibility, pushing for serious management and follow-up, supporting budgets and resources to create safe working environment and arranging adequate and appropriate tools and equipment to workers. In addition, the Company values the operational activities of projects to have the least impact on society and safety in terms of noise and dust management in accordance with the established standards and laws. The Company manages safety and environment in all projects by appointing

safety and environmental officer to monitor the results of safety measures and environmental impact reduction in the construction period in line with the requirements of the project owner and relevant authorities to achieve commitments, such as:

#### **3.4.2.1 Safety and Occupational Health Management System**

Being certified by ISO 45001 Occupational Health and Safety Management System, the Company has the stable security management system leading to the goal of sustainable safety, and occupational health. As for each project site, communication with employees have been conducted for acknowledgement of the Company's safety information and security policy. Moreover, the system inspection has been also audited continually by SGS (Thailand), an external organization, to inspect and review all concerned activities.

#### **3.4.2.2 Promotion on Safe and Hygienic Working Environment**

In 2023, the Company continuously developed and improved the efficiency of safety operations to reduce the risk of illness, injury, or death, and properly supervised the quality of life of employees or workers with the following important operations: 1) legislation compliance and 2) monitoring and supervising measures. 2 work injuries were found, and the Company has already taken measures to prevent such accidents; launching the safety campaign for employee awareness by organizing Safety Talk and Safety Award activities for the employees wearing safety equipment and working under safety procedures.

**3.4.2.2.1 Legislation Compliance** to ensure compliance with the laws and monitoring and advising on correct and independent implementation. High-level executives advocate the establishment of a Central Safety Committee to monitor and cooperate with the Project Committee and follow-up on operations to comply with safety laws and standards, as well as to review, advise and push together with the Safety Committee on all projects to ensure safe working conditions in accordance with the laws and report performance results to high-level executive every month, provide training on safety, occupational health and environment committees to employees and training in hazardous chemicals management for workers.

**3.4.2.2.2 Monitoring and Supervising Measures** to focus on preventive measures in the operation. Safety start with worker being in a ready state to work, e.g., no trace of addictive substance etc. The Company, therefore, conducts random alcohol

checking, drugs testing, performance assessment, safety and environment inspection of project workers and operations.

- **Alcohol checking** to check readiness of the operation worker's physical condition. Alcohol consumption before operation affects the response to things, e.g., slower decision making, self-controlling, reasoning, and memory decreasing. So as not to be another factor that cause accidents during operations such as driving vehicles, working at height, or controlling machines and can result in injury, disability, or death of both workers and associates, alcohol checking must be conducted.

- **Drug testing** to prevent and monitor drug consumption in working areas including worker accommodation (camps). Narcotics can damage brain nerves, cause lack of self-interest, lack of consciousness, body exhaustion which is easy to cause accidents due to impaired muscular and nervous system control, leads to injury, illness, disability or death of both workers and associates.

- **Safety and environmental measurements** (light, noise, dust) to monitor for potential latent hazards in the operation workers' working environment, which is another latent hazard that can cause "Operational diseases" both acute and chronically diseases and comply with the Ministerial Regulations standards in administrating, managing and implementing of safety, occupational health and working environment in heat, lighting and noise, B.E. 2556 (2016).

- **Safety training before starting work** with the consequences of accidents leading to injuries, illnesses, disability or possibly death causing by an operational worker having no cognition. To control the safety of workers or employees, they must be cognitive and interned and in accordance with the Safety, Occupational Health and Work Environment Act B.E. 2554 (2011), Section 16, requiring employers to provide executive, supervisors and all employees training on safety, occupational health and working environment.

- **Safety Walk** the Safety Committee of each project jointly conducts a survey of the operation area to know the nature of the risks that may arise at the operational space and manage the risk and reduce the loss of accidents at work and keep the working space tidy, convenient and safe and to assess the performance of those with safety-related duties on how much they can comply with the standards or laws associated with the project, as well as to stimulate the responsibilities of those involved in safety matters that have been imposed to be taken seriously.



○ **QSHE Project Audit** to ensure that the safety and occupational health management system is implemented in accordance with the standards set by the Company by monitoring the implementation of the project, including measuring the work environment so as not to affect employees or workers and nearby communities where the Company operates.

○ **RSA (Road Safety Audit)** official inspection of road projects by the panel of experts and experienced inspectors will report on accidents occurring trends and safety in the use of such projects. Generally, road safety audit can be applied to all types of projects, regardless of the size of the project, such as new construction projects, road or junction improvement projects, reconstruction projects, in-use road projects, etc. Road safety audit can be conducted at various stages of the project during construction since before open to use to in-use project.

### 3.4.2.3 Security Training Unit

In order for the Company to train employees and workers in certain positions regularly and continuously especially in areas that involve safety and specialty, the Company requests registration with the relevant authorities to establish a safety training unit along with promoting development and supporting employees who meet the requirement of the Department of Labour Protection and Welfare to be a lecturer in the courses that are certified by the Department of Labour Protection and Welfare, which allows the Company to utilize potential of existing employees in providing internal training to other employees effectively. The Company is able to issue training certificates or attendance certification in the following courses:

Training Topics	Registered agencies
Safety of Work on Electrical	Office of Safety, Department of Labour Protection and Welfare
Safety of Work in Confined Spaces	Office of Safety, Department of Labour Protection and Welfare
The Safety Occupational Health and Working Environment Committee	Office of Safety, Department of Labour Protection and Welfare
Safety Officer Supervisory level	Office of Safety, Department of Labour Protection and Welfare
Crane Operations	Office of Safety, Department of Labour Protection and Welfare

Training Topics	Registered agencies
Road Safety Inspection	Department of Highways, Ministry of Transport
Installation and inspection of pipe and joint scaffolding	Office of Safety, Department of Labour Protection and Welfare
Safety of Work at Height	Office of Safety, Department of Labour Protection and Welfare
Temporary goods and passenger elevators control in construction	Office of Safety, Department of Labour Protection and Welfare
6-Hour Safety Training for New Employee	Office of Safety, Department of Labour Protection and Welfare

The Company provides additional training for employees to be ready to deal with potential situations beyond expectation, such as: First Aid & CPR by using an AED equipment, introduction to firefighting, emergency drills in case of chemical spill and fire drills with relevant agencies in nearby workspaces. This gives trainees the right knowledge, skills and correct first aid practices to prepare a response plan to medical emergency which may happen during work and can also be applied in everyday life.

#### 3.4.2.4 Communication and Security Awareness

To encourage operational employees to realize the importance and raise awareness of safety at work, all projects shall have supervisor, safety officer and project management take turns to share their experiences during Toolbox Talk, Safety Talk, as well as, discuss preventive measures under the risks management and control plan in small groups before starting work, such as: supervisor meeting before work, Safety talk, Safety management tour, and BBSO (Behavior Based Safety). Details of actions as follows:

**3.4.2.4.1 Toolbox Talk / Safety Talk / Safety Moment** Accidents bring losses to life, property, and ongoing working process of the organization, which have severe consequences. According to accident statistics, unsafe action is a major cause of accidents by 88% where only 12% caused by unsafe conditions (information from the Safety and Health at Work Promotion Association (Thailand) under the royal patronage). If the organization wants to control the accident to zero, not only having an effective safety and occupational health management system, but also must have the techniques to make all operational employees to aware of the dangers and recognize the importance of safety in every working step, enhance knowledge and safety competency management to have safety mind. Therefore, it is important to be instilled into the concept of all operational employees to work safely. When everyone

develops safety consciousness well enough, the level of safety of the organization would be higher and that the quality of life of employees would also surely be of higher standards.

Conducting toolbox talk / safety talk / safety moment is a useful tool for all levels of safety officers. It can be used to give reminders before starting work every day, with the content pointing out the importance of the work to achieve the goal and indicating the dangers that are stacked in the work that would lead to a sustainable awareness of work safety. The objective is to encourage workers to recognize the importance of safety as a fundamental performance, strengthen the consciousness of vigilantes of work hazards with techniques that focus on enthusiasm, select topics related to situations that may not be in the Company's projects or take work lessons on sites, and reward employees who perform as role models for safety, etc.

**3.4.2.4.2 BBSO (Behavior Based Safety Observation)** raising safety awareness by observing safety behavior and providing feedback is an activity that the Company has been working on since 2019 to date, which promotes the creation of culture and becomes a safety behavior in the organization. When all employees understand the principles of BBSO and implement continuous action in form of observing risk behaviors and safety behaviors and writing a BBSO report to the central unit to collect information and analyze to improve the development of safety operations.



### **3.5 Sustainability Management in Economic Perspective**

#### **3.5.1 Economic Policies and Practices**

The Company has sustainability management in the economic dimension. Not only making business profit, but also creating the turnover of mutual benefits and the distribution of income to those involved. To support the country's progress due to business performance by establishing various policies such as "bidding policy, procurement policy and policy on quality, security, safety, occupational health, environment and social responsibility (QSSHE Policy)". To support equality in competition and business operations of the Company as well as to support the country's economic progress directly or indirectly from distribution to stakeholders aiming to create value for shareholders, customers, employees, and all stakeholders. The results of business operations contribute to the benefit of all mutual stakeholders. The Company's operations have positive impact on the national economy by generating economic results through various stakeholder groups, including through cash flow from operations.

#### **3.5.2 Economic Performance**

The Company explains further in the section "Nature of Business" in this Annual Registration Statement/2023 Annual Report (Form 56-1 One Report). For financial performance section, more details can be found in the section "Management's explanation and analysis".

#### **3.5.3 Responsibility to customers**

The trust that the Company has always obtained from its customers is important. Therefore, the Company adheres to construction management practices that require control of every detail in each operation, from design, consulting, construction control, appropriate calculation according to professional standards, selection of quality materials meeting the requirements according to the standards and passes the quality certification. The Company has prepared manuals for project management work and has an independent quality assurance agency that monitors and supervises work during construction and before delivery to ensure the work to be delivered to customers is the right quality work in accordance with the standards and meets the objective of each customer.

The Company conducts customer satisfaction assessment by sending customer satisfaction survey form to all target groups to inquire, monitor and evaluate customer satisfaction and then collect information for improvement of better project management for customers' highest satisfaction. Such a survey form consists of 5 sections of evaluation; 1. Project Management, 2. Design and Engineering, 3. Procurement, 4. Quality Control, and 5. Safety, Health

and Environment) whereas the target KPI of the most satisfaction is 4.5 or 90 % levelling down to 0 which is the most dissatisfaction.

**Comparison of Customer Satisfaction in 2022 and 2023**

Satisfaction Result 0-5 (0-100%)			
Section	Evaluation Topic	2022	2023
	Target KPI	4.5 (90%)	4.5 (90%)
1	Project Management	3.4 (68%)	4.3 (86%)
2	Design and Engineering	3.8 (75%)	4.3 (87%)
3	Procurement	3.2 (63%)	3.9 (79%)
4	Quality Control	3.7 (73%)	4.3 (87%)
5	Safety Health and Environment	3.3 (65%)	4.4 (88%)
	<b>Average</b>	<b>3.4 (68%)</b>	<b>4.3 (85%)</b>

The Company has a guarantee of work after construction for a period of not less than 1 year or in accordance with the agreement to ensure the safety and quality of buildings and structure. During the past year, the Company sent survey forms to project owners and supervisors. The total percentage points earned from assessments through surveys in each category averaged at 85% increasing from the recent year but not in compliance with the target KPI of 90%. Further to the captioned result, the Company's management and all concerned had a discussion and brought to attention customers' recommendations for further improvement. The Company also strives to improve quality of works for customers' highest satisfaction.

The Company operates in accordance with ISO 9001, 14001 and 45001, the international standards to ensure ability to deliver its work and services that meet the requirements and expectations of customers and in accordance with applicable legal obligations. Moreover, the Company provides training at various levels for employees to have knowledge, understanding of the principles and requirements of the standards for proper application of the system according to the level of responsibility of each group. The Company determines and provides the channel/method of complaints on the quality of works both during and after the construction period by allowing customers to complete customer satisfaction survey form or directly contacting the project manager, the Company's management or by e-mail at [trc@trc-con.com](mailto:trc@trc-con.com) for which the Company shall send an immediate respond to such problems.

### 3.6 Good Corporate Governance and Management on Corporate Governance

The Company commits on conducting business under good corporate governance principles and fairness in parallel with participation in social and environmental responsibility. The Board of Directors promotes the good corporate governance to show responsibility for shareholders and it is the duty of the Board to ensure shareholders' confidence by overseeing the Company's business operations. The corporate governance structure includes various sub-committees, details as appeared in the item "Corporate Governance Structure" of the Annual Registration Statement /2023 Annual Report (Form 56-1 One Report). The Company has created a handbook for good corporate governance, business code of conduct as appeared on the company' s website, item "Sustainability/ 2023 Handbook of Corporate Governance, Ethics and Business Code of Conduct", and anti-corruption policy, item "Sustainability/Corporate Governance Report and Download/Anti-Corruption Policy" including guidelines showing the core principles of integrity and ethical business practices. It is responsibility of directors, executives, and employees to apply the aforementioned principles to perform their duties with sincerity, transparency, and integrity.

#### Performance on Good Corporate Governance

The Company commits to conducting business with transparency and fairness in accordance with good corporate governance principles and applicable laws and regulations. As a result, the Company has obtained the results of the 2023 Corporate Governance Assessment at an "excellent" rating from Thai Institute of Directors.

### 3.7 Innovation and Business Sustainability in Engineering Design

Currently, innovation becomes an essential foundation of success and sustainability whereas perception of technology and application of software also plays a vital role towards business organizations in gaining competitiveness. TRC therefore applies the following software for effective works of design, procurement and construction.

#### 1. Structural Software

In addition to rapid and accurate calculation, this captioned software can simulate and analyze the complicated structural system based on forces of the entire system to minimize risk of false and guarantee structural security.

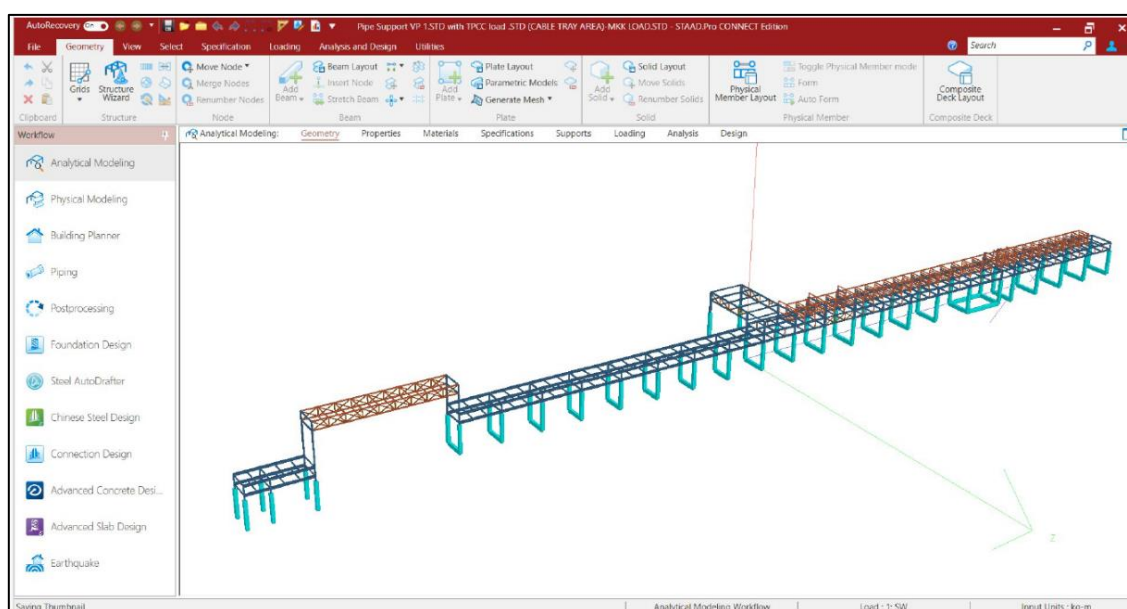


Figure 1: Structural Software

#### 2. Sheet Pile Design Software

As in construction involved with underground works, sheet piles play a vital role of security of working and supports an analysis of force arising from soil horizons subject to topography of each area, applying sheet pile design software is then essential for selection of appropriate and secured sheet piles.

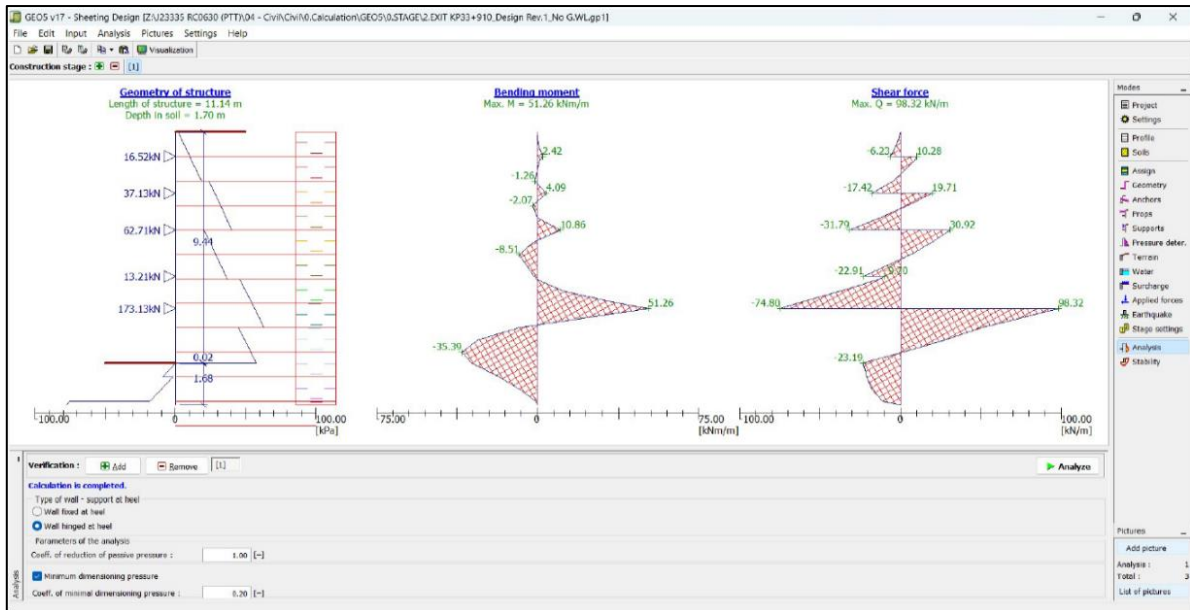


Figure 2: Analysis of Soil Horizon Force

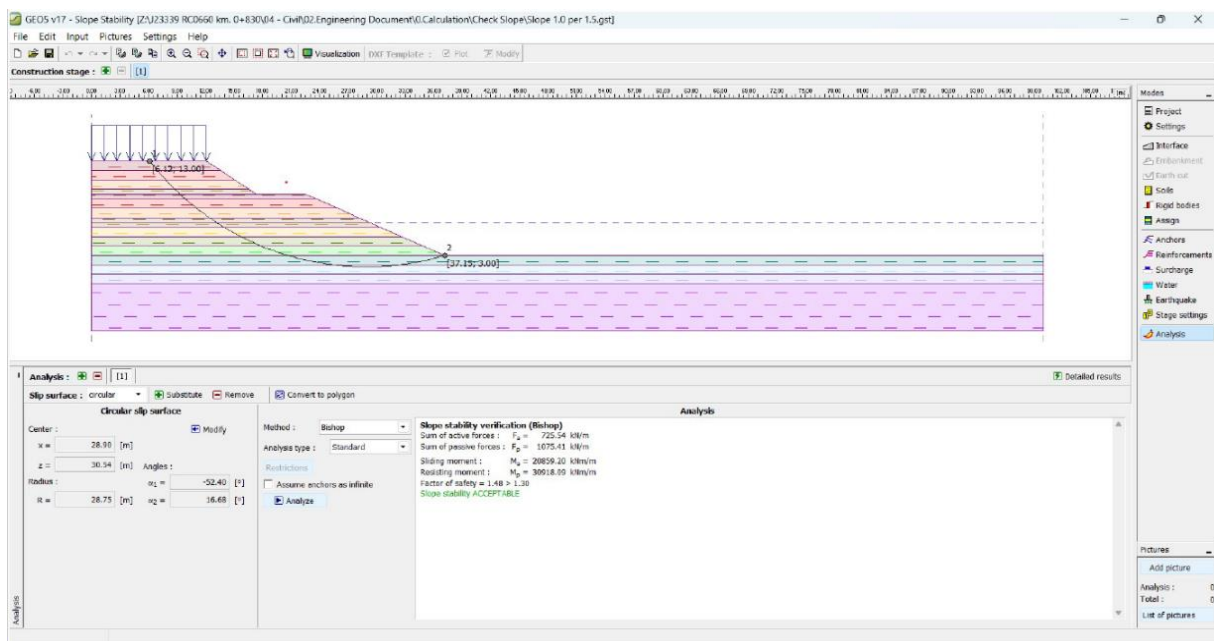


Figure 3: Analysis of Slope Stability

### 3. Software for Calculation of Structural Material Quantity

The procurement is one of significant processes in construction to minimize loss and enhance cost effectiveness. Application of software therefore plays a vital role in this captioned

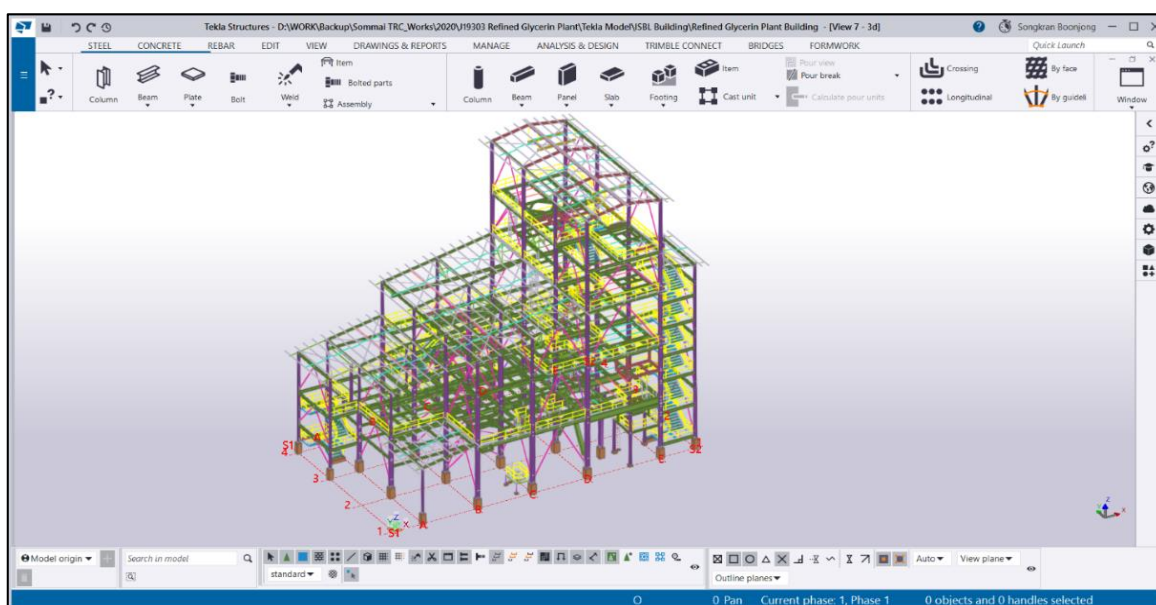
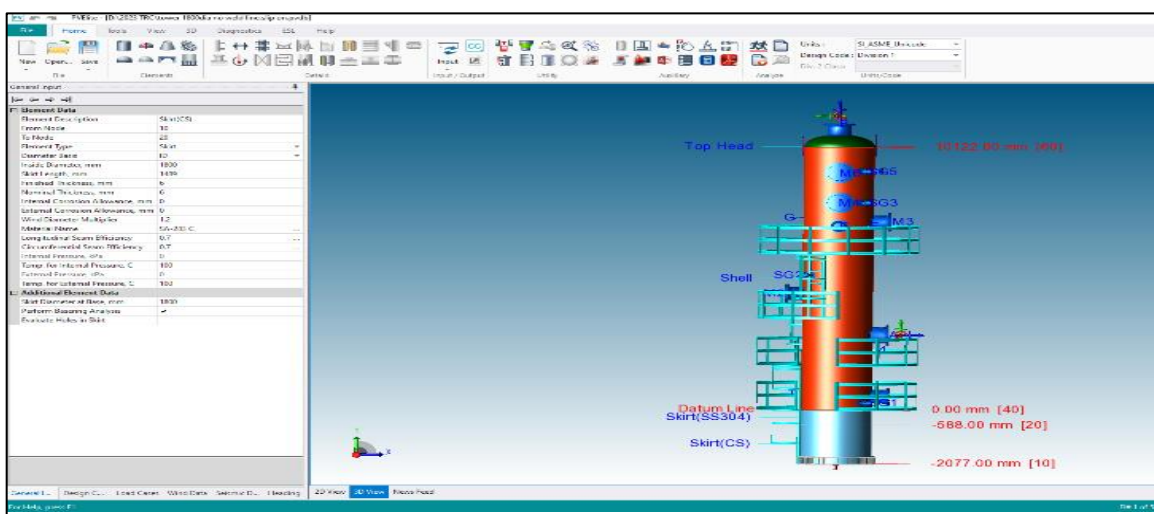


Figure 4: 3D Simulation for Calculation of Material Quantity Used in Construction

#### 4. Distillation Column, Pressure Tank and Chemical Storage Tank Design Software

The equipment for pressure tank, distillation column and chemical storage tank are required to be designed based on the standard and in compliance with the industrial rules. Application of design software therefore ensures that all equipment to be used will be in compliance with the requirements and also enables an assessment on strength of equipment for selection of material that will be durable enough and worthwhile for the construction cost.





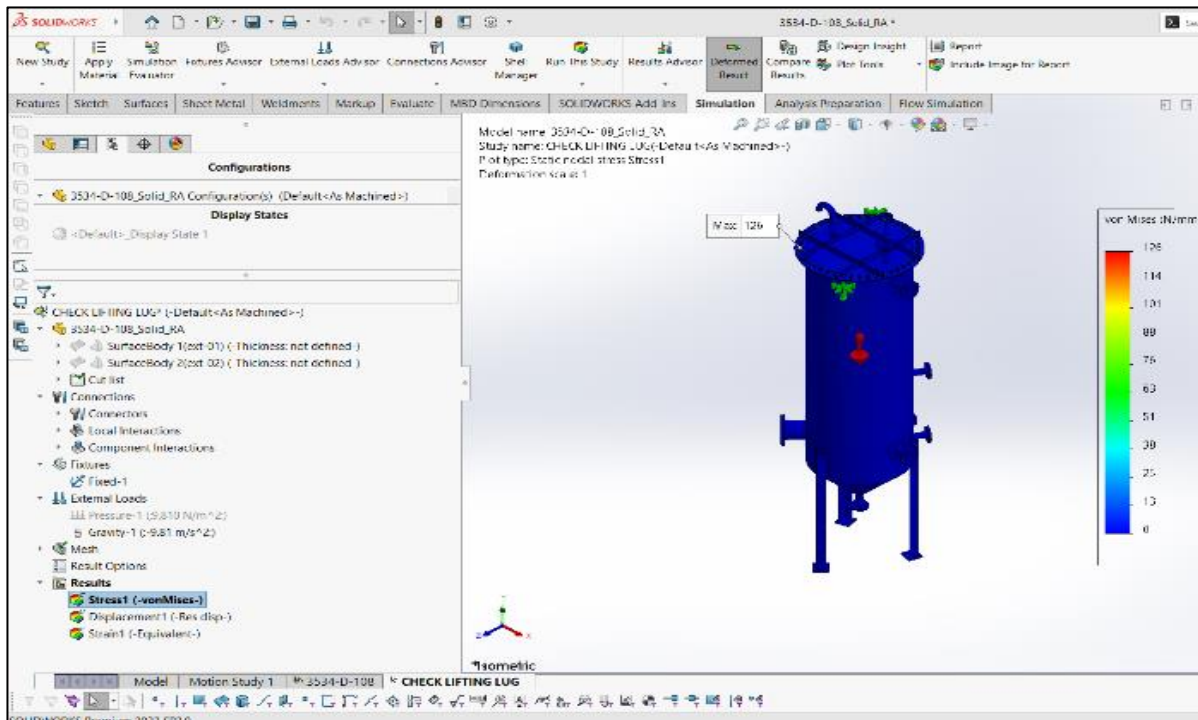


Figure 5: Design of Distillation and Pressure Tank

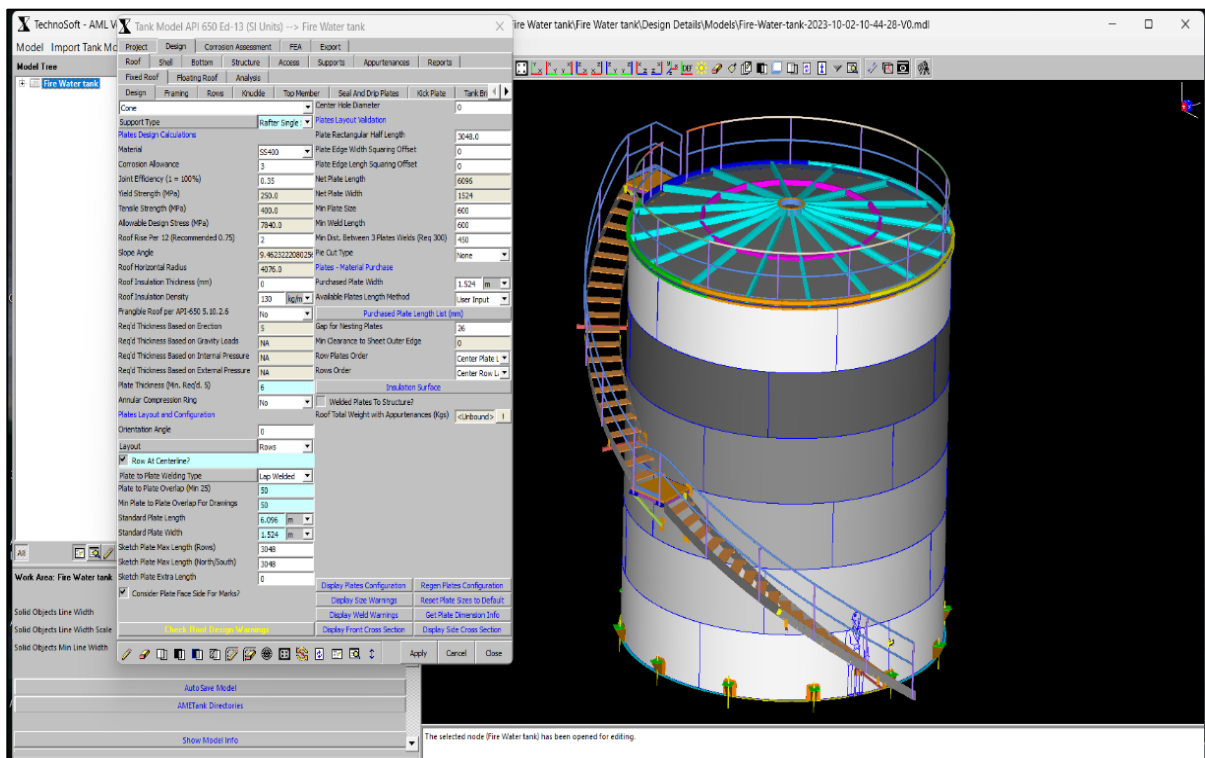


Figure 6: Design of Chemical Storage Tank

#### 5. 3D Pipe Simulation Software

This software enables concerned engineers to assess pipelining in accordance with the engineering principles whereas 3D simulation helps identification and solving problems maybe arisen under real circumstances and minimize repetition of works during construction implementation.

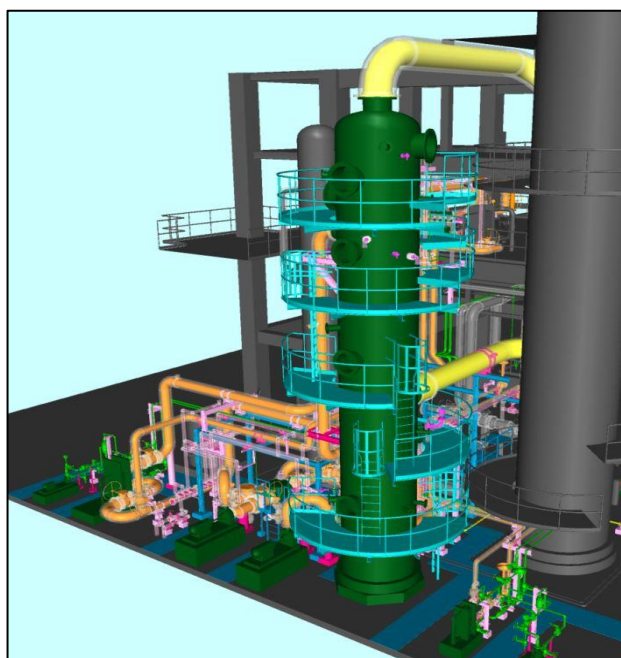


Figure 7: 3D Simulation of Pipelining



## 4. Management Discussion and Analysis

#### 4. Management Discussion and Analysis

##### Significant Financial Information

##### Summary of the Auditor's Opinions on the Financial Statements

The financial statements, statement of the comprehensive income and statement of comprehensive cash flows as ended December 31, 2023, 2022 and 2021 were audited by the certified auditor with the qualified opinion that the consolidated financial statements and separate financial statement demonstrated the financial status, operating results and cashflow of each year and on the same ending date with accurate significant information required as per the financial reporting standards.

The 2021 auditor report contained significant information and emphasis of matters in the reporting page as shown below and details are as shown in the Notes to Financial Statements, item 3.4 and 3.5.

The 2022 auditor report contained no information and emphasis of matters.

The 2023 auditor report contained no information and emphasis of matters.

##### TRC Construction Plc.'s and Subsidiary's Financial Statements

##### Statement of Financial Position

Statement of Financial Position	Million Baht			Percentage per Total		
	2023	2022	2021	2023	2022	2021
<b>Current Assets</b>						
<b>Current Assets</b>						
Cash and cash equivalents	27.03	15.71	52.94	0.69	0.36	1.29
Trade and other receivables	203.30	247.03	408.60	5.18	5.67	9.98
Contract assets	2,387.17	2,742.29	2,285.56	60.79	62.99	55.81
Short-term loans to related parties	5.98	17.97	21.20	0.15	0.41	0.52
Advance payment to subcontractors	367.65	354.25	380.78	9.36	8.14	9.30
Inventory	-	1.61	1.61	-	0.04	0.04
Withholding Tax	124.65	122.86	69.11	3.17	2.82	1.69
Other current assets	49.31	49.70	23.84	1.26	1.14	0.57
<b>Total of Current Assets</b>	<b>3,165.09</b>	<b>3,551.42</b>	<b>3,243.64</b>	<b>80.60</b>	<b>81.58</b>	<b>79.20</b>
<b>Non-current assets</b>						
Restricted bank deposit	86.21	53.55	31.96	2.20	1.23	0.78
Other non-current financial assets	5.00	-	-	0.13	-	-
Long-term loans to related parties	-	-	-	-	-	-
Investment in subsidiaries	-	-	-	-	-	-

Statement of Financial Position	Million Baht			Percentage per Total		
	2023	2022	2021	2023	2022	2021
Investment in associates	-	-	-	-	-	-
Investment in joint ventures	9.51	-	-	0.24	-	-
Investment in joint ventures	87.71	123.99	138.89	2.23	2.85	3.39
Property, plant and equipment	526.17	571.99	619.14	13.40	13.14	15.12
Right-of-use assets	22.96	14.67	18.46	0.58	0.34	0.45
Intangible assets	6.92	9.10	11.18	0.18	0.21	0.27
Deferred tax assets	9.01	20.51	27.30	0.23	0.47	0.67
Other non-current assets	8.31	8.17	4.76	0.21	0.19	0.12
<b>Total of non-current assets</b>	<b>761.79</b>	<b>801.98</b>	<b>851.69</b>	<b>19.40</b>	<b>18.42</b>	<b>20.80</b>
<b>Total assets</b>	<b>3,926.88</b>	<b>4,353.39</b>	<b>4,095.33</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
<b>Current liability</b>						
Bank overdrafts and loans from financial institutions	878.46	939.91	796.62	22.37	21.59	19.45
Account payable and other current payables	987.11	788.92	780.52	25.14	18.12	19.06
Unbilled payables	857.07	1,174.28	839.73	21.83	26.97	20.50
Contract liabilities	559.81	617.56	910.99	14.26	14.19	22.24
Short-term loans from other parties	19.50	-	-	0.50	-	-
Short-term loans from related parties	280.10	73.30	-	7.13	1.68	-
Retention payable	361.06	284.93	229.61	9.19	6.55	5.61
Provisions of construction liabilities	52.72	64.49	75.99	1.34	1.48	1.86
Current portion of liabilities under finance - lease agreement	10.81	10.38	13.05	0.28	0.24	0.32
Accrued corporate income tax	-	0.24	1.28	-	0.01	0.03
Other current liabilities	84.53	33.67	7.77	2.15	0.77	0.19
<b>Total of current liabilities</b>	<b>4,091.17</b>	<b>3,987.67</b>	<b>3,655.56</b>	<b>104.18</b>	<b>91.60</b>	<b>89.26</b>
<b>Non-current liability</b>						
Lease liability	12.70	7.80	8.21	0.32	0.18	0.20
Provisions of non-current liabilities for employee's benefits	47.83	38.71	61.27	1.22	0.89	1.50
Provisions of liabilities from lawsuits	-	2.49	2.49	-	0.06	0.06
Other non-current liabilities	13.89	13.89	-	0.35	0.32	-
<b>Total of non-current liabilities</b>	<b>74.42</b>	<b>62.89</b>	<b>71.97</b>	<b>1.90</b>	<b>1.44</b>	<b>1.76</b>
<b>Total liabilities</b>	<b>4,165.58</b>	<b>4,050.56</b>	<b>3,727.53</b>	<b>106.08</b>	<b>93.04</b>	<b>91.02</b>
<b>Shareholder's equity</b>						
Capital stock						
Registered capital	1,198.39	1,198.39	1,198.39			

Statement of Financial Position	Million Baht			Percentage per Total		
	2023	2022	2021	2023	2022	2021
Issued and paid-up capital	1,198.39	1,198.39	1,198.39	30.52	27.53	29.26
Share premium account-ordinary shares	-	-	-	-	-	-
Other deficits	-	-	(2.96)	-	-	(0.07)
Accumulated profit (loss)						
Allocated – legal reserve						
Subsidiary	-	-	4.11	-	-	0.10
Unallocated	(1,454.16)	(913.84)	(816.25)	(37.03)	(20.99)	(19.93)
Other components of shareholders' equity	15.11	15.82	16.12	0.38	0.36	0.39
<b>The Company's shareholders' equity</b>	<b>(240.66)</b>	<b>300.37</b>	<b>399.41</b>	<b>(6.13)</b>	<b>6.90</b>	<b>9.75</b>
No-controlling interests	1.95	2.46	(31.61)	0.05	0.06	(0.77)
<b>Total shareholders' equity</b>	<b>(238.71)</b>	<b>302.83</b>	<b>367.80</b>	<b>(6.08)</b>	<b>6.96</b>	<b>8.98</b>
<b>Total liabilities and shareholders' equity</b>	<b>3,926.88</b>	<b>4,353.39</b>	<b>4,095.33</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

### Income Statement

Income Statement	Million Baht			Percentage per total		
	2023	2022	2021	2023	2022	2021
<b>Income</b>						
Revenue from construction	2,124.51	3,283.82	3,819.47	96.84	97.36	98.23
Revenue from other services	16.76	57.87	17.48	0.76	1.72	0.45
Sale income	-	1.60	8.40	-	0.05	0.22
Interest income	1.11	1.21	0.49	0.05	0.04	0.01
Other income	51.50	28.52	42.42	2.35	0.85	1.09
<b>Total revenue</b>	<b>2,193.88</b>	<b>3,373.02</b>	<b>3,888.26</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
<b>Cost</b>						
Construction service cost	2,247.41	3,067.46	3,625.75	102.44	90.94	93.25
Other service cost	14.76	52.05	10.24	0.67	1.54	0.26
Cost of sales	-	1.22	8.16	-	0.04	0.21
Administrative expense	258.03	258.32	260.21	11.76	7.66	6.69
Loss from subsidiary' s dissolution	-	36.85	-	-	1.09	-
<b>Total cost</b>	<b>2,520.20</b>	<b>3,415.90</b>	<b>3,904.37</b>	<b>114.87</b>	<b>101.27</b>	<b>100.41</b>
Profit (loss) from operating activities	(326.32)	(42.88)	(16.11)	(14.87)	(1.27)	(0.41)
Profit and reversal of impairment loss (TFRS9)	(0.13)	-	-	-	-	-
Finance costs	(68.13)	(42.55)	(35.06)	(3.11)	(1.26)	(0.91)
Share of profit (loss) from investment in associate	(119.20)	-	-	(5.43)	-	-

Income Statement	Million Baht			Percentage per total		
	2023	2022	2021	2023	2022	2021
Share of profit (loss) from investment in joint venture	(14.10)	(21.04)	(2.56)	(0.64)	(0.62)	(0.07)
Profit (loss) before income tax expenses	(527.87)	(106.46)	(48.61)	(24.06)	(3.16)	(1.25)
Income (expense) income tax	(12.44)	(6.09)	(10.69)	(0.57)	(0.18)	(0.28)
<b>Profit (loss) for the year</b>	<b>(540.32)</b>	<b>(112.55)</b>	<b>(59.30)</b>	<b>(24.06)</b>	<b>(3.34)</b>	<b>(1.53)</b>
<b>Other comprehensive income:</b>						
Items that may be reclassified subsequently to profit or loss						
Exchange differences on translating financial statement						
Foreign currency – net of income tax	(0.71)	(3.63)	(1.96)	(0.03)	(0.11)	(0.05)
Items that will not be reclassified subsequently to profit or loss						
Actuarial gains and losses on defined employee benefit plans – net of tax	-	14.37	22.03	-	0.43	0.57
<b>Share of other comprehensive income – net of income tax</b>	<b>(0.71)</b>	<b>10.74</b>	<b>20.07</b>	<b>(0.03)</b>	<b>0.32</b>	<b>0.52</b>
<b>Total comprehensive income (expense) for the period:</b>	<b>(541.03)</b>	<b>(101.82)</b>	<b>(59.30)</b>	<b>(24.66)</b>	<b>(3.34)</b>	<b>(1.01)</b>
<b>Profit (loss) sharing</b>						
Company's shareholders' equity	(540.32)	(97.89)	(57.39)	(24.66)	(3.32)	(0.94)
Subsidiary's Non-controlling interests	-	(3.93)	(1.91)	-	(0.02)	(0.057)
<b>Profit (loss) for the year</b>	<b>(541.03)</b>	<b>(101.82)</b>	<b>(59.30)</b>	<b>(24.66)</b>	<b>(3.34)</b>	<b>(1.01)</b>
<b>Total comprehensive income (expense) for the period attributable to</b>						
Company's shareholders' equity	(541.03)	(111.96)	(36.64)	(24.66)	(2.90)	(1.48)
Subsidiary's Non-controlling interests	-	(3.93)	(2.59)	-	(0.12)	(0.05)
<b>Total comprehensive income (expense) for the year</b>	<b>(541.03)</b>	<b>(112.55)</b>	<b>(39.23)</b>	<b>(24.66)</b>	<b>(3.02)</b>	<b>(1.53)</b>
<b>Basic earnings (loss) per share (Baht/share)</b>	<b>(0.0564)</b>	<b>(0.0117)</b>	<b>(0.0060)</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Cashflow Statement

Cashflow Statement	2023	2022	2021
<b>Cashflow from Financing Activities</b>			
Increase of overdrafts and short-term loans from financial institutions (decrease)	(61.45)	143.29	87.16
Cash receipt from short-term loans of other companies	19.50	-	-
Cash receipt from short-term loans of other persons or related parties	219.70	75.30	-
Cash payment to short-term loans from other persons or related parties	(12.90)	(2.00)	-
Interest expenses	(49.77)	(38.36)	(33.20)
Lease liability (decrease)	(11.62)	(11.75)	(17.93)
<b>Net Cash from (for) Financing Activities</b>	<b>103.46</b>	<b>166.48</b>	<b>36.02</b>
Increase (decrease) of differences on translating financial statement	(0.71)	(3.63)	(1.96)
Increase (decrease) of net cash and cash equivalent	11.32	(37.23)	(36.84)
Cash and cash equivalents at the beginning of the year	15.71	52.94	89.78
Cash and cash equivalents at the end of the year	<b>27.03</b>	<b>15.71</b>	<b>52.94</b>
<b>Additional Disclosed Cashflow</b>			
Non-cash items consisting of			
Increase (decrease) of Purchase of Unpaid assets	0.04	(5.08)	(8.97)
Lease liability	16.94	7.73	10.13

## Financial Ratio

	Unit	2023	2022	2021
<b>Liquidity ratio</b>				
Liquidity ratio	Time	0.77	0.89	0.89
Quick ratio	Time	0.05	0.05	0.10
Cashflow ratio	Time	0.01	(0.04)	0.01
Receivables turnover ratio	Time	12.82	14.04	13.54
Average collection period	Day	28.09	25.93	26.59
Inventory turnover ratio	Time	-	-	-
Period of sale	Day	-	-	-
Account payable turnover ratio	Time	3.03	4.57	5.34
Repayment period	Day	119	79	67
Cash Cycle	Day	(91)	(53)	(41)
Earnings per share ratio		(0.0564)	(0.0117)	(0.0060)
<b>Profitability Ratios</b>				
Gross profit margin	%	(5.65)	6.66	5.23

	Unit	2023	2022	2021
Return on income		(14.87)	(1.27)	(0.41)
Operating margin	%	(15.24)	(1.28)	(0.42)
Other income to total income ratio	%	2.40	0.88	1.10
Cash profitability ratio	%	2.57	(4.80)	0.78
Net profit margin	%	(24.63)	(3.32)	(1.48)
Return on equity	%	(1,685.32)	(33.39)	(14.81)
<b>Efficiency Ratios</b>				
Return on assets	%	(13.05)	(2.65)	(1.48)
Return on fixed assets	%	(98.40)	(18.80)	(9.27)
Total asset turnover	Time	0.53	0.80	1.00
<b>Financial Policy Ratios</b>				
Debt to Equity Ratio (D/E)	Time	(17.45)	13.38	10.13
Interest Coverage Ratio	Time	(4.13)	0.62	1.59
Interest bearing debt to EBITDA ratio	Time	(4.62)	38.62	14.71
Debt service coverage ratios	Time	(0.25)	0.03	0.07

### An Overview of 2023 Operating Performance

The Company operated a full range of construction services including engineering design, machinery and equipment procurement and construction works as the main business. For subsidiaries, their businesses are 1) construction business 2) utilities and investment business, and 3) Smart IoT Ecosystem Business.

In 2023, the Company and subsidiaries received construction work totaling 12 projects with a total work value of Baht 1,127.38 million divided into 11 projects of the Company with a total work value of Baht 380.65 million with significant projects; Steel fabrication for construction of hydrogen unit of IRPC Plc. of which the project owner is Vision Energy (Thailand) Co., Ltd. with work value of Baht 238.01 million and 257 days of execution period, and 1 project of subsidiary with a total work value of Baht 746.73 million; Construction Project of Highway No.4140, Thasala-Nopphitam District, Nakhon Si Thammarat Province, of Department of Highway with value of Baht 746.73 million and 900 days of execution period.

For the construction, the main business, had value of unrealized work (backlog) as of 1 January 2024 amounting to Baht 4,130.83 million. During 2023, The Company recognized revenue from civil works of Baht 1,359.41 million, pipeline works of Baht 472.51 million and other service works of Baht 292.59 million.

The Company and subsidiary had a total revenue of Baht 2,193.88 million representing a decrease of Baht 1,179.14 million or 34.96 decrease. There are net loss of the operating performance of Baht 540.32 million in which Baht 541.03 million are the Company's equity representing a higher loss of Baht 429.06 million or 383.23 % increase. The operating performance can be summarized as follows:

Income Statement	2023	2022	2021	Change		% per total		
	MB.	MB.	MB.	MB.	%	2023	2022	2021
Revenue from construction services, sales and other services	2,141.27	3,343.29	3,845.35	(1,202.02)	97.60	97.60	99.12	98.90
Other income	52.61	29.73	42.91	22.88	76.96	2.40	0.88	1.10
<b>Total revenue</b>	<b>2,193.88</b>	<b>3,373.02</b>	<b>3,888.26</b>	<b>(1,179.14)</b>	<b>(34.96)</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
<b>Gross profit (loss)</b>	<b>(120.90)</b>	<b>222.56</b>	<b>201.19</b>	<b>(343.46)</b>	<b>(154.32)</b>	<b>(5.51)</b>	<b>6.60</b>	<b>5.17</b>
Administrative expenses	258.03	258.32	260.21	(0.29)	(0.11)	11.76	7.66	6.69
Loss on dissolution	-	36.85	-	(36.85)	(100.00)	-	1.09	-
Share of profit (loss) from investments in joint ventures	(133.30)	(21.03)	2.56	(112.26)	533.62	6.08	(0.62)	0.07
Financing expenses	(68.13)	(42.55)	(35.06)	(25.58)	60.11	(3.11)	(1.26)	(0.91)
<b>Loss before income tax</b>	<b>(527.88)</b>	<b>(106.46)</b>	<b>(48.61)</b>	<b>(421.41)</b>	<b>395.83</b>	<b>(24.06)</b>	<b>(3.16)</b>	<b>(1.25)</b>
Income (expense) from tax income	(12.44)	(6.09)	(10.69)	(6.35)	(0.57)	(0.57)	(0.18)	(0.28)
Loss for the year	(540.32)	(112.55)	(59.30)	(427.76)	380.05	(24.63)	(3.34)	(1.53)
<b>Loss attributable to the Company</b>	<b>(541.03)</b>	<b>(111.96)</b>	<b>(36.63)</b>	<b>(429.06)</b>	<b>383.23</b>	<b>(24.66)</b>	<b>(3.32)</b>	<b>(0.94)</b>

## Performance Analysis

### 1. Income

Income	2021	2021	2021	Change		% per total		
	MB.	MB.	MB.	MB.	%	2023	2022	2021
1. Construction Services								
Civil Works	1,359.41	2,256.15	2,204.95	(896.73)	(39.75)	66.89	66.89	56.71
Pipeline System	472.51	724.84	1,569.58	(252.34)	(34.81)	21.49	21.49	40.37
Engineering System	-	-	(27.39)	-	-	-	0.00	(0.70)
Other Services	292.59	302.83	72.33	(10.24)	(3.38)	13.34	8.98	1.86
<b>Total construction services revenue</b>	<b>2,124.51</b>	<b>3,283.82</b>	<b>3,819.47</b>	<b>(1,159.31)</b>	<b>(35.30)</b>	<b>96.87</b>	<b>97.36</b>	<b>98.23</b>



Income	2021	2021	2021	Change		% per total		
	MB.	MB.	MB.	MB.	%	2023	2022	2021
2. Other Services	16.76	57.87	17.48	(41.11)	(71.04)	0.76	1.72	0.45
3. Sales	-	1.60	8.40	(1.60)	(100.00)	0.02	0.05	0.22
<b>Revenue from construction services, sales and other services</b>	<b>2,141.27</b>	<b>3,343.29</b>	<b>3,845.35</b>	<b>(1,202.02)</b>	<b>(35.95)</b>	<b>97.60</b>	<b>99.12</b>	<b>98.90</b>
Other Income	52.61	29.73	42.91	22.88	76.97	2.40	0.88	1.10
<b>Total Revenue</b>	<b>2,193.88</b>	<b>3,373.02</b>	<b>3,888.26</b>	<b>(1,179.14)</b>	<b>(34.96)</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>
Construction revenue from government projects	1,187.07	2,198.30	2,225.70	(1,011.23)	(46.00)	54.11	65.17	58.27
Construction revenue from private sector projects	937.44	1,085.52	1,593.77	(148.08)	(13.64)	42.73	32.18	41.73

## 2023 Operating Performance

1. Revenue from construction services was Baht 2,124.51 million, decreased Baht 1,159.31 million or 35.30 % decrease due to completion of the large scale projects whereas there was no additional ones in 2023. In addition, since some construction projects could not be proceeded as per the construction plan due to no permission from the landowners to access the construction site; Raw Water Pipeline System Klong Luang Reservoir- Chonburi, Conversion of Overhead Line to Underground System Project, Ratchadaphisek-Asoke Route and Conversion of Overhead Line to Underground System Project, Rama IV Route.

The Company recognized revenue from civil works of Baht 1,359.41 million and pipeline system of Baht 472.51 million mainly recognized from; 4 highway construction projects of Department of Highway of Baht 451.58 million, Design and Construction of Oil Tank for private sector companies of Baht 292.69 million and Construction of the Medical Building for Thabo Crown Prince Hospital Project, Nong Khai Province of Baht 276.00 million, etc.

2. In 2023, the revenue from other services was Baht 16.76 million of a subsidiary from GPS program development and installation of a government agency.

3. Other revenue of Baht 52.61 million gained from subcontractor bank guarantee claim for breach of contract of a project, compensation for damage arisen to a construction project claimed from insurance company and adjustment of estimation for project bank guarantee due to expiry of warranty period.

Other Income	2023	2022	2021	Change		% per total		
	MB.	MB.	MB.	MB.	%	2023	2022	2021
1. Compensation from insurance Company	15.94	1.03	10.70	14.91	50.15	(9.67)	(0.23)	24.92
2. Goods/Services/Rental charges from contractors	12.98	8.46	13.80	4.52	15.20	(5.34)	(0.12)	32.15
3. Non-deductible expenses	3.96	2.65	6.35	1.31	4.41	(3.70)	(0.09)	14.80
4. Review of engineering design services charges	-	2.00	-	(2.00)	(6.73)	-	-	-
5. Gain on loss of subsidiary's controlling proportion	-	2.04	1.90	(2.04)	(6.86)	0.14	-	4.40
6. Scrap sales	5.18	-	0.79	5.18	17.42	(0.79)	(0.02)	1.85
7. Compensation on materials' increased prices (K value)	1.11	-	0.32	1.11	3.73	(0.32)	(0.01)	0.74
8. Others	12.33	12.34	8.56	(0.01)	(0.03)	3.78	0.09	20.00
<b>Total other income</b>	<b>51.50</b>	<b>28.52</b>	<b>42.42</b>	<b>22.98</b>	<b>77.30</b>	<b>(13.90)</b>	<b>(0.32)</b>	<b>98.86</b>
Interest income	1.11	1.21	0.49	(0.10)	-	0.72	0.02	1.14
<b>Grand total of other income</b>	<b>52.61</b>	<b>29.73</b>	<b>42.91</b>	<b>22.88</b>	<b>0.53</b>	<b>(13.18)</b>	<b>(0.31)</b>	<b>100.00</b>

## 2. Cost

Cost on administrative and financial expenses

Cost on administrative and financial expenses	2023	2022	2021	Change	
	MB.	MB.	MB.	Million Baht	%
1. Construction cost	2,247.41	3,067.46	3,625.75	(820.05)	(26.73)
2. Other Service costs	14.75	52.05	10.24	(37.30)	(71.66)
3. Cost of sales	-	1.22	8.16	(1.22)	(100.00)
<b>Total cost</b>	<b>2,262.16</b>	<b>3,120.73</b>	<b>3,644.15</b>	<b>(858.57)</b>	<b>(27.51)</b>
Administrative expenses	258.03	258.32	260.21	(0.29)	(0.11)
Loss on subsidiary dissolution	-	36.85	-	(36.85)	(100.00)
Financial cost	68.13	42.55	35.06	25.58	60.12

1. The financial cost was Baht 68.13 million showing an increase of Baht 25.58 million or 60.12 % due to overdrafts and loans from financial institutions and short-term loans from related parties for working capital. As of December 31, 2023, the Company's overdrafts and loans from financial institutions was Baht 878.46 million and Baht 280.10 million of short-term loans from related parties.
2. The administrative expenses was Baht 258.16 million similar to the administrative expenses of the previous year which were mainly for employee salary, expenses related to employees, depreciation and amortization.

## Financial Analysis

### • Total Assets

On 31 December 2023, the Company and subsidiaries had total assets of Baht 3,926.88 million. This decreased from 31 December 2022 of Baht 4,353.49 million or 9.80 % decrease. The current assets of 2023 were Baht 3,165.09 million showing a decrease of Baht 386.32 million from the previous year or 10.88 % decrease whereas non-current assets were Baht 761.79 million showing a decrease of Baht 40.19 million from the previous year or 5.01 % decrease as details shown below:

Statement of Financial Position	2023	2022	2021	Increase (Decrease)		% per total		
				MB	%	2023	2022	2021
Current Assets	3,165.09	3,551.41	3,243.64	(386.32)	(10.88)	80.60	81.58	79.20
Other non-current assets	761.79	801.98	851.69	(40.19)	(5.01)	19.40	18.42	20.80
<b>Total assets</b>	<b>3,926.88</b>	<b>4,353.49</b>	<b>4,095.33</b>	<b>(426.61)</b>	<b>(9.80)</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

The list of significant assets include :

1. Significant current assets include trade receivables & other current receivables and assets from contracts of Baht 203.30 million and 2,387.17 million respectively. The trade receivables & other current receivables decreased Baht 43.73 million from the previous year or 39.54 % decrease due to a reduction of construction service income whereas the assets from contracts decreased Baht 355.12 million from the previous year or 12.95 % since the Company could collect the construction payment corresponding to the conditions of the contracts.

## 2. Trade receivables and other current receivables are as follows:

Net-trade receivables for 2023 amounted to Baht 163.47 million compared to 170.46 million in 2022 which decreased Baht 6.99 million due to reduction of income and collection of payment corresponding to the conditions of the contracts. In 2023, there was Baht 106.72 million of undue trade receivables equivalent to 65.287 %, not exceeding 3- month overdue amounting to Baht 19.86 million or 12.15 %, and over than-12 month overdue amounting to Baht 14.78 million. Expected credit loss allowance of the whole amount was set of Baht 0.21 million. The Company's trade receivables are mainly government agencies and private listed companies having reliable and stable financial position.

Other current receivables in 2023 amounting to Baht 40.66 million, decreased Baht 36.756 million from 2022 were the payment collected from project owners.

3. Non-current assets that decreased consisted of a reduced number of land, building and machinery of Baht 526.17 million while in 2022 Baht 45.82 million due to depreciation record of assets of Baht 55.36 and additional purchases of assets of Baht 10 million.
4. Trade receivable turnover ratio in 2023 was higher than the previous year; 28 times with average collection period of 119 days whereas in 2022 at the rate of 14 times and 119 days. The customers are mostly government agencies and private listed companies having reliable and stable financial position. In addition, 2023 had a liquidity ratio of 0.77 times which was the same ratio as 2022 while quick current liquidity ratio was 0.89 times due to a reduction of trade receivables.
5. Asset yield and asset turnover rate in 2023 were -13.05 % whereas in 2022 were -2.65 due to additional operating loss.

- **Liabilities and Shareholders' Equity**

Statement of Financial Position	2023	2022	2021	Increase (Decrease)	
				MB	%
Current liabilities	4,091.17	3,987.67	3,655.56	103.50	2.60
Non- Current liabilities	74.42	62.89	71.97	11.53	18.33
Total Liabilities	4,165.59	4,050.56	3,727.53	115.03	2.84
Equity of the Company's shareholders	(240.66)	300.37	399.41	(541.03)	(180.12)
<b>Total of liabilities and equity of shareholders</b>	<b>3,926.88</b>	<b>4,353.39</b>	<b>4,095.33</b>	<b>(426.51)</b>	<b>(9.80)</b>

List of significant liabilities and shareholders' equity include :

1. Significant increase in current liabilities such as trade account payable and other current payable of Baht 103.50 million which increased Baht 2.60 million or 2.604 % increase due to higher construction project costs under the process of billing and overdrafts and short-term loans from financial institutions of Baht 878.46 million showing a decrease of Baht 61.45 million or 6.53 % decrease due to the operating loss causing requirement of more loans from the financial institutions for working capital.
2. Trade payables and other current payables in 2023 was Baht 987.11 million, increased from 2022 of Baht 198.19 million or 25.12 % increase. Related business-trade payables in 2023 was Baht 38.27 million or decreased Baht 3.09 million from 2022. Unrelated business - trade payables in 2023 was Baht 839.63 million, increased Baht 183.50 million or 28.09 % increase from the previous year, with trade payable turnover rate and repayment period of 3.03 times and 119 days compared to 2022 having a rate of 4.57 times and 79 days whereas cash cycles in 2022 and 2021 was - 91 days and -53 days, respectively. The Company received credit term for payment to trade payables longer than term received from trade receivables. For other current payables such as assets purchase trade payables was Baht 2.46 million, interest payment to unrelated parties of Baht 20.22 million due to loans for working capital and unrelated-party expenses of Baht 86.49 million.
3. Shareholders' equity was Baht -238.71 million decreased Baht 541.54 million or 178.83 % decrease from the previous year due to the operating loss of Baht 540.3 million by reducing with other comprehensive income of Baht 0.71 million.

The Company proceeded the subscription of shares as per the following sequences; on November 27, 2023, the 1/2023 Extraordinary General Meeting of Shareholders resolved the right offering of 2,396,786,710 new ordinary shares at par value of Baht 0.125 per share to existing shareholders based on share proportion at the allocation rate of 4 existing shares per 1 newly ordinary share at the offering price of Baht 0.20 per share to support the group of companies' liquidity. The subscription of shares was undertaken during January 22-26, 2023 from which the subscription payment was totally Baht 479.63 million.

On February 1, 2023, the paid up capital was registered with an amendment to item 4 of the memorandum of association with the Department of Business Development, Ministry of Commerce. As a result of the increase of capital, should the amount obtained from share subscription be included with the 2023 operating performance, the Company's and subsidiaries' equity to shareholders shall be positive at the approximate Baht 240.65 million and currently, there was no any matters that cause significant negative effect towards the equity of shareholders.

### Liquidity and Capital Adequacy.

The Company and subsidiaries had cash and cash equivalents balance as of 31 December 2023 of Baht 27.03 million, increased Baht 11.32 million from the end of last year having cash balance of 15.71 million as details shown below:

Cash Flow Statement	2023	2022	2021
Net cash from (used in) operating activities	54.97	(160.56)	30.14
Net cash used in investment activities	(145.89)	(39.51)	(101.05)
Net cash from financing activities	102.95	166.47	36.02
Variance from increase of financial statement conversion	(0.71)	(3.63)	(1.95)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>11.32</b>	<b>(37.23)</b>	<b>(36.84)</b>
Cash and cash equivalents at the beginning of the year	15.71	52.94	89.78
<b>Cash and cash equivalents at the end of the year</b>	<b>27.03</b>	<b>15.71</b>	<b>52.94</b>

Changes in cash and cash equivalents for the year ended 31 December 2023 separated by activities as follows:

- Net cash (used) in operating activities amounted to Baht 54.97 million due to operating loss of the current year.
- Net cash used in investment activities amounted to Baht -145.89 million mainly due to an increase of restricted Bank deposits of Baht 32.65 million to be as mortgages for bank guarantee issuance as per the construction contracts, an additional investment of a joint venture for business expansion in a main operating system development project of a government agency, an investment in an associate, totally Baht 119.25 million for conducting the project feasibility study in order that such a project shall be reimplemented, cash paid for purchases of assets, land, building and equipment of Baht 9.59 million.

- Net cash from financing activities amounted to Baht 102.95 million mainly from short-term loans from related parties of Baht 239 million whereas cash paid for loan repayment, interests and lease liabilities were Baht 74.29 million.

#### Equity Adequacy Ratio

Financial Ratio	2023	2022	2021
Debt to Equity Ratio (Times)	(17.45)	13.38	10.13
Interest payment capacity ratio (times)	(4.13)	0.62	1.59
Capacity to pay obligation ratio	(0.25)	0.03	0.07

At the end of 2023, the Company and subsidiaries had a debt-to-equity rate of -17.45 times, increased from 13.38 times of the previous year with interest payment capacity ratio of -4.13 times, decreased from 0.62 times of the previous year. Moreover, capacity to pay obligation ratio was -0.25 times, decreased from 0.03 times of the previous year due to operating loss.

The Company and subsidiaries had sources of funds from operations and short-term loans from commercial banks and related parties. Loans used for project administration were usually short-term to medium-term loans in a form of project finance. Banks that provided credit limit directed the Company to transfer the right in receiving work payment to the banks. Project owner would make payment of services by transferring to the Company's deposit account opened with the credit-provider bank. Should the Company comply with the terms of the credit limit usage, the Company will have no debt exceeding the credit limit and be able to withdraw the payment of construction works. Additionally, in 2022, there remained an increase of short-term loans from related parties of Baht 73.30 million as well.

#### Debt obligations and management of obligations outside the statement of financial position.

The Company disclosed details in the notes to the financial statements, item. 34.3, "Expected Obligations and Liabilities".

#### Factors Affecting Future Performance

At present, even though the situation of the COVID-19 pandemic has declined, the war between Russia and Ukraine remains exist and it is difficult to forecast the end of the war that may cause higher price of materials in the future. The Company therefore tries its best effort to run business carefully and cautiously by issuing advance purchase orders to prevent a price hikes of main construction materials such as steel, pipe, concrete that may be arisen in the future.

Even though the competition in the construction industry has increased, the Company continues considering to be awarded for the new projects with caution by choosing projects that

can generate profits from financially stable customers, especially government agencies and stable private companies to generate revenue and profits for the Company continuously.

The Company also explores the investment opportunities through subsidiaries and associates in renewable energy-related projects, basic utilities, and Smart IOT-related systems to generate continuous and stable income in the future.



## 5. General and Other Important Information

## 5. General and Other Important Information

### 5.1 General Information

#### 5.1.1 Company Information

<b>Company Name</b>	TRC Construction Public Company Limited
<b>Stock Symbol</b>	TRC
<b>Company Registration No.</b>	0107548000293
<b>Business Type</b>	Construction and engineering design services in pipeline systems and large plants of the petrochemical, oil and natural gas industry including project development and investment in energy, utilities, power plants and petrochemicals
<b>Head Office Location</b>	8 Soi Sukhaphiban 5 soi 32 , Tha Raeng, Bangkhen, Bangkok 10220 Telephone : 0-2022-7777 Fax : 0-2022-7788 Website : www.trc-con.com
<b>Registered Capital</b>	THB 1,198,383,354.75
<b>Issued and fully paid capital</b>	THB 1,198,383,354.75
<b>Ordinary Shares</b>	9,587,146,838 shares
<b>Par value per share</b>	0.125 Baht
<b>Company Secretary</b>	Tel : 0-2022-7777 Ext. 4803, 4824 Fax : 0-2022-7778 Email : CoporateSecretary@trc-con.com

#### 5.1.2 Reference Person

<ul style="list-style-type: none"> <li>● <b>Securities Registrar</b></li> <li>● <b>Thailand Securities Depository Co., Ltd.</b> 93 Stock Exchange of Thailand Building Ratchadapisek Road, Dindaeng, Dindaeng, Bangkok 10400 Phone : 0-2009-9000 Fax : 0-2009-9992</li> </ul>	<ul style="list-style-type: none"> <li>● <b>Auditor</b></li> <li>● <b>Dharmniti Auditing Co., Ltd.</b> 178 Thammaniti Building, 6th-7th Floor, Soi Prachachuen 20, Prachachuen Road, Bang Sue, Bang Sue, Bangkok 10800 Thailand Phone : 0-2596-0500 Fax : 0-2596-0560</li> </ul>
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## 5.2 Other important information

### Legal Disputes

#### 1. Black Case No. 2401/2554, 341/2555 and Red Case No. 1208-1209/2558 (Administrative Court)

On December 29, 2011, the Company filed a lawsuit against the government agency and its parties to Central Administrative Court for the allegation to pay compensation amounting to Baht 27,502,024.46 with interest of 7.5% per annum from the day after the indictment onwards until the payment is complete due to the violation of the officer's abuse of power and considered using discretion to issue unlawful orders, including a collateral seizure of Baht 20,000,000.

On December 29, 2011, the Company filed a temporary protective request with the Central Administrative Court in which the court ordered the request to be dismissed on February 3, 2012.

On May 20, 2015, the Central Administrative Court ruled that the Electricity Generating Authority of Thailand to return collateral and the offer of electricity sales which was the letter of guarantee of the second litigant dated August 31, 2007 of Baht 20,000,000, provided that the Company and the bank jointly or interchangeably be liable to repay Baht 10,000,000 with interest of 7.5% per annum of the principal amounting to Baht 10,000,000 from the date of the case (December 28, 2011) until payment is completed by payment within 60 days from the date the case ends. Any other parts that the litigants have sued were all dismissed.

On June 19, 2015, the Electricity Generating Authority of Thailand appealed the decision of the Central Administrative Court to allow the Company and the bank to jointly or interchangeably pay Baht 20,304,109.58 with interest at the rate of 7.5% per annum of the principal amounting to Baht 20,000,000 from the date of the case until payment to government agencies.

On September 11, 2015, the Company filed a request to extend the appeal of the Electricity Generating Authority of Thailand. Since the case had many details, it took more time to resolve the appeal.

On October 16, 2015, the Company filed an appeal to the Supreme Administrative Court.

On December 30, 2021, the Company placed the money in accordance with the decision of the Central Administrative Court with interest of 7.5% per annum totaling Baht

17,506,164.38 so that the parties could receive the amount to close the case and the Company would make a petition to the court to order the parties to return the bank's letter of guarantee to the Company.

On February 14, 2022, the Company had filed to the court to order the government agencies to return the letter of guarantee amounting to Baht 20,000,000 to the Company .

On December 1, 2022, the Company filed a charge to the Administrative Court for money return as the government agency does not pick up the money placed at court to compensate for damage.

On February 2, 2023, the Company received back the money from the Administrative Court.

At present, the case is under appointment scheduling for the judgment hearing of the Supreme Administrative Court.

## **2. Black Dispute Case No. 39/2564**

On July 30, 2021, the Company filed a dispute with a private company to the arbitral institution since the private company breached the contract and requested for compensation of Baht 121,183,444.65.

On September 16, 2021, the private company filed an objection and counterclaim.

On September 29, 2021, the Company filed a request to extend the filing period of the counterclaim. The arbitral institution allowed the extension of the filing period until November 30, 2021.

On November 30, 2021, the Company filed a dissolution of the counterclaim.

On December 22, 2021, the appointment was scheduled to determine the dispute. The arbitrator considered the request against the appointment of the Chairman of the arbitrator, dismissed the Company's request, and informed the Company and the private company of the proceedings on February 14, 2022.

On February 14, 2022, the arbitrator postponed the dispute to March 1, 2022 since the private company had recently received a request from the Company and been unable to make a statement of objection in time.

On March 1, 2022, the arbitrator ordered to raise the claimant's request for determination of the temporary measure to protect its interests during the consideration, disputing issues and witness investigation date of both claimant and respondent and the first witness investigation on July 26, 2022,

Due to the withdrawal of the arbitrator, the witness investigation date was cancelled. Later, name list was proposed to appoint a new arbitrator committee on September 20, 2022.

The Thai Arbitration Institute, by the new appointed arbitrator, scheduled a time frame of witness investigation during February 13 - 14, 2023 for the claimant, and February 16, 17 and 20, 2023 for the respondent.

Later, on June 27, 2023, the arbitrator had a final decision on the Red Case No.44/2566 and on July 26, 2023, the respondent agreed to comply with the arbitrator's final decision by issuing a cashier cheque of Baht 57,488,046.95 to the Company.

### **3. Black Case No. 4156/2562 and Red Case No. 4693/2563 (Ratchada Civil Court)**

On August 1, 2019, the subsidiary filed a lawsuit against two government agencies to the Ratchada Civil Court to pay additional work's expenses and damages due to breach of contract amounting to Baht 28,611,071.51 with interest of 7.5% per annum of the principal of Baht 26,770,593.23 from the date of the prosecution until the payment is completed. The court was scheduled a hearing date or settlement of the issues on 21 October 2019.

On September 6, 2019, the Ministry of Finance filed a request to extend the plea period for 30 days and the court granted permission to extend to 15 October 2019.

On October 9, 2019, the Ministry of Finance filed a second request to extend the plea period for another 30 days and the court granted permission to extend to November 15, 2019. The Tobacco Authority of Thailand also filed a request to extend the plea period for 30 days and the court granted permission to extend to November 20, 2019.

On October 21, 2019, the court postponed the date of the witness examination or settlement of issues date. The rescheduling date was set on November 25, 2019.

Later, on November 25, 2019, it was the settlement of issues date or the witness examination date. However, since the subsidiary has only received testimony from the party in recent days, as well as many complicated details in the case, in order to give the subsidiary the opportunity to fight the case fully and for the sake of justice, the subsidiary requested a postponement of the settlement of issues. The court has granted permission to postpone so that

the subsidiary can review the party's testimony and prepare witnesses and documentary evidence, with a new date set on January 30, 2020.

On January 30, 2020, the Court and both parties proceeded to determine the dispute and set a date for the trial of both parties.

On July 14 and 15, 2020, the date of the testimony of the subsidiary, the subsidiary brought four witnesses to testify.

On July 16 and 17, 2020, the date of the testimony of the party, the party brought four witnesses to testify.

On September 25, 2020, the court ruled as follows

1. The Tobacco Authority of Thailand compensated Baht 4,401,389.50 with interest of 7.5% per annum of the principal from the date of indictment (1 August 2019) and paid court fee on behalf of the subsidiary, with a lawyer's fee of Baht 50,000. For court fee, the Tobacco Authority of Thailand paid only for the portion that the subsidiary won the case.
2. The court dismissed the case that the subsidiary requested a government agency to pay damages and costs between the subsidiary and the Ministry of Finance.

On October 20, 2020, the subsidiary extended the appeal period because the civil court had not completed the verdict.

On November 23, 2020, the Tobacco Authority of Thailand appealed the case to the Court of Appeal to oppose the Court of First Instance's decision, dismissing the case against the subsidiary and allowing the subsidiary to compensate the costs and lawyers' fees to the Tobacco Authority of Thailand. On the same day, the subsidiary filed an extension of the appeal period to prepare additional documents.

On January 22, 2021, the subsidiary filed an appeal to the Court of Appeal to request the Tobacco Authority of Thailand to pay the Company an additional amount of Baht 20,131,728.04.

On September 28, 2021, the Court scheduled both parties to hear the verdict and/or the order of the Court of Appeal on November 30, 2021.

On November 11, 2021, the Court of Appeal dismissed the subsidiary's request to the Tobacco Authority of Thailand. Costs on both the Court of First Instance and the Court of Appeal between the subsidiary and the Tobacco Authority of Thailand, to be taken upon oneself. Other matters remained according to the Court of First Instance's judgement.

On January 10, 2022, the subsidiary filed a request for an extension of the petition to the Supreme Court period since the Company had not agreed to the decision of the Court of Appeal, but due to the coronavirus 2019 outbreak (COVID-19), the petition could not be prepared within the specified period, and on the same day the Supreme Court ordered permission to extend the petition period until February 14, 2022.

On January 16, 2023, the Supreme Court ordered to permit and accepted the petition for consideration and also had the government agency, the second defendant, correct the petition within 15 days from January 16, 2023 onwards.

Presently, the case is under Supreme Court's consideration.

**4. Arbitration Dispute Black No. 35/2564 or Red Case No. 21/2565 and the Central Intellectual Property and International Trade Court. Black Case No. Gor Kor 69/2565 and civil court cases Black Case No. Phor. 3110/2565**

The Subcontractor of the construction project had filed the litigation against the Subsidiary for claims as per the subcontractor contract for 14.15 million Baht (VAT included) with interest at 7.5% p.a. from the claiming date till the proposed date for total dispute amount 16.30 million Baht. This case was under the consideration of the Arbitrators. This case was determined by the Arbitrators.

On March 10, 2022, the Arbitrator had its final judgement to order the subsidiary to pay 9.62 million Baht with interest rate 3% from the judgment date with the responsibility for expenses incurred as the subsidiary did not agree with the judgment.

The subsidiary proceeded to withdraw the judgment of the arbitrator to the Central Intellectual Property and International Trade Court.

On June 24, 2022, the litigant filed a petition to the Civil Court to enforce the final judgment of arbitrator to order the subsidiary to pay the captioned amount as per the arbitrator's judgment. The Court ordered to investigate the petition on August 30, 2022.

On July 12, 2022, the subsidiary filed a petition to the Civil Court to postpone the case consideration as the final judgment of the arbitrator was under the process to withdraw the case by the Central Intellectual Property and International Trade Court.

On August 8, 2022, the court scheduled the hearing for the order to temporarily wait for the court judgment of the case. As the petitioner has filed an objection to the court to judge whether the case was governed by the Intellectual Property and International Trade Court. Later, the court ordered to temporarily wait for the court judgment and proposed to have the Special Court of Appeal make the judgment.

On October 17, 2022, the case was judged by the President of the Special Court of Appeal and proposed to transfer the case to the Civil Court. On December 8, 2022, the court permitted the subsidiary to appoint a lawyer. Later, on December 26, 2022, the witness investigation of 2 parties took place between the petitioner and the subsidiary.

On February 11, 2023, the court carried out the witness investigation and petition hearing of both parties and scheduled for the hearing on June 24, 2023. Presently, the case is under court investigation.

On March 24, 2023, the court ordered to enforce the arbitrator's final decision that the subsidiary had to pay Baht 9,615,070.72 with interest rate of 3 per cent per year, to the claimant, starting from March 10, 2022 onwards until completion of payment.

On April 12, 2023, the subsidiary submitted the court a request for extension of appeal period and the court approved such a request by extending the appeal period until May 24, 2023.

On May 24, 2023, the subsidiary submitted the appeal to the court with its copy sent to the plaintiff.

The case has not yet reached the final judgement. The management of the subsidiary believes the information to fight the case is adequate and stands a chance to win the case. The subsidiary has not considered providing a provision in the financial statements.

## **5. Black Case No. Phor. 2367/2565**

On January 14, 2022, the project contractor of the subsidiary filed a charge against the subsidiary on breaches of products and installation service agreement and claiming



damages from the subsidiary Baht 66.88 million with interest of 15 percent per annum of the principal of Baht 61.77 million from the filing date until payment is completely made to plaintiff. The court scheduled for settlement of issues and defined the guidelines of taking legal action or witness investigation on April 4, 2023.

On April 4, 2023, all concerned parties came to the court; however, since the subsidiary filed a counterclaim against the plaintiff, it was necessary for the court to provide time for the plaintiff to submit a reply to the counterclaim. The court therefore determined the date of settlement of the issue to be on May 9, 2023.

On May 9, 2023, the date of settlement of issue and defining the guideline to take legal actions, both parties came to the court, reviewed the accusation, the defendant's testimony and counterclaim, as well as the facts that both parties declared. The court was of the view that the case was the dispute as followings; 1. the plaintiff or the defendant was the party, who breaches the contract, and 2. How much the damage costed.

For both parties' interests, the court made an appointment for mediation on July 26, 2023 at 09.00 hrs.

The plaintiff's and defendant's witness investigations were appointed on November 15 - 17, 2023 and November 23, 2023 during 09.00-16.30 hrs.

On July 26, 2023, both parties came to the court and negotiated on compensation for damage. Initially, each party would proposed the discussed compensation amount to the management of each party and negotiate with each other before the next date of the court's appointment. The court therefore postponed the mediation date to be on August 30, 2023 at 09.00 hrs.

On August 30, 2023, at 09.00 hrs., both parties could not reach the settlement, this case therefore entered into the proceedings of witness investigation.

On November 15, 2023, since both parties could reach the settlement, the court then had a consent judgement to have the subsidiary pay Baht 54,000,000 to the plaintiff by 12 installments; the 1<sup>st</sup> to 3<sup>rd</sup> installments of not less than Baht 3,000,000 per month, the 4<sup>th</sup> to 12<sup>th</sup> installments of not less than Baht 5,000,000 per month, starting the 1<sup>st</sup> installment from February 29, 2024 and to be completed within January 31, 2025.

Presently, this case has been settled and under payment proceedings as per the settlement agreement.

## Part 2 Corporate Governance

## 6. Corporate Governance Policy

## 6. Corporate Governance Policy

### 6.1 Overview of Corporate Governance Policy and Code of Conduct

Realizing and placing an importance on effective management with transparency and accountability that shall ensure all concerned parties and enable sustainable growth to the Company's business under ethical operations and compliance with related laws, the Company's Board of Directors therefore defines the corporate governance policy to upgrade existing operations to be clearly systematic and standardized on the purpose of promoting the Company to be the organization operating under corporate governance code as well as having standard business management whereas the practical guidance is subsequently delivered to employees at all levels to completely enhance corporate governance culture. The Company has a policy or operations protecting the basic rights that shareholders are fairly entitled to under the regulatory obligations or more for long-term and sustainable highest interests of shareholders and stakeholders with ethics, transparency and accountability and such a policy was established in compliance with the corporate governance principle for listed companies of the Securities and Exchange Commission, Thailand including related regulations of the Stock Exchange of Thailand and criteria of ASEAN CG Scorecard to be as a guideline for running business of directors, executives and employees. Additionally, this captioned policy and practical guideline has been reviewed on yearly basis in order to cope with any change maybe arisen by business operating, environment, situation or related regulatory laws within regulatory obligations with ethics, fairness and equality. The handbook of corporate governance, business ethics and code of conduct as well as anti-corruption policy for directors, executives and employees are arranged as a guideline disclosed on the Company's website, item "Sustainability/Corporate Governance" and attached to the Company's work rules distributed to all employees including reviewing on appropriateness of compliance with the corporate governance principle for listed companies B.E. 2560 (Corporate Governance Code : CG Code) as announced by the Securities and Exchange Commission, Thailand.

The Board of Directors announced the "Corporate Governance Policy" as resolved by the 8/2022 Board's meeting held on December 16, 2022 to be used as a guideline for directors, executives and employees at all levels. As assigned by the Board of Directors, this captioned policy shall be preliminarily reviewed and considered on yearly basis by the Corporate Governance & Sustainability Committee. The policy was recently reviewed in the 1/2024

Corporate Governance & Sustainability Meeting held on January 23, 2024 and later proposed for approval of the 1/2024 Board of Directors Meeting held on January 23, 2024.

The policy shall be disclosed to all directors, executives and employees of the group of companies to adhere to as a common commitment to the Corporate Governance Code (CG Code) for Listed Companies announced by the Securities and Exchange Commissions, Thailand (“SEC”) containing the following 8 Principles:

- Principle 1 Establish Clear Leadership Role and Responsibilities of the Board
- Principle 2 Define Objectives that Promote Sustainability Value Creation
- Principle 3 Strengthen Board Effectiveness
- Principle 4 Ensure Effective CEO and People Management
- Principle 5 Nurture Innovation and Responsible Business
- Principle 6 Strengthen Effective Risk Management and Internal Control
- Principle 7 Ensure Disclosure and Financial Integrity
- Principle 8 Ensure Engagement and Communication with Shareholders

The policy and guidance of practice for the Board of Directors has been defined in the Company’ s CG Code as shown in this 56-1 One Report Form under the item of “Attachment 5 – Policy, CG Code and Business Code of Conduct” and as shown on the Company’ s website <https://www.trc-con.com/th/home> under item “Sustainability”.

With commitment to strictly conform with the policy and guideline of practices and continuous development of the Company’ s corporate governance, in 2023, the Company was assessed, by the 2023 corporate governance survey (CGR 2023) of Thai listed companies, organized by Thai Institute of Directors (IOD), with score range of “Very Good”.

#### **6.1.1 Policy and Code of Conduct Related to the Board of Directors**

The Board of Directors has independent authority, duties and responsibilities for carrying out the Company’ s management according to relevant laws, the Company’ s objectives and rules as well as legitimate resolution of shareholder meetings. The Board of Directors consists of directors having expertise and capabilities and playing a vital role of determining the Company’ s policy, cooperating with the management for both short-term and long-term operating plan, as well as determining the financial policy, risk management, corporate governance, inspection

and assessment of the Company' s operating result and Executive Committee' s performance to be in line with the operating plan.

Additionally, the Board of Directors has duties and responsibilities for determining and reviewing its structure in terms of composition, qualification, expertise, experience, number of directors suitable for the business and independent director proportion in order to be matched with the Company' s defined objectives and goals. The followings are the policy and code of conduct related to the Board of Directors:

### **1. Composition of the Board of Directors**

The Board of Directors consists of Chairman (must not be the same person with Chief Executive Officer), Vice Chairman, executive directors, non-executive directors and independent directors based on the following principles:

- 1) The number of directors should be suitable with the business size having at least 5 and not over than 12 directors whereas not less than one-half of the total number must have permanent residency in Thailand.
- 2) The Board of Directors' structure comprises at least 3 independent directors or 1-third of a total number of directors who are independent from control of the Company' s management, major shareholders and not concerned with or have any financial and managerial conflict of interest. Moreover, they must contain complete qualifications as per the criteria of independent director qualification notified by the Stock Exchange of Thailand and Securities and Exchange Commission.
- 3) The Board of Directors shall select one of them as the Chairman of the Board.
- 4) Induction for New Director

Upon new director appointment, the Company shall arrange an induction for newly appointed directors and deliver them the charter of the Board, latest 56-1 One Report form, handbook of corporate governance, business code of conduct and anti-corruption policy. Moreover, new directors shall have an opportunity to see video clip presenting significant projects and also slide presentation for introduction to the Company' s business presented by Chief Executive Officer for their acknowledgement and discharge of duties as the Company' s directors.

The Board of Directors appoints the Company Secretary having suitable qualifications and experience to give advice on matters related to relevant laws and regulations required for the Board, maintain and prepare documents for the Board of Directors' meetings as well as all significant documents, and organize the Board of Directors' activities. The Company Secretary shall perform duties and responsibilities with caution, trustworthiness including compliance with relevant regulatory regulations, the Company's objectives and rules, and meeting resolutions of the Board of Directors and shareholders.

## **2. Qualification of the Board of Directors**

The Board of Directors shall supervise on its composition consisting of directors with diversified qualifications, skills, experience, capabilities and characteristics including gender and age necessary for achievement of the Company's objectives and goals. Their essential qualifications are as follows:

- 1) Directors' qualifications must be in compliance with the Public Companies Act and the Company's rules with no unsuitable characteristics to earn trust in managing public companies as per the notifications of the Securities and Exchange Commission.
- 2) Directors shall be capable with experience for the Company's interest, be faithful and ethical in operating business with sufficient time to devote their knowledge and capabilities to fully perform duties for the Company.
- 3) Directors cannot operate any business similar to or competitive with the Company's business or enter as partners or be directors of any business entity similar to the Company's business whatsoever for own interest or other person's interest unless being approved by the shareholders' meeting prior to the resolution of appointment.
- 4) Directors shall immediately inform the Company in case having both directly and indirectly conflict of interest in any agreement made by the Company or in holding an increase or decrease of shares or debentures of the Company or the group of companies.

- 5) Each director shall hold a directorship of not over than 4 listed companies.
- 6) Chief Executive Officer shall obtain the Board of Directors' approval prior to holding any directorship in other business entity unless holding such a directorship of the group of companies and this shall be subsequently reported to the Board of Directors after being appointed by the group of companies.

### 3. Role, Duties and Responsibilities of the Board of Directors

The Board of Directors comprises knowledgeable and capable persons and has its role and duties in determining strategy and policy of operating business, monitoring, evaluating and overseeing the Company's operating results. All directors perform their duties with responsibility, integrity and caution to protect the Company's interests, realize significance of corporate governance to contribute confidence to shareholders and all stakeholders including governing the Company's operations to comply with laws, objectives, article of association of the Company for long-term value creation and highest interests of the Company and shareholders.

#### 1) Vision, Mission and Strategy

The Board of Directors has its policy on regularly reviewing vision, missions and strategies on yearly basis and has the Corporate Strategy Department be responsible for encouraging executives and employees to participate in determining the Company's goal and objectives. In addition, the Board also oversees the implementation of strategies to be concretely applied and evaluates whether it is in line with the defined objectives and/or goals. In 2023, the 10/2023 Board of Directors Meeting held on December 20, 2023 considered and reviewed the Company's vision, missions, goals and core value and publicized for inclusive acknowledgement and disclosed on the Company's website, item "About Us/Vision, Mission and Goal".

In addition, it is the Board of Directors' policy to have the management propose the annual goal to the Board meeting for approval with determination of the organizational key performance indicator in various terms (such as work value gained during the reported year, numbers of new customers, satisfaction level, etc.), weight proportion and criteria for scoring in



each evaluation item in order to evaluate and calculate evaluation results in clear average scores. The Board of Directors also assigns the management to follow up and evaluate the implementation of defined strategies before proposing to the Board meeting and the evaluation results shall be considered as supportive factor for reviewing the Company' s vision, missions and goals, for salary increment consideration and bonus payment, and for determining the goals of the next year.

## 2) Structure, Director Qualifications and Directorship in Other Companies

The Board of Directors consists of 7 directors having complete qualifications, no prohibited characteristics as prescribed in the Public Companies Act, diversity of occupational skills and no limitation of gender. The positions of Chairman of the Board and Chief Executive Officer are clearly segregated whereas the director structure consists of 3 independent directors that are exceeding than 1-third of a total number of directors enabling balance of power and management review.

Director nomination and appointment are preliminarily conducted through consideration on appropriateness by Remuneration and Nomination Committee and each year, at least one-third of directors shall retire by rotation. It is the Company' s policy to allow each director to hold directorship in not over than 4 listed companies whereas Chief Executive Officer is required to be approved by the Board before holding directorship in other companies except being a director of the group of companies and such a directorship must be subsequently informed to the Board. Since 2018 onwards, it has been the policy to review the director structure on yearly basis with an arrangement of Board Skill Matrix and Diversify to consider director skills and experiences. In 2023, the 10/2023 Board of Directors Meeting held on December 20, 2023 was of the view that the Company directors had diversity of occupational skills and expertise so as to fruitfully advise for business operating as per the following details:

### Board Skill Matrix and Diversify

## Part 2 Corporate Governance

Name List of Directors	Gender	Skills, Experience and Expertise											Board of Directors			Sub-Committee				
		Politics and Private Sector	Engineering	Finance, Accounting & Audit	Energy, Petroleum & Petrochemistry	Risk Management	Law & Regulation	Business Management	Marketing & Communication	Construction Service	Economics	Corporate Governance &	Non-Executive Director	Executive Director	Independent Director	Audit Committee	Remuneration and Nomination	Corporate Governance	Risk Management Committee	Executive Committee
1. Mrs.Paichit Rattananond	F	✓						✓		✓	✓		✓							
2. Assoc.Prof.Kamjorn Tatiyakavee, M.D.	M	✓		✓		✓		✓			✓	✓			✓	✓	C		C	
3. Mrs.Puangthip Silpasart	F			✓	✓	✓		✓			✓	✓			✓	✓	✓	C		
4. Mrs.Rachadaporn Rajchataethewindra	F			✓	✓	✓	✓	✓			✓	✓			✓	C	✓	✓	✓	
5. Mr.Pasit Leesakul	M			✓		✓		✓	✓	✓	✓			✓			✓		✓	✓
6. Mrs.Podchanee Phaosavasdi	F			✓		✓		✓	✓		✓	✓		✓			✓	✓	✓	✓
7. Ms.Pavita Leesakul	F			✓		✓		✓			✓	✓		✓				✓	✓	✓*
<b>Total</b>		<b>2</b>	<b>-</b>	<b>6</b>	<b>2</b>	<b>6</b>	<b>1</b>	<b>7</b>	<b>2</b>	<b>1</b>	<b>7</b>	<b>5</b>	<b>1</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>5</b>	<b>4</b>	<b>5</b>	<b>3</b>

- Remark
1. The Board of Directors lacks person having knowledge, capabilities and expertise in engineering.
  2. The proportion of independent directors equals to 42.86 % of the total number of directors.
  3. Executive Committee consists of 3 directors and 2 executive directors, totally 5 persons.
  4. Ms.Pavita Leesakul was appointed as the executive director and President by the resolution of the 7/2023 Board of Directors Meeting on September 26, 2023.

However, to comply with the CG Code, 2 more independent directors should be additionally nominated in order that the independent director proportion will be over than 50 per cent.

At present, there is any one of directors holding directorship over than 4 listed companies that is in line with recommendation of the Stock Exchange of Thailand and the Company's policy. Details of directorship of each director are as shown in "Attachment 1: Details of Director, Executive, Controlling Person and Company Secretary".

#### 4. Leadership and Board of Director Independence

The Board of Directors consists of Chairman (who is not the same person with Chief Executive Officer), Vice Chairman, executive directors, non-executive directors and independent directors having essential leadership and independence as follows:

- 4.1 The Board of Directors plays a vital role of determining the Company's policy, vision and supervising the management to carry out their duties according to the defined policy with independent decision-making for advantage of the Company's operation and all stakeholders.
- 4.2 The Board of Directors shall consist of external independent directors having knowledge and capabilities whereas those can sufficiently access financial data and other business data to enable them to express their opinions independently, protect all concerned's interests, regularly attending the meetings as well as arranging their independence certifying reports at least once a year by disclosing director information at the end of the year in the Company's 56-1 One Report Form.
- 4.3 All directors shall have qualification of independence as per the notifications of the Securities and Exchange Commission and Stock Exchange of Thailand including other qualifications as defined by the Company in order to be capable of equally looking out for interests of all shareholders and preventing any conflict of interests between the Company's and management or major shareholder or other

companies having the same management/major shareholder. Moreover, they shall also express their opinions in the meeting independently.

#### 4.4 Separation of the positions of the Chairman of the Board of Directors. and Chief Executive Officer

- 1) Chairman of the Board and Chief Executive Officer are not the same person with clearly separated authority and duties as details shown in Section 2 “Corporate Governance, item 7 - One Report) and the Chairman of the Board is Mrs. Paichit Rattananond, the representative of the major shareholder, who is not an independent director.
- 2) The Company’ s top executive is Mr. Pasit Leesakul holding Chairman of Executive Committee and Chief Executive Officer positions.

#### 4.5 Term of Independent Director

The Board of Directors was appointed by the shareholders’ meeting and has term as per the Company’ s article of association; however, retiring directors can be re-elected. According to the defined term of independent directors to hold directorship not longer than 9 years with no any exception (or not 3 consecutive term), there has been no anyone of directors holding directorship longer than 9 years and independent directors who was re-elected have complete qualifications as per the definition of independent director and are capable with fruitful experience to perform duties independently, no conflict of interest against the Company’ s interests and make decision based on highest interests of the Company as well as being independent from the Company’ s management and major shareholder.

### 5. Appointment of Sub-Committee

To comply with the CG Code, the Board of Directors appoints the sub-committees to scrutinize significant operations particularly assigned matters prior to further proposing for consideration of the Board. The sub-committee members shall be considered and nominated through the Remuneration and Nomination Committee with separate clear duties and

responsibilities. The followings are 5 sub-committees; Audit Committee, Remuneration and Nomination Committee, Risk Management Committee, Corporate Governance and Sustainability Committee and Executive Committee. The written duties and responsibilities of each committee as disclosed on the Company's website and 56-1 One Report Form. The captioned sub-committees have authority to order the Company's executives and employees concerned or required persons to participate in the meetings for clarification and/or presentation and/or employment of advisor to execute required tasks as deemed appropriate.

Furthermore, in order to perform their duties in systematical, careful and proper manner and be capable to control risk maybe arisen in consistent with the good internal control system and decentralization, the Board has approved the enforcement of " Delegation of Authority (or Table of Authority) " to be used as a working guideline of all employees in which indicates division of authority and powers downwards to the subordinates for flexible and rapid discharge of duties and such a delegation has been regularly reviewed to match with the changing situations.

### **5.1 Audit Committee**

As of December 31, 2023, the Audit Committee comprised 3 independent directors having suitable qualifications as per the SEC's criteria with proportion of holding the Company's shares at not exceeding than 0.75 per cent or strictly than 1 per cent as obliged by the SEC.

Since 2015, the Company has appointed EL Business Advisory Co., Ltd. as the internal audit in replacement of the previous Internal Audit Department for independence of the internal audit tasks and directly report to the Audit Committee.

### **5.2 Remuneration and Nomination Committee**

As of December 31, 2023, the Remuneration and Nomination Committee comprised 5 members; 3 independent directors, Chief Executive Officer and an executive director who executes duties of director nomination and considered remuneration of directors, Chairman of Executive Committee and Chief Executive Officer. In 2023, there were 3 meetings held for consideration of the followings issues; the criteria of 2024 salary increment of the Company and its subsidiary and bonus payment based on 2023 operating results, 2024 salary increment and 2023 bonus payment for Chairman of Executive Committee and Chief Executive Officer, director

nomination in replacement of whom retiring by rotation based on their qualifications of having knowledge, experience and expertise suited to the Company' s business operations, including review on the charter of this captioned committee.

### **5.3 Corporate Governance and Sustainability Committee**

The 6/2023 Board of Directors Meeting held on August 11, 2023 passed its resolution to change the name of this committee to be "Corporate Governance and Sustainability Committee".

As of December 31, 2023, the Corporate Governance and Sustainability Committee comprised 2 independent directors and 2 executives who executed duties of overseeing the Company' s corporate governance. In 2023, there were 2 meetings held for consideration and conclusion of 2023 CSR activities, acknowledgement of the 2023 survey results on listed companies' corporate governance and criteria of 2023 CGR under implementation/no implementation, including review on the charter of this committee and suitability of the Company's compliance with 2017 CG Code as per SEC' s announcement.

### **5.4 Risk Management Committee**

As of December 31, 2023, the Risk Management Committee comprised 2 independent directors, Chief Executive Officer and an executive director who executed duties of risk management. In 2023, there were 2 meetings held for acknowledgement of an overview of risk management, approval of risk management plan, and preparation of the annual report (56-1 One Report) for the part related to risk management, and review on the Board of Directors charter. Additionally, there were also the appointment of risk management committee and risk management team to handle tasks related to risk to be in compliance with the Company' s policy, vision and strategies as well as evaluation of risk types.

### **5.5 Executive Committee**

As of December 31, 2023, the Executive Committee comprised 5 executive directors and top executives and Ms.Pavita Leesakul was appointed by the 7/2023 Board of Directors Meeting on September 26, 2023 to be the member of this committee and the Company' s President. This committee executed duties of planning and defining the Company' s policies, directions, strategies and main organizational structure of business operating as well as considering

the Company' s profit and loss, proposing the interim dividend payment or annual one for consideration of the Board of Directors, and taking any actions as assigned by the Board.

### **5.6 Board of Directors Report**

The Board of Directors is responsible for the Company' s and its subsidiary financial statements that are prepared in accordance with the generally accepted accounting standards including adequate disclosure of information in the notes to financial statement. The Board appoints the Audit Committee consisting of independent directors to be responsible for quality of the financial reports and internal control system and the Audit Committee' s opinions on the captioned reports and internal control system shall be presented in the Audit Committee' s report and disclosed in the annual information disclosure form/2023 annual report (Form 56-1 One Report). The report on the Board' s responsibility for the financial statements shall be proposed to the Board' s meeting and disclosed in the annual information disclosure form/2023 annual report (Form 56-1 One Report) as well.

### **6. Director Self-Assessment**

It is the policy of the Board to have all directors conduct the self-assessment in terms of overview and on individual basis through the self-assessment form provided by the Corporate Governance Development for Capital Market Department, the Stock Exchange of Thailand. In 2023, the SET' s assessment form as published in February 2015 was applied with additional updated information of the Company in each item to be supportive for consideration of the Board. The followings are 6 items of the assessment ;

1. The Board' s Structure and Qualifications
2. The Board' s Roles, Duties and Responsibilities
3. The Board Meeting
4. Director Discharge of Duties
5. Relationship with the Company' s Management
6. Director Self-Development and Executive Development

In addition, there are also the individual self-assessment of directors and 4 sub-committees; Audit Committee, Remuneration and Nomination Committee, Corporate Governance and Sustainability Committee and Risk Management Committee (Assessment items; 1. structure and

qualification, 2. meeting, and 3. role, duties and responsibilities). The summary of average scores gained from the assessment results as a whole and on individual basis as well as the sub-committees are proposed to the Board of Directors for acknowledgement and to be used as guideline for improvement of discharge of duties. In 2023, the score range of the whole Board's performance was over than 90 per cent.

#### 6.1 Performance Assessment for Chairman of Executive Committee and Chief Executive Officer

As assigned by the Board, the Remuneration and Nomination Committee preliminarily assesses the performance and annual remuneration of Chairman of Executive Committee and Chief Executive Officer and then proposes the assessment results to the Board meeting for approval of their annual remuneration.

Assessment Item	Weight	Full Score
<b>Part 1: KPIs</b>		
Goal as per policy, quality of works, time management, resource management and expertise	70%	25
<b>Part 2: Behavior Competency</b>		
<b>2.1 Assessment on Working Behavior</b>		
Commitment to success, engagement with the organization, recognition of risk from performance, teamworking and management & partnership	15%	25
<b>2.2 Assessment on Managerial Skill</b>		
Planning and Systemizing, analysis and decision-making, leadership, assignment and monitoring	15%	20

#### Ranking of Performance Assessment

Performance Result	Total Score (%)	Assessment Result
Outstanding	86-100	O
Above Standard	71-85	A



Performance Result	Total Score (%)	Assessment Result
Standard	51-70	S
Need Improvement	30-50	N
Unsatisfactory	0-29	U

The 2023 performance result assessment of Chairman of Executive Committee Chief Executive Officer, Mr. Pasit Leesakul, was 82.70 (A) representing an over standard rank.

## 6.2 Record of Violation against the Stock Exchange of Thailand' s and Securities and Exchange Commission' s Rules and Regulations

The Company has never been any record of violation against the Stock Exchange of Thailand' s and Securities and Exchange Commission' s rules and regulations.

There is no any case of resignation of non-executive independent directors due to the Company' s corporate governance issue or resignation of the whole Audit Committee.

## 7. Succession Plan

The Board of Directors had approved the policy of Chief Executive Officer selection and executive succession plan in emergency case or retirement to prevent any impact to the Company' s operations as specified on the Company' s website:

<https://www.trc-con.com/th/sustainability/corporate-governance/downloads>.

## 8. Director and Executive Liability Insurance

As the Company' s business expansion has been increasingly diversified, the group of companies' directors and executives need to conduct a large number of business transactions and involve in consideration and approval, giving advices, certification and engagement on behalf of the Company subject to their discharge of duties whereas some cases may have risk of claim from outsiders including shareholders and other stakeholders. The Board therefore assigned the management to propose and proceed the Directors and Officers Liability Insurance or D&O with the conditions, insurance limit and its annual premium on yearly basis to protect directors and executives from claims arising from their lawful decisions and actions on the Company' s matters

except any fraudulent acts or corruption that the Company shall not be responsible for arisen loss and all litigation expenses shall be regained from the corrupting directors or executives.

### 9. Balance of Power of Non-Executive Directors

As of December 31, 2023, the Board of Directors comprised 7 directors as follows:

- Chairman of the Board Major Shareholder' s Representative	1	Person
- Independent Director	3	Persons
- Executive Director	3	Persons

### 10. Director and Executive Remuneration

The Remuneration and Nomination Committee predetermines remuneration and bonus payment of directors and proposes to the Board of Directors Meeting to be further proposed to the shareholders' meeting for approval as well as proposing the remuneration of Chairman of Executive Committee and Chief Executive Officer to the Board of Directors Meeting for approval. The proposed remuneration has been preliminarily considered based on appropriateness and supportive information from the summary of director compensation survey on listed companies and such remuneration are provided in a form of monthly retainer, attendance fee, pension, bonus or other types of compensation. In addition, directors shall also gain allowance and welfares as per the Company' s regulation whereas the compensation of executives are provided according to the principle and policy set by the Board in relation to the Company' s operating results, their duties and responsibilities.

### 11. Director and Executive Development

It is the policy of the Board of Directors to encourage directors and executives to constantly and continuously obtain training courses to enhance contributable knowledge for more effective discharge of duties i.e. training courses held by the Thai Institute of Directors, Securities and Exchange Commission, Thailand, Stock Exchange of Thailand, Thai Listed Companies Association, Thai Investors Association or other independent entities.

The Company has its policy to officially arrange at least once a year the meeting or workshop seminar for the Company's executives to communicate the policy, goals, directions and strategies of business operating in which the expertise shall be invited as the guest speaker.

The Company Secretary shall inform announcements and rules of the Securities and Exchange Commission, Thailand, Stock Exchange of Thailand or relevant regulatory agencies for acknowledgement of the Board as well as publicizing the Board about seminars and/or activities beneficial to performing duties as a director of the Company.

In 2023, the followings were trainings and seminars obtained by directors and executives:

- Mrs. Paichit Rattananon, Chairman of the Board and Authorized Director, attended Thai-Chinese Leadership Studies 5/2023 held by Thai-Chinese Leadership Institute, Huachiew Chalermprakiet University
- Mrs. Rachadaporn Rajchataewindra, independent director and Chairman of Audit Committee, attended SET online Seminar on "The Importance of Audit Committee and Confidence of the Thai Capital Market" held on November 24, 2023 by the Stock Exchange of Thailand.
- Mr. Pasit Leesakul, director, Chairman of Executive Committee and Chief Executive Officer, attended the 3/2023 CEO Club Program on "Riding the Waves of Mega Trends" held by the Stock Exchange of Thailand.
- Ms. Pavita Leesakul, director and President, attended Engaging Board in ESG 2023 Program held by the Stock Exchange of Thailand and Security Psychology Program (ISP), Class No. 123/2023 held by the Institute of Security Psychology, National Defense Studies Institute.
- Mrs. Phanalee Noragit, Chief Finance Officer attended the following courses:

Institute	Program
Federation of Accounting Professions under the Royal Patronage of His Majesty the King	- How to accurately record Case of TAS16, TAS2 and TAS23 according to the accounting standards

Institute	Program
	<ul style="list-style-type: none"> <li>- Caution of 2023 tax submission and readiness of 2024 financial statement submission</li> <li>- Impact of tax from the change of the accounting standards in 2023 and suggested case studies</li> <li>- Inside Financial Statement Analysis</li> <li>- Requirements of the Federation of Accounting Professions on ethics of accountants</li> <li>- Online Economic Update for CFO “National and International Situations”</li> <li>- E-learning CFO’s Refresher Course “Development of Continuing Accounting Knowledge for Top Executive in Finance &amp; Accounting</li> <li>- Online Risk Management for CFOs</li> <li>- Online “FINTECH “</li> <li>- Online “Green Assets: Opportunities For Sustainable Development”</li> <li>- Online “RPA (Robotic Process Automation) in Finance and Accounting”</li> <li>- Online “ESG Risk Management: Practical Challenge”</li> <li>- Online “What is the future of the CFO role”</li> </ul>

Institute	Program
	- Online “Guideline of Issuing and Offering Bonds for Environmental Conservation”
Thai Listed Companies Association	<ul style="list-style-type: none"> <li>- The 8/2023 TLCA CFO CPD “Guideline of Issuing and Offering Bonds for Environmental Conservation”</li> <li>- The 7/2023 TLCA CFO CPD “Economic Update for CFO (2<sup>nd</sup>)”</li> <li>- The 6/2023 TLCA CFO CPD “What is the future of the CFO role?”</li> <li>- Online Seminar of “Governance System for Fraud Detection”</li> <li>- The 5/2023 TLCA CFO CPD “RPA (Robotic Process Automation) in Finance and Accounting”</li> <li>- The 4/2023 TLCA CFO CPD “Green Assets: Opportunities for Sustainable”</li> <li>- The 4/2023 IR Sharing “How to improve your IR strategy from basic to advanced ?”</li> <li>- The 3/2023 IR Sharing “How to Write an Effective MD&amp;A”</li> <li>- The 3/2023 TLCA CFO CPD “Fintech”</li> <li>- The 2/2023 TLCA CFO CPD “Risk Management for CFOs”</li> </ul>

Realizing that director and executive self-development is essential, the Company therefore arranges training courses in which the expertise in specific fields are invited to be as the guest speakers to pass on knowledge and experience to enable directors and executives to apply

the knowledge gained for the Company's operations and be ready to cope with the Company's future growth. The training course arranged in 2023 are as shown in the "Attachment 1: Details of Directors, Executives, Controlling Persons and Company Secretary".

## 12. Board of Directors Meeting

The Board of Directors and sub-committee meetings have been scheduled in advance on yearly basis whereas the Audit Committee's meeting shall be held at least every 3 months and the extra meeting can be called as deemed necessary.

2023 Meeting Schedule of the Board of Directors and Sub-Committees			
Date	Time	Meeting	Agenda
January 25, 2023	10.00 hrs.	The 1/2566 Audit Committee	Consideration of Disposal of Property and Office Rental
	11.00 hrs.	The 1/2566 Board of Directors Meeting	Consideration of Disposal of Property and Office Rental
February 24, 2023	13.00 hrs.	The 1/203 Remuneration and Nomination Committee Meeting	Consideration of 2022 Financial Statement Consideration of 2022 Financial Statements, and Consideration of Date and Agenda for 2023 Annual General Meeting of Shareholders
	14.00 hrs.	The 2/2023 Audit Committee Meeting	
	15.30 hrs.	The 2/2023 Board of Directors Meeting	
March 14, 2023	14.00 hrs.	The 3/2023 Board of Directors Meeting	Consideration of 56-1 One Report Form/2022 Annual Report
April 20, 2023	10.00 hrs.	The 3/2023 Audit Committee Meeting	Consideration of Connected Transaction on Obtaining Financial Assistance
	11.00 hrs.	The 4/2023 Board of Directors Meeting	Consideration of Connected Transaction on Obtaining Financial Assistance

2023 Meeting Schedule of the Board of Directors and Sub-Committees			
Date	Time	Meeting	Agenda
April 26, 2023	14.00 hrs.	The 2023 Annual General Meeting of Shareholders	
May 12, 2023	14.00 hrs.	The 4/2023 Audit Committee Meeting	Consideration of the Financial Statement Q.1/2023
	15.00 hrs.	The 5/2023 Board of Directors Meeting	Consideration of the Financial Statement Q.1/2023
June 21, 2023	14.00 hrs.	The 1/2023 Risk Management Committee Meeting	
	15.00 hrs.	The 1/2023 Corporate Governance Committee	
August 11, 2023	14.00 hrs.	The 4/2023 Audit Committee	Consideration of the Financial Statement Q.1/2023
	15.30 hrs.	The 6/2023 Board of Directors Meeting	Consideration of the Financial Statement Q.1/2023
September 26, 2023	13.30 hrs.	The 5/2023 Audit Committee Meeting	Consideration of Change in Accounting Policy
	14.30 hrs.	The 7/2023 Board of Directors Meeting	Consideration of Change in Accounting Policy
October 9, 2023	15.00 hrs.	The 8/2023 Board of Directors Meeting	Extraordinary Meeting
November 10, 2023	14.00 hrs.	The 6/2023 Audit Committee Meeting	Consideration of the Financial Statement Q.3/2023
	15.30 hrs.	The 9/2023 Board of Directors Meeting	Consideration of the Financial Statement Q.3/2023
November 27, 2023	11.00 hrs.	The 1/2023 Extraordinary General Meeting of Shareholders	
November 27, 2023	14.00 hrs.	The 2/2023 Remuneration and Nomination Committee Meeting	
	15.00 hrs.	The 2/2023 Risk Management Committee	
December 20, 2023	13.00 hrs.	The Audit Committee Meeting (no participation of the management)	

2023 Meeting Schedule of the Board of Directors and Sub-Committees			
Date	Time	Meeting	Agenda
	14.00 hrs.	The 2/2023 Corporate Governance and Sustainability Committee Meeting	
	15.30 hrs.	The 10/2023 Board of Directors Meeting	

2024 Meeting Schedule of the Board of Directors and Sub-Committees (Subject to Change)	
Date	Meeting
January 23, 2024	The 1/2024 Corporate Governance and Sustainability Committee Meeting
	The 1/2024 Remuneration and Nomination Committee Meeting
	The 1/2024 Audit Committee Meeting
	The 1/2024 Board of Directors Meeting
February 28, 2024	The 2/2024 Remuneration and Nomination Committee Meeting
	The 2/2024 Audit Committee Meeting
	The 2/2024 Board of Directors Meeting
March 14, 2024	The 3/2024 Audit Committee Meeting
	The 3/2024 Board of Directors Meeting
April 29, 2024	The 2024 Annual General Meeting of Shareholders (AGM)
May 15, 2024	The 4/2024 Audit Committee Meeting
	The 4/2024 Board of Directors Meeting
June 21, 2024	The 1/2024 Risk Management Committee Meeting
	The 2/2024 Corporate Governance and Sustainability Committee Meeting
August 9, 2024	The 5/2024 Audit Committee Meeting
	The 5/2024 Board of Directors Meeting
September 18, 2024	The 6/2024 Board of Directors Meeting
November 13, 2024	The 6/2024 Audit Committee Meeting
	The 7/2024 Board of Directors Meeting
November 27, 2024	The 3/2024 Remuneration and Nomination Committee Meeting
	The 2/2024 Risk Management Committee Meeting
December 17, 2024	The 3/2024 Corporate Governance and Sustainability Committee Meeting



2024 Meeting Schedule of the Board of Directors and Sub-Committees (Subject to Change)	
Date	Meeting
	Audit Committee Meeting
	The 8/2024 Board of Directors Meeting

Chairman of the Board plays a role of presiding and monitoring the Board meetings, concluding discussed matters of the agenda for consideration, availing an opportunity for each director to independently express his/her opinions and allocating time of the meeting properly and effectively with supporting from the Company Secretary who prepares the meeting agenda, notice of the meeting and supporting documents to be delivered to all directors 7 days in advance before the meeting date, organizes meeting arrangement, retains meeting documents, gives advice on director compliance with relevant obligations including informing all directors of relevant rules and training courses to be held by concerned agencies that will be contributable for their discharge of duties .

All directors are encouraged to attend the Board meeting regularly or at least 80 % of the total Meeting held in each year and in 2023, there were 10 meetings of the Board held and the whole Board attended every meeting. Details of 10 meetings and attendances of the Board and sub-committees are as disclosed in the item of “Significant Performance Report on Corporate Governance”. Additionally, it is a policy that there shall be at least one Board meeting each year in which executive directors and management team do not join the Board meeting and in 2023, there was such a meeting among independent directors on December 20, 2023.

The followings are additional activities of the Company’ s corporate governance:

- Since 2012, it has been the policy to have a meeting at least once a year between the Audit Committee and auditors without participation of executive directors and management. In 2023, there was such a meeting held in December as per the abovementioned.
- Since 2016, it has been the policy that at least two-third of total directors are required to be constituted for vote casting in each agenda of the Board meeting.

- Since December 2018, it has been the policy to contain the agenda related to directors having vested interests (if any) as the first agenda for consideration of every Board meeting and the involved directors shall not attend the meeting during the involved agenda. In 2023, this was repeatedly emphasized in each agenda before consideration to ensure compliance with the CG Code.

## 6.1.2 CG Policy and Code of Conduct for Shareholders and Stakeholders

### 1.Shareholder and Stakeholder Rights

The Board of Directors places an importance on shareholder participation in meeting and voting rights, gaining profit sharing and dividend payment on fairly basis, acknowledging adequate information, proposing meeting agenda and nominating candidates for director selection prior to the shareholders' meeting, independently raising inquiries and comments in such a meeting, and encouraging directors, executives and auditors to all present attend the shareholders' meeting.

The Company places an importance on the basic rights of shareholders such as meeting attendance and voting in the shareholders' meeting, profit sharing and dividend payment on fairly basis, acknowledging adequate information, advance proposing of meeting agenda and nominating persons for director selection, raising inquiries and comments independently in such a meeting, and also encourages all directors, executives including auditors to all present attend the shareholders' meeting.

#### 1.1) Scheduling the Shareholders' Meeting

The Annual General Meeting of Shareholders has been held according to Section 98 of the Public Companies Act B.E.2535 and item 27 of the Company' s article of association and this meeting to be held within 4 months after end of accounting period.

The meeting apart from the abovementioned shall be called "extraordinary meeting" for which the Board of Directors can call as deemed appropriate.

In 2023, the 2/2023 Board of Directors on February 24, 2023 scheduled the 2023 Annual General Meeting of Shareholders on April 26, 2023 and the 8/2023 Board of Directors Meeting on October 9, 2023 scheduled the 1/2023 Extraordinary General Meeting of Shareholders on November

27, 2023 by conducting via e-meeting (E-AGM) according to the E-Meeting Decree B.E. 2563 which was not held on public holidays or over 3 consecutive holidays and broadcasted from the multi-function room of Company' s head office, 2<sup>nd</sup> floor, No. 8, Sukhapiban 5 Soi 32, Tha Raeng, Bang Khen District, Bangkok.

For the 2023 AGM invitation letter, it was informed to all shareholders via the following 3 channels:

- (1) The original invitation letter was delivered to all shareholders by post.
- (2) The copy of invitation letter was published via a daily newspaper for 3 consecutive days in advance before the meeting date (April 17 -19, 2023).
- (3) Details of the meeting was posted on the Company' s website.

For the invitation letter of the 1/2023 Extraordinary General Meeting of Shareholders, notification was conducted via 2 channels, as obliged in item 28 of the Company's article of association "To publicize notice of the meeting by e-advertising for 3 consecutive days and at least 3 days in advance before the meeting date", as follows:

- (1) The original invitation letter was delivered to all shareholders by post.
- (2) Details of the meeting was posted on the Company' s website.

#### 1.2) Delivering the Invitation Letter in Advance

The resolutions of the 2/2023 Board of Directors Meeting held on February 24, 2023 on scheduling the 2023 AGM, agenda and record date were immediately publicized through the SET's information disclosure portal after the Board of Directors' resolutions on February 24, 2023.

The resolutions of the 8/2023 Board of Directors Meeting held on October 9, 2023 on scheduling the 1/2023 EGM, agenda and record date were immediately publicized through the SET's information disclosure portal after the Board of Directors' resolutions on October 10, 2023.

Prior to the 2023 AGM meeting, the Company availed an opportunity for shareholders to participate in governing the Company' s operations and nominate qualified persons for director selection by raising their questions to be included as the meeting agenda, during September 30 – December 31, 2022 whereas the criteria and process of consideration was disclosed on the

Company's website and SET's information disclosure portal. However, there was no any question, agenda and director nomination from shareholders.

The invitation letter of 2023 AGM and the 1/2023 EGM were prepared in both Thai and English versions with supporting documents published on the Company's website and SET's information disclosure portal whereas the criteria of the meeting such as voting process, right of voting in each agenda (one share/one vote), meeting schedule, meeting agenda and director opinions, including supporting documents and proxy (Form Khor and Kor) and a copy of the 2022 AGM Minutes of Meeting (Both Thai and English) were also published on the aforementioned channels since March 24, 2023, totally 33 days in advance before the meeting date (over 30-day advance before the meeting date), and November 10, 2023, respectively. Thailand Securities Depository Co., Ltd., the Company's securities registrar, was appointed to deliver the invitation letter of both mentioned meetings by post on April 12, 2023 or 14 days in advance before the meeting date and publish the meeting notice via a daily newspaper for 3 consecutive days in advance before the meeting date (April 17-19, 2023)

For the 1/2023 EGM invitation letter, the securities registrar delivered to all shareholders by post on November 10, 2023 or 14 days in advance before the meeting date for sufficiently advance acknowledgement of shareholders and to avail them an opportunity to equally and fairly review details of the meeting as required by law.

In case that any shareholder cannot attend the meeting, the Company shall facilitate by delivering a proxy form so as to notify his/her vote on "agree", "against" or "abstain" in each agenda with an evidence including suggestions on simple proxy for advance preparation that shall not cause any problem to the proxy.

The shareholders who cannot attend the meeting can give their proxy to other person or independent director to attend the meeting and vote their behalves. The proxy form was arranged in a format in which each shareholder can control voting direction and the Company shall propose 2 independent directors as an alternative for proxy of shareholders.

The Company places an importance on information regarding date, time and place of the meeting with clarification and supporting reasons for each agenda or required resolution as

notified in the 2023 AGM notice and 1/2023 EGM or in the complete documents attached to the meeting agenda.

The Company facilitates all shareholders to fully exercise their rights by voting and omits any act that may limit shareholder opportunity in attending the meeting such as meeting with uncomplicated voting process or overspent one, convenient venue and meeting arrangement via E-AGM, etc.

### 1.3) Conducting the Shareholders' Meeting

(1) The 2023 Annual General Meeting of Shareholders was held on April 26, 2023 at 11.00 hrs. in a form of E-AGM according to the E-Meeting Decree B.E. 2563. At the commencement of the meeting as there were 4 shareholders attending the meeting in person, equivalent to 42,061,065 shares and 24 proxies representing 3,252,985,880 shares, totally 28 shareholders or a total of 3,295,046,945 shares or 34.3694 per cent of the total of issued and paid-up shares as at the book closing date (the total of shares was 9,587,146,838 shares), and the quorum constituted as required by laws and the Company's article of association.

Before the commencement of the shareholders' meeting, the chairman of the meeting introduced the directors, legal advisor and auditors of the Company to the meeting for acknowledgment and the legal advisor informed of the meeting practices, casting votes, required numbers of votes in each agenda item as well as questioning and expressing opinions. The meeting was proceeded in sequence of agenda items notified in the notice of the meeting and there were 7 directors, representing 100 per cent of the total directors, attending the meeting. The chairman of subcommittees, members of all subcommittees, Chief Executive Officer and Chief Finance Officer attended the meeting to present and clarify in case of having relevant questions.

Nevertheless, the 2023 AGM had no any change in the sequence of meeting agenda, no additional agenda and no any request for consideration on other matter unnotified in the meeting agenda. For director remuneration agenda, remuneration policy and criteria were proposed for consideration of the shareholders by separating into remuneration of directors, remuneration of committees and remuneration of role-specific director. Additionally, during the agenda of director election, the shareholders voted on qualified director election on individual basis through ballots

to be collected as an evidence whereas for other agenda, the ballots were applied in case of against or abstain vote.

Additionally, the Company's auditor, Dharmniti Plc. by Mr. Peeradech Pongsathiensak, Certified Account No,4752 and Mr.Therdsak Khiwinsak, Audit Manager, were invited to join in the 2023 AGM to act as the witnesses of vote casting whereas CMT Law Office, the independent legal advisor, was invited to announce voting result in each agenda for transparency and compliance with relevant laws and article of association of the Company.

The 2023 AGM adjourned with no any objection against the voting result.

In the 2023 AGM, the Company applied technology to meeting arrangement, vote casting and display of voting result including questioning related to each agenda in a form of E-AGM in order to conduct the meeting, casting votes and display of voting result rapidly, accurately and precisely.

The Company allowed voting in each required agenda together with vote casting for transparency and accountability in case of having any subsequent objection. For the 2023 AGM, it was held in E-AGM form through the online system of Quidlab Co., Ltd. ("Quidlab") for registration and vote casting. Shareholders attending the meeting could access Menu of E-Voting to vote in each agenda in replacement of using a ballot and the voting result was disclosed through the system after voting whereas the resolutions of the meeting were clearly recorded in the minutes of the meeting.

The Chairman of the meeting allocated time appropriately by starting the meeting at 11.00 hrs. and adjourned the meeting at 12.48 hrs. During the meeting, all attending shareholders had opportunities to express their opinions, recommendations and questions in various issues independently and on equitable basis. Directors and executives concerned also participated in the meeting to inclusively answer and clarify all raised questions prior to reaching resolution of each agenda.

(2) The 1/2023 Extraordinary General Meeting of Shareholders was held on November 27, 2023 at 11.00 hrs. through E-AGM form according to the E-Meeting Decree B.E. 2020. At the commencement of the meeting, as there were 5 shareholders attending the meeting in person representing 10,470,266 shares together with 25 proxies representing 3,255,815,453 shares, totally

30 shareholders or a total of 3,266,285,719 shares equivalent to 34.0694 per cent of a total of issued and paid-up shares as of the book closing date (total of shares was 9,587,146,838 shares), the quorum then constituted as required by laws and the Company's article of association.

At the commencement of the shareholders' meeting, the chairman of the meeting introduced the directors, legal advisor and auditors of the Company to the meeting for acknowledgment and the legal advisor informed of the meeting practices, casting votes, required numbers of votes in each agenda item as well as questioning and expressing opinions. The meeting was proceeded in sequence of agenda items notified in the notice of the meeting and there were 7 directors, representing 100 per cent of the total directors, attending the meeting. The chairman of subcommittees, members of all subcommittees, Chief Executive Officer and Chief Finance Officer attended the meeting to present and clarify in case of having relevant questions.

Nevertheless, the 1/2023 EGM had no any change in the sequence of meeting agenda, no additional agenda and no any request for consideration on other matter unnotified in the meeting agenda.

Additionally, CMT Law Office, the independent legal advisor, was invited to announce voting result in each agenda and act as the inspection witness of voting for transparency and compliance with relevant laws and article of association of the Company.

The 1/2023 EGM adjourned with no any objection against the voting result.

In the 1/2023 EGM, the Company applied technology to meeting arrangement, vote casting and display of voting result including questioning related to each agenda in a form of E-AGM in order to conduct the meeting, casting votes and display of voting result rapidly, accurately and precisely.

The Company allowed voting in each required agenda together with vote casting for transparency and accountability in case of having any subsequent objection. For the 1/2023 EGM, it was held in E-AGM form through the online system of OJ International Co., Ltd. ("OJ") for registration and vote casting. Shareholders attending the meeting could access Menu of E-Voting to vote in each agenda in replacement of using a ballot and the voting result was disclosed through the system after voting whereas the resolutions of the meeting were clearly recorded in the minutes of the meeting.

The Chairman of the meeting allocated time appropriately by starting the meeting at 11.00 hrs. and adjourned the meeting at 12.57 hrs. During the meeting, all attending shareholders had opportunities to express their opinions, recommendations and questions in various issues independently and on equitable basis. Directors and executives concerned also participated in the meeting to inclusively answer and clarify all raised questions prior to reaching resolution of each agenda.

#### 1.4) Next Step after the Shareholders' Meeting and Disclosure of Meeting Resolutions

(1) After the 2023 AGM, the resolutions of the meeting were disclosed on April 27, 2023, the meeting date, through the SET's information disclosure portal together with results of voting in each agenda, both "agree", "against" and "abstain", to comply with the CG Code. There was no any invalid ballot since the meeting was held in the E-AGM form with no printing ballot. The minutes of the meeting contained directors' and executives' names and positions, advisor and auditors attending the meeting, vote counting method, a number of votes counted in each agenda, summary of significant inquiries, comments and recommendations of shareholders including clarification of directors and executives in each agenda. The captioned minutes were thoroughly recorded with accuracy and raised issues as well as significant opinions for inspection of shareholders. Additionally, the minutes of the meeting was also submitted to the Stock Exchange of Thailand on December 8, 2023 or within 14 days after the meeting and published on the Company's website in both Thai and English versions for shareholders' acknowledgement and inspection of information prior to the next meeting.

The Company conducted the distribution of minority shareholders (Free Float) as per the SET's obligations on April 5, 2023 and at the book closing date for attending the 2023 Annual General Meeting of Shareholders (AGM), the proportion of minority shareholders was at 69.73%. Later, on November 10, 2023, the book closing date of the 1/2023 Extraordinary Meeting of Shareholders (EGM), the proportion of minority shareholders was at 69.70%.

## 2. Equitable Treatment of Shareholders and Right Protection of Minority Shareholders

The Company treats all shareholders equitably and fairly regardless of minority or majority ones and without considering gender, age, race, nationality, religion, social status and political point



of view. For shareholders unable to attend the meeting by themselves, they can reserve their rights by proxies to other persons to unconditionally attend and vote on their behalves. Moreover, the Company avails an opportunity for shareholders to propose meeting agenda and nominate qualified person for consideration of director appointment as well as raising any questions before the shareholders' meeting under the Board of Directors' criteria. The shareholders having complete qualifications as per the criteria can informally inform their required matters to the Company Secretary and later submit the original notification with relevant evidence to Office of Company Secretary through contact channels or the working unit responsible for information disclosure.

The Board of Directors conducted the shareholders' meeting in the sequence of the meeting agenda, no any additional agenda and no any request for consideration on other matter unnotified in the meeting agenda for fair and equitable treatment to the shareholders not attending the meeting.

The Company avails the independent directors to take care of minority shareholders who can express their opinions, recommendations and complaints to the independent directors through Office of Company Secretary, contact channels or working unit responsible for information disclosure. Those independent ones shall consider and take action as deemed appropriate for each matter. Should it be a complaint, they shall inspect the fact and seek for appropriate solution whereas should it be a recommendation and opinion that may cause an effect towards the whole stakeholders or the Company's operating result, they shall propose such a matter for consideration of the shareholders' meeting to be included as the agenda of the next shareholders' meeting.

#### 2.1) Proxy

In case any shareholder cannot present and attend the AGM, he/she can reserve his/her right by proxy to other person or one of two independent directors attending the meeting as notified in the proxy form in order to unconditionally attend and vote on his/her behalf. The proxy form and details were disclosed on the Company's website on March 24, 2023 or 32 days in advance before the meeting (over 30 days in advance before the meeting). For the 1/2023 EGM, the proxy and details of the meeting were disclosed and published on the Company's website on November 10, 2023 and any additional information required by shareholders could be inquired by phone or email, etc.

## 2.2) Proposing Meeting Agenda and Nominating A Person for Director Appointment

The Company provides a channel for shareholders to advance propose the meeting agenda, nominating a person for director appointment, questioning on matters related to the Company for consideration of the Board of Directors to include such proposed matters in the AGM agenda as details shown in item 1. Shareholder Rights; 1.2) Advance Invitation to the Meeting.

## 3. Roles of Company towards Stakeholders

As the Company places an importance on all stakeholders both internal and external ones with awareness of impact and equitable treatment, the Board of Directors adhere to fairness and ethics towards stakeholders with any discrimination against anyone, no discretion or personal connection of making decision, and avail equitable treatment to all stakeholders with nondiscrimination on the basis of race, nationality, religion or gender with provided guideline of practices to treat stakeholders as follows;

### 3.1) Ethics of Responsibility towards Employees and Workers

Realizing that employees are one of successful factors, significant stakeholder groups and as a key of driving to achieve the Company's goal, the Company therefore communicates vision, missions and goals to employees at all levels and treats them fairly with respect for human rights a per relevant laws and standards in terms of opportunities of career path, competency and skills development and provision of compensation and necessary welfare. Moreover, the safety, health and environmental policy of working is also provided for safety of life and properties including adequate and proper facilities to prevent any injury, accidental death and illness at work. Furthermore, the Company also commits to developing, enhancing culture and good working environment, promote teamwork for employees' confidence and add value for stakeholders appropriately. The Board of Directors therefore defines the policy and guideline of practices on employees as disclosed in the Code of Conduct for adherence throughout the Company.

The Company treats employees on equitable and fairly basis through KPIs assessment to reflect employees' actual performances. The assessment result can be also used for training plan and continued education of employees as well as consideration of fair remuneration.

Additionally, provident funds and various welfares are also provided for employees with safety and sanitation of workplace.

### 3.2) Ethics of Relationship with Shareholder

The Company commits to operating business with transparency and fairness with responsibility and building of shareholders' highest satisfaction as well as an awareness of sustainable growth of the Company's business and continuous appropriate return on investment including transparent operating and reliable accounting system. The Board of Directors also defines the policy and guideline of practices related to shareholders as disclosed in the Code of Conduct and adhered to throughout the Company by considering all shareholder rights on equitable basis regardless of institute or minority ones, intends to conduct business for growth and capability to sustain the operations and long-term competitiveness, and enhances proper and sustainable return on investment for shareholders. Consequently, the dividend payment policy has been defined at not lower than 40 per cent of the Company's net profit for the shareholders whereas significant information has been disclosed accurately, completely and timely on various channels such as information disclosure portal and/or the Company's website.

### 3.3) Ethics of Relationship with Competitors

The Company and subsidiary has a policy to supports free and fair competition for highest interests of customers within the rules of fair and free trade competition that the personnel shall not do business by destroying or restraining the competitors with unlawful ways or apply any unlawful way to obtain the competitor's information, disclose the Company's confidential information to competitors, assault or destroy competitors by defamation or other illegal means, and unfairly cause them loss of opportunities.

### 3.4) Ethics of Relationship with Customers

The Company commits on providing qualified and secured service in line with customers' requirements and regulatory standards with fair price, on-time delivery and strict compliance with conditions and trade agreement, keeping customers' confidential information and not disclose trade secret for its own or other concerned's interests.

The safety at work during operations and completion of works have been considered and emphasized due to the Company's nature of business which is the construction service for

energy and petrochemical industry. Additionally, continuous training programs have been also arranged for employees for achievements with highest security standard.

Furthermore, during construction, the meetings among customers and relevant parties of all projects are regularly held and site visit or explanation are always welcomed to ensure customers on all construction processes. These services then enhance their reliability and satisfaction on standardized achievements. In addition, the Company establishes a call center via email: trc-con.com and Tel. +66 2022 7777 for follow up on notifications, complaint management process and customers to directly contact for raising their complaints and suspicions. In 2023, the company has not received any complaints about unfair procurement processes.

### 3.5) Ethics of Relationship with Suppliers

The Company and subsidiary have clear guideline of practices for procurement and subcontract and criteria of supplier selection with the approved vendor list system for fairness, transparency and accountability of procurement process. To ensure there shall be no conflict of interests of directors, executives and employees, all concerned with transactions must provide their independent certifying letters with the Company's major suppliers.

### 3.6) Ethics of Relationship with Creditors

The Company and subsidiary abide by compliance with the agreements made with the creditors which are financial institutions as well as account payables especially payments for goods and services. In each year, the site visit program has been organized for financial institutions serving loan for such a project to acknowledge the progress of works and also there has been a meeting held between the Company's executives and financial institutions' executives together with loan officers for reviewing and considering the proper credit limit, mortgage, conditions and related fees and to create good relationship between both parties.

### 3.7) Ethics of Responsibility for Community, Society and Environment

Realizing the safety of society, environment and people's quality of life and responsibility to participate in developing society, community and environment, the policy of allocating budget to support projects and activities related to the captioned terms is defined to encourage directors, executives and employees to participate in such corporate social responsibility (CSR) activities including placing an importance on natural resource conservation and effective

energy consumption by delegating this policy to all concerned to be responsible for providing assistance and support to public activities beneficial to society and environment. To comply with the said requirements, the Board of Directors therefore defines the policy and guideline of practices for participation in developing community or society and environmental policy and guideline of practices as disclosed in the Code of Conduct and the Annual Report (56-1 One Report) for adherence of employees throughout the Company.

Apart from the guideline of practices towards the stakeholders, the Company also defines the business Code of Conduct and anti-corruption policy as shown in the 3<sup>rd</sup> and 4<sup>th</sup> part of the Company's Business Code of Conduct for acknowledgement, understanding and strict adherence of directors, executives and employees.

In addition, the Company also discloses the implementation of conformity of the occupational health and safety management system on the item of "Sustainable Business Driving".

#### **4. Information Disclosure and Transparency**

The Company places an importance on disclosure of the Company's financial information to stakeholders. The financial report shall be completely arranged based on the accuracy and accounting standards and to be reviewed by the independent auditors and Audit Committee as per SEC's requirements on accurate and timely manner with compliance with the CG Code.

For any non-financial information concerned with the Company, directors and executives concerned with the Company's or subsidiaries' operations are required to perform in accordance with SEC's regulations on disclosure of information by arranging stakeholders the comprehensive report to ensure that there is no any vested interest in decided matters such as vested interest report of directors, executives or employees concerned, securities holding report and acknowledgement of duty, audit report, internal control report and risk management report, charter of Board of Directors for specific matter, independent director certification and Board of Directors report on specific matter as well as corporate governance compliance report on equally basis and with transparency and reliability through the accessible channels such as SET community portal and/or the Company's website <http://www.trc-con.com> according to the SET's

requirements. The information regarding the Company, financial statements, annual report, news are regularly publicized and updated in both Thai and English for inclusive acknowledgement of all stakeholders.

The Board of Directors has set the requirements for directors and executives to regularly submit the report form on their vested interests whereas the 1/2024 Board of Directors Meeting held on January 23, 2024 defined the policy to have directors and executives inform the Chairman of the Board or Company Secretary by email of their securities trading 1 day in advance before trading. The report on vest interests of directors and employees shall be arranged on yearly basis and every change of interests (if any) including arranging an independence certifying letter on yearly basis. The Company Secretary shall propose the aforementioned report to the Chairman of Audit Committee and Chairman of the Board within 7 days after receiving such a report to comply with the Securities and Exchange Act B.E. 2535. Moreover, the captioned report can be used for inspection and prevention of conflict of interest whereas the report on securities holding shall be conducted according to the requirements of the Company' s governance of internal information use.

Moreover, the captioned report can be used for inspection and prevention of conflict of interest whereas the report on securities holding shall be conducted according to the requirements of the Company' s governance of internal information use.

Apart from the abovementioned information as required by SEC, the Company also discloses other information such as Company' s significant investment, operations, CSR projects, etc. for acknowledgement of shareholders and public.

## **5. Prevention of Use of Inside Information**

The Company defines the guideline of practices, to prevent conflict of interest and use of inside information for wrongful private or other interests, in the Company' s Code of Conduct and discloses to all directors, executive directors, management and employees for acknowledgment and strict adherence including yearly providing them knowledge of prevention of use of inside information.

In addition, to prevent directors, executive directors, management or employees from exploitation of inside information, connected transactions and asset trading against the SET' and SEC' s regulations for trading of Company shares, all directors and management are required to submit their securities holding reports to Company Secretary through the defined channels or working unit responsible for disclosure of information for record and further arrangement of the report on directors' and management' s securities holding for acknowledgement of every Board of Directors Meeting including disclosure in the 56-1 One Report.

### Acquisition and Disposal of Shares Held by Directors and Executives

In 2023, directors and executives acquired and disposed the Company' s shares as follows:

Name	Position	Numbers of shares as of December 31, 2021	Acquired numbers of shares in 2023	Disposed numbers of shares in 2023	Total of shares as of December 31, 2023 (paid up of 1,198,393,354.75 Baht)	
					shares	%
1.Mrs. Paichit Rattananond	Chairman of the Board	34,913,971 (under Mrs.Paichit' s name)	-	-	34,913,971	0.364
		2,712,797,314 (under KPK 1999 Co., Ltd.) <sup>(1)</sup>	-	-	2,712,797,314	28.296
รวม					2,747,711,285	28.660
2. Mrs. Rachadaporn Rajchataewindra	Independent Director and Chairman of Audit Committee	-	-	-	-	-
3. Assoc.Prof. Kanjorn Tatiyakavee, M.D.	Independent Director and Audit Committee	-	-	-	-	-

Name	Position	Numbers of shares as of December 31, 2021	Acquired numbers of shares in 2023	Disposed numbers of shares in 2023	Total of shares as of December 31, 2023 (paid up of 1,198,393,354.75 Baht)	
					shares	%
4. Mrs.Puangthip Silpasart	Independent Director and Audit Committee	-	-	-	-	-
5.Mr.Pasit Leesakul	Director and Chief Executive Officer	10,919,998	-	-	10,919,998	0.114
6. Mrs. Podchanee Phaosavasdi	Director	-	-	-	-	-
7.Ms. Pavita Leesakul	Director and Vice President, Commercial Division	17,645,411	-	-	17,645,411	0.184
8. Mr.Loh Eng Kee	Chief Operating Officer	2,515,574	-	-	2,515,574	0.026
9.Mrs. Phanalee Norajit	Chief Finance Officer	-	-	-	-	-
10.Ms.Rewadee Ard-harn	Senior Accounting Manager	63,200	-	-	63,200	0.001
Total of shares held by directors and executives		Including KPK 1999 Co., Ltd.' s shares 999			2,903,897,171	30.29
		Excluding KPK 1999 Co., Ltd.			183,689,648	1.558

- 1) Remark : (1) KPK 1999 Co., Ltd. is the Company in which Mrs. Paichit Rattananon, Chairman of the Board, holds 50.50 per cent of shares.

## 6. Director Interests

- Any vested director who probably cannot express his/her independent opinions is required not to participate in the meeting considering the agenda related to his/her vested interest.
- The Company discloses all connected transactions, undertaken on fairly basis of market price and regular manner of business upon consideration of Audit Committee and based on



compliance with the criteria of Securities and Exchange of Thailand, on 56-1 One Report Form.

## 7. Prevention of Conflict of Interest

The Board of Directors follows up and deals with any conflict of interest maybe arisen between the Company and the Board or shareholders including prevention of wrongful exploitation in asset, information and opportunity as well as performing any transaction with connected persons in an inappropriate manner as follows:

- 1) It is the Company' s policy that all directors and executives shall disclose every transaction of their acquired and disposed securities.
- 2) It is the Company' s policy that all directors and executives shall report their vested interests to the Audit Committee.
- 3) It is the Company' s policy that all significant connected transactions shall be approved by the Audit Committee.
- 4) The information security system was established including policy and guideline of practices in securing confidential information, management of information that may affect the stock price as well as governing directors, executives and employees including outsiders concerned i.e. legal advisor, financial advisor, to comply with the said system.

## 8. Anti-Corruption

The anti-corruption policy was established by the Board of Directors with written clear guideline of practices to be disclosed to the public via the Company' s website and communicated to all employees at all levels internally and externally throughout the Company to make it practically possible. The said policy defines significant principles; not performing of supporting any corrupted case but strictly conforming with the anti-corruption measure and provision of internal audit to ensure that the internal control system shall help the Company to achieve the goals including inspecting all departments' operations to be in compliance with relevant rules, regulations and also to explore default or weak point as well as giving advice for development of effective and efficient operating system as per CG Code and relevant regulatory requirements of

government sector. The Company's and its subsidiaries' policy is to operate businesses by emphasizing on the anti-corruption with adherence to morality, ethics, business transparency and responsibility towards all stakeholders.

The guideline of practice for directors, executives and employees was defined on business ethics and employee conduct as a part of the Company's "Corporate Governance".

## 9. Penalties for Misconduct against Policy and Guideline of Practices

- 1) The Company's and subsidiaries' directors and executives who exploit any inside information not yet disclosed to the public for their interests including securities trading shall be disciplined; verbal warning, written warning, suspension from job without pay and dismissal, respectively and may be charged for criminal or civil violation as per the Securities and Exchange Act including relevant laws.
- 2) It is prohibited for the Company's and subsidiaries' vested employees including persons concerned to do anything that is related to any form of corruption, for both direct and indirect benefit of oneself, whether one is in the position of being the recipient, giver, or proposer of a bribe to individuals or agencies in government and private sectors, suppliers and customers. Additionally, it is a policy to review the anti-corruption policy on yearly basis to be in line with a change of business, regulations and requirements of relevant laws. In case of violation against the said policy and guideline of practices, disciplined penalties shall be applied according to the articles of association of the group of companies and the violating ones shall be responsible for paying for damage to the group of companies or persons affected by such a violation, and may be charged for the criminal charge in case of prohibited violation.

## 10. Channels of Public Communication

The Company places an importance on accurate, complete, timely, transparent and thorough disclosure of the Company's material information via various channels i.e. the Company's website <https://www.trc-con.com/th/home>, item "Investor Relation"; public relation news, articles of executive interview via magazine, etc. The Board assigns Mr.Pasit Leesakul, Chairman of

Executive Committee and Chief Executive Officer, Ms. Pavita Leesakul, director and Vice President, Commercial Division, and Mrs. Phanalee Norajit, Chief Finance Officer, and the investor relations unit in disclosing material information and communicating with shareholders and other stakeholders such as investors, securities analysts, reporters and concerned authorities. For more information, investors can contact the investor relations unit at telephone number +66 2022 7777 Ext. 5202, 5160 or email to [ir\\_trc@trc-con.com](mailto:ir_trc@trc-con.com)

## **6.2 Ethics and Business Code of Conduct**

The handbook of ethics and business code of conduct was provided for directors, executives and employees with a guideline of practices to enable them to perform their duties and act on standard, ethical and transparent basis as per the CG Code. This will also be beneficial to the entire operating performance to be successful and effective. In addition, it is the Company's commitment to have directors, executives and employees regularly adhere to and perform their duties under this captioned handbook in all cases until becoming their code of conduct.

It is also the Company's duty to assess the result of announcement on Ethics and Business Code of Conduct on yearly basis in order to report how and whether the implementation result is the obstacle and limitation affecting the operating result to the Corporate Governance and Sustainability Committee and Board of Directors, for acknowledgement. This handbook shall be yearly reviewed and updated to be in line with any change of internal and external factors that may cause effect to the business operations as well as for the Company's highest benefits.

In 2023, there was no any misconduct of directors and employees related to ethical issue that severely violated rules and regulations as per consideration of the governing agency.

Details of the Company's ethics and code of conduct was disclosed as per this 56-1 One Report under item of "Attachment 5 – Full Policy and CG Code, Ethics and Business Code of Conduct" and on the Company's website <https://www.trc-con.com/th/sustainability/corporate-governance/downloads> under item of "Sustainable Development".

### 6.3 Significant Change and Development of Policy, Code of Conduct and Business Governance in the Past Year

#### 1. Significant Change and Development of Review on Policy, Code of Conduct and Business Governance or Charter of Board of Directors in the Past Year

The Company strives to operate its business in consistent with the corporate governance with transparency and social, culture and environmental responsibility in parallel with good governance principle to strengthen and develop employees' potential for excellence in all aspects. Additionally, realizing that employees are the valuable assets and key force in driving the Company's operation, the Company therefore emphasizes on human resource development to enable employees to be qualified with adherence to ethics, integrity, and organizational and social responsibility. Furthermore, all employees are also encouraged to participate in the corporate social responsibility activities since the Company believes that developing employees to be capable ones shall promote the advance organizational growth with sustainability.

In 2023, there were significant changes and development of review on policy, code of conduct and business governance including charters of the Board of Directors and sub-committees to continuously promote and support the corporate governance within an organization and at all levels for target achievement and effective change & development of sustainability.

The Board of Directors' discharge of duties on the corporate governance can be concluded as follows:

1. Review on charters of the Board of Directors and sub-committees were made including policy and code of conduct related to the corporate governance especially the policy required for amendment to be proper and in compliance with the 2017 Corporate Governance Principle for Listed Companies of the Securities and Exchange Commission, Thailand and Stock Exchange of Thailand. Such an improvement consisted of CG Policy and handbook of Ethics and Business Code of Conduct, etc.

2. The Company approved the policy to allow minority shareholders to participate in raising questions, proposing meeting agenda and qualified person for consideration of 2023 director

appointment in advance according to the defined criteria as disclosed on the Company's website since September 30, - December 31, 2022.

3. There was a meeting between independent directors and auditors without participation of the Company's management on December 20, 2023.

4. The 2023 meeting schedule of the Board of Directors and sub-committees were determined.

5. The protection of the use of inside information for the group of companies' directors, executives and employees' interests were determined and the Company Secretary Office is responsible for sending a reminder on reporting of changes to holding securities of directors and executives (Form 59-2) including details of black-out period that directors and employees are prohibited from buying or selling the Company's shares or 1 month before disclosure of the Company's financial statements or inside information to the public and within 24 hours after such a disclosure, it is prohibited to disclose the captioned financial information to outsiders including spouses and immature children of the directors, executives and employees as well.

6. The Company communicates and emphasizes all employees on compliance with the Company's corporate governance, business code of conduct, good internal control, rules and regulations including educating directors and executive directors in the Board of Directors Meeting about the prevention of use of inside information. Moreover, a training on this captioned matter is also provided for new employees in every employee induction program.

7. The Company communicates and arranges for all employees the training on the anti-corruption policy to have them acknowledge a guideline of practices for anti-corruption, receiving and handling complaints, investigation and penalty, including keeping confidentiality and protecting whistleblowers.

8. Directors and top executives were required to report the information of their securities trading at least 1 day in advance before trading.

## **2. Compliance with the 2017 Corporate Governance Code**

To comply with the 2017 corporate governance code for listed companies (CG Code), the Board of Directors assigned the Company's management to apply and implement the CG Code

to be matched and proper with the business model including monitoring the implementation results as well.

In 2023, the CG Code was applied in line with the business model by establishing the written corporate governance policy to elevate the corporate governance practices according to standards of the 2017 CG Code and communication on this matter has been continuously conducted to the Board, executives and employees for adherence to together with publicizing this captioned policy on the Company' s website.

### **3. Other Compliances with the CG Code**

In 2023, the Company was evaluated and ranked by the 2023 survey results (the 2020 Corporate Governance Report of Thai Listed Companies or CGR Checklist) organized by Thai Institute of Directors with the average scores of 75 per cent or in “Very Good” level. Moreover, the Company joins in the “2023 Annual General Meeting (AGM) Assessment Project” or AGM Check-list organized by Thai Investors Association (TIA) having purposes of elevating Thai listed companies’ AGM arrangement to be internationally standardized. The Company had reached all criteria and obtained 100 scores of AGM Checklist or in “Excellence” level.

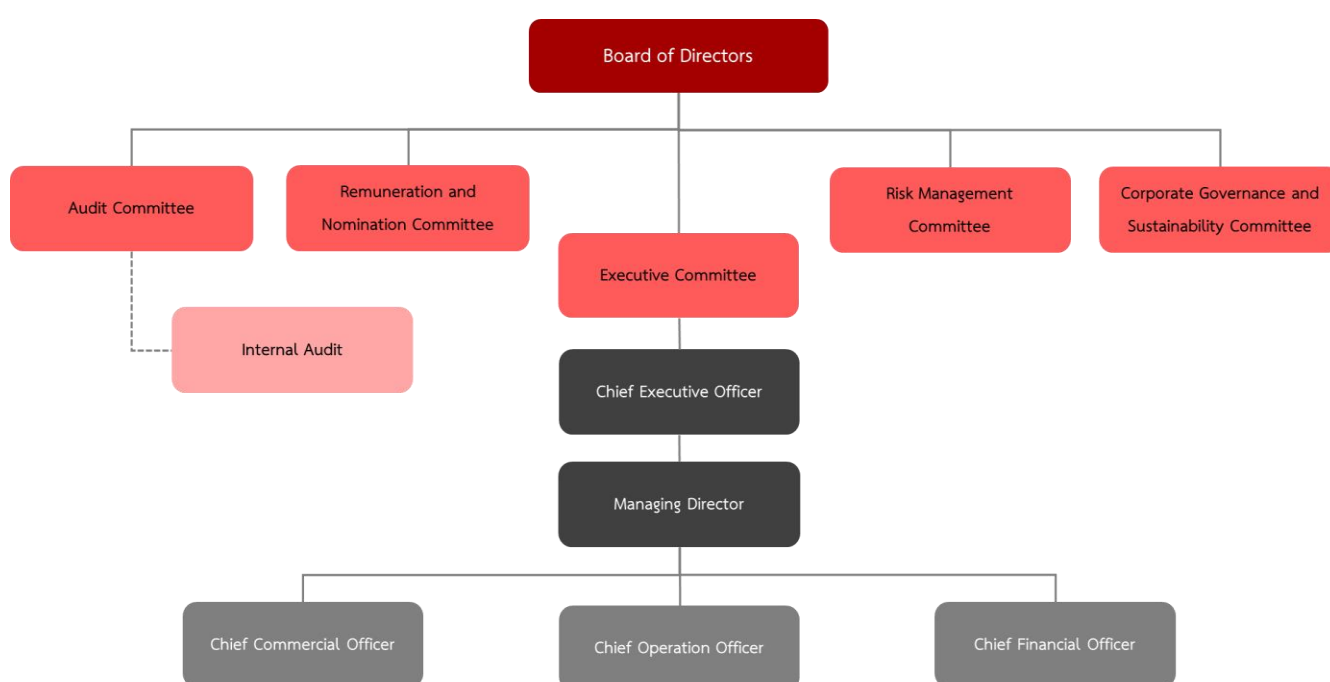
## 7. Corporate Governance Structure and Important Information on the Board of Directors, Subcommittees, Executives, Employees, etc.

## 7. Corporate Governance Structure and Important Information on the Board of Directors, Subcommittees, Executives, Employees, etc.

### 7.1 Management Structure

The Company's management structure consists of 6 committees; Board of Directors, Audit Committee, Remuneration and Nomination Committee, Risk Management Committee, Corporate Governance and Sustainability Committee and Executive Committee.

Organization Chart as 31 December 2023



### 7.2 Information of the Board of Directors

#### 7.2.1 Board of Directors

##### Composition of the Company's Board of Directors

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 and the relevant notifications of the Capital Market Supervisory Board. The Board of Directors plays an important role in determining the Company's policies, joining with the Company's top management to determine both short-term and long-term operating plans, vision, mission and business administration, and independently evaluating the performances of the Company's operations and top management.





vital of determining the Company's policy. As of December 31, 2023, there were 7 directors in the Board of Directors as follows:

- |   |                       |
|---|-----------------------|
| 1) Mrs. Paichit Rattananon*               | Chairman of the Board |
| 2) Mrs. Rachadaporn Rajchataewindra       | Independent Director  |
| 3) Assoc. Prof. Kamjorn Tatiyakavee, M.D. | Independent Director  |
| 4) Mrs. Puangthip Silpasart               | Independent Director  |
| 5) Mr. Pasit Leesakul                     | Executive Committee   |
| 6) Mrs. Podchanee Phaosavasdi             | Executive Committee   |
| 7) Ms. Pavita Leesakul                    | Executive Committee   |

Remark : Mrs. Paichit Rattananond, Chairman of the Board is the representative of KPK 1999 Co., Ltd., the major shareholder.

### Authorized Directors

consists of Mrs. Paichit Rattananon, Mr. Pasit Leesakul, Mrs. Podchanee Phaosavasdi and Ms. Pavita Leesakul and two of them to jointly sign with the Company's seal.

### Summary of Director Appointment

Director List	Year of appointment as a director	Last selected year	Types of Directors	Nomination/Appointment to be a director at the 2022 Annual General Meeting of Shareholders	Appointment at the next AGM
1. Mrs. Paichit Rattananon	2005	2022	Chairman of the Board	yes	2025
2. Mrs. Rachadaporn Rajchataewindra	2019	2021	Independent Director	no	2024
3. Assoc. Prof. Kamjorn Tatiyakavee, M.D.	2019	2022	Independent Director	yes	2025
4. Mrs. Puangthip Silpasart	2016	2023	Independent Director	no	2026
5. Mr. Pasit Leesakul	2013	2023	Executive Committee	no	2026
6. Mrs. Podchanee Phaosavasdi	2007	2021	Executive Committee	no	2024
7. Ms. Pavita Leesakul	2019	2022	Executive Committee	yes	2025

### 7.2.3 Details of Role and Duties of the Board of Directors

As of December 31, 2023, the Board consisted of 7 directors as per the aforementioned details.

The charter of the Board was disclosed on the Company's website, item "Sustainability/Corporate Governance Report and download/Charter. The charter consists of 10 topics; composition, qualifications, scope of duties and responsibilities, role of the chairman of the Board, term, meeting, meeting quorum, authorization, remuneration and performance appraisal.

#### 1. Role and Scope of Duties and Responsibilities of the Board of Directors

1. To 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 regulatory authorities.
2. To determine 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. To appoint or change the authorized directors of the Company.
4. To determine the corporate vision and mission statements, policies, strategies, objectives, and direction of business operations and review them on yearly basis, 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 of the shareholders' meeting.
5. To review and approve the significant transactions such as business plan, budget, large investment, management's authorities, and any other transactions required by laws.
6. To monitor and 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. To oversee and support innovations which can create value-added products or service for the Company and stakeholders.
8. To ensure that the Company's information technology system is secured and properly managed.
9. To establish the Company's policy on risk management and ensure that the Company's risk management system is effective and review and evaluate the risk management system regularly to ensure effectiveness in dealing with changes of potential risks.
10. To ensure the Company's operations are in compliance with the listed companies' good corporate governance principle which can also help guide the Company's business operations and regularly monitor compliance with good corporate governance principle.
11. To 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. To be responsible for the operating result and the management performance with good intention and care.
13. To ensure that the Company has reliable accounting system, financial reports, and auditing process as well as providing 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. To monitor the Company's financial liquidity position and ability to repay debts, including plans or mechanisms to tackle potential problems.
15. To 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 about issues required to be resolved.

16. To consider the succession plan for the position of Chief Executive Officer and appointment of Chief Executive Officer, Executive Director and top executives in the lower level next to the Chief Executive Officer.
17. To establish annual performance evaluation process for the Chairman of the Board of Directors, Chief Executive Officer and top executives and approve the remuneration for the Chairman of the Board of Directors and the Chief Executive Officer.
18. To monitor the transparent process for the nomination, selection, and appointment of the Company's directors and determine the appropriate remuneration for directors and sub-committee's members.
19. To devote adequate time to perform duties and participate in the Board of Directors' meetings and shareholders' meetings. If the director cannot attend such a meeting due to any force majeure, he / she must notify the Chairman of the Board of Directors, or the Company Secretary prior to the commencement of the scheduled meeting.
20. To ensure that the conflict of interests between the Company and related persons does not exist,
21. To report the Board of Directors' responsibilities for financial reports together with external auditor's report in the Company's Annual Report and such a 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 obtains the shareholders' meeting approval. 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 obtain the shareholders' meeting approval
  - (b) The transactions that might lead to any conflict of interests and required by laws and/or regulations of the Stock Exchange of Thailand to obtain the shareholders' meeting approval.
23. To regularly seek for new knowledge and develop new skills contributable to discharges of duty 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, perform duties as assigned by the

Board of Directors, participate in approving the charter for each subcommittee which must 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 every 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.

- (a) 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 operations, etc.
- (b) 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.

## **2. Role and Scope of Duties and Responsibilities of the Board as the Leader Contributing the Company's Sustainability**

In the Company's business operating, Board of Directors play a vital role as the organizational leader contributing sustainable value and growth under the following code of conduct:

1) Role and responsibilities as the organizational leader

The Company clearly determines the Board's role, duties and responsibilities as the persons overseeing the business operating to be managed inclusively as follows:

- To determine objectives and goals.
- To determine strategies, operating policy as well as provision of essential resources to achieve the defined objectives and goals.
- To monitor, evaluate and report on operating performance.

2) Contribution of Value to be the Sustainable Organization

The Board has its duties to oversee business operations by contributing value to the organization for sustainability and significant achievement as follows:

- To enhance the Company to be competitive with satisfied operating performance by taking into consideration of long-term effects.
- To promote the business operating to be conducted on fairly basis with right respect and responsibility towards stakeholders.
- To promote the business operating to be conducted with an awareness of social interests and development or mitigation of environmental impacts.
- To supervise the business operating to be adaptable to change factors.

### 3) Performing of Duties with responsibilities for Compliance with Relevant Laws and Regulations

The Board must supervise directors and executives to perform their duties with responsibilities, caution and faithfulness including compliance with laws, objectives, article of associations and resolutions of the Board's and shareholders' meetings for highest interests of the Company and all stakeholders. To show that all directors and executives perform their duties with responsibilities, caution and faithfulness, the policy and relevant code of conduct are defined for adherence to as follows:

- All directors shall perform their duties in compliance with relevant laws including requirements and regulations of the regulatory agencies.
- The table of authority and authorization are defined to be as a guideline of the Board and concerned executives.
- The Board has its duties to follow up the management's performance on quarterly basis.
- The Board shall report its operating performance for shareholders' acknowledgement on yearly basis.

### 3. Qualifications and Role and Scope of Duties of the Chairman of the Board of Directors Scope of Duties and Responsibilities of the Chairman of the Board of Directors

The Board selects the qualified person to act as Chairman of the Board and this position was clearly segregated from Chief Executive Officer to avail independently exercising of

discretion for decision making. 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) To call for board meetings and preside the meeting, jointly consider meeting agenda with the management to ensure significant matters are contained in the meeting agenda, and oversee delivery of notice of the meeting together with relevant documents to furnish adequate and in-time information to the Board.
- 2) To exercise the casting vote in case the number of votes for and against a proposal in the Board of Directors Meeting are equal.
- 3) To enhance the CG standard of the Board.
- 4) To preside the shareholders' meeting and monitor such a meeting to be in line with the Company's article of associations and in sequence of the defined agenda.
- 5) To supervise communication between directors and shareholders to be effectively conducted.
- 6) To perform Chairman's duties as particularly specified by laws.

### 7.3 Details of Sub-Committees

As of December 31, 2023, the Board of Directors and sub-committees are as shown in the following name-lists:



Name-List of Directors and Executives			Authoriz ed Directors	Board of Directors	Sub-Committee				
					Audit Committee	Remuneration and Nomination Committee	Corporate Governance and Sustainability Committee	Risk Management Committee	Executive Committee
1.	Mrs. Paichit Rattananon <sup>1</sup>	Chairman of the Board	✓	<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 Chairman of Remuneration and Nomination Committee and Risk Management Committee		✓	✓	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
4.	Mrs. Puangthip Silpasart	Independent Director Chairman of Corporate Governance and Sustainability Committee		✓	✓	✓	<input checked="" type="checkbox"/>		
5.	Mr. Pasit Leesakul	Director, Chairman of Executive Committee and Chief Executive Officer	✓	✓		✓		✓	<input checked="" type="checkbox"/>
6.	Mrs. Podchanee Phaosavasdi	Director and Executive Committee	✓	✓		✓	✓	✓	✓
7.	Ms. Pavita Leesakul	Director, Executive Committee <sup>2</sup> , Managing Director <sup>2</sup> , Acting Chief Commercial Officer and Company Secretary	✓	✓			✓		✓
8.	Mr. Loh Eng Kee	Executive Committee and Chief Operating Officer							✓
9.	Mrs. Phanalee Norajit	Executive Committee and Chief Financial Officer							✓
total numbers of directors and members of each subcommittee			4	7	3	5	4	4	4

☒ Chairman    ✓ Director/Member

- Chairman of the Board is the representative of KPK 1999 Co., Ltd, the major shareholder.
- Ms. Pavita Leesakul was appointed as Executive Committee and Managing Director by the resolution of the 7/2023 Board of Directors Meeting on September 26, 2023.

### 7.3.1 Details of Appointed Sub-Committees

The management structure consists of sub-committees; Audit Committee, Remuneration and Nomination Committee, Corporate Governance and Sustainability Committee, Risk Management Committee and Executive Committee as follows:

#### 1. Audit Committee

As of December 31, 2023, the Audit Committee consists of 3 independent directors as follows:

- |   |  |
|---|--|
| 1. Mrs. Rachadaporn Rajchataewindra       | Chairman of the Audit Committee and Independent Director |
| 2. Assoc. Prof. Kamjorn Tatiyakavee, M.D. | Committee and Independent Director                       |
| 3. Mrs. Puangthip Silpasart               | Committee and Independent Director                       |

Ms. Rewadee Ard-harn, Senior Accounting Manager, acts 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

as reviewed and amended by the 1/2024 Audit Committee Meeting on January 23, 2024.

1. To 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 as deemed significant during the auditing period.

2. To consider and 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. To 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 approving 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. To 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, propose, appoint, or terminate an independent person to act as the auditor of the Company, consider the auditor's remuneration proposal based on reliability, independence, adequate resource and quantity of auditing tasks of the audit firm including experience of personnel to be assigned as the Company's auditors as well as attending meetings with the auditor without management's participation at least once a year.
6. To consider connected transactions or vested ones to be in compliance with laws and requirements of the Stock Exchange of Thailand to ensure all transactions are made reasonably for the Company's highest interests.
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. To 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, 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 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. To report on activities done regularly so that the Board of Directors can acknowledge the activities of the Audit Committee 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 deems 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 Suspicion or presumed fraud or irregularities or significant deficiencies in the internal control system
  - 10.3 Any suspicion that there is 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 informed and 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 find 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. To have authorization to invite directors, management, department heads or employees for discussion or clarification on the Committee's inquiry.
13. To review the charter of Audit Committee, scope of works and responsibility as well as appraise the Committee's performance on yearly basis and later propose such a report for consideration of the Board.
14. To perform any other duties as necessary to ensure that the Board of Directors and executives consider, evaluate and monitor all significant risks of the Company's operations.

## 2. Remuneration and Nomination Committee

As of December 31, 2023, the Remuneration and Nomination Committee consists of 3 independent directors and 2 executive directors, totaling 5 members as follows:

- |   |  |
|---|--|
| 1. Assoc. Prof. Kamjorn Tatiyakavee, M.D. | Chairman of the Remuneration and Nomination Committee and Independent Director |
| 2. Mrs. Rachadaporn Rajchataewindra       | Committee and Independent Director   |
| 3. Mrs. Puangthip Silpasart               | Committee and Independent Director   |
| 4. Mr. Pasit Leesakul                     | Committee  |
| 5. Mrs. Podchanee Phaosavasdi             | Committee  |

Ms. Pavita Leesakul, Company Secretary, acts as the secretary to the Remuneration and Nomination Committee.

The Remuneration and Nomination Committee has a 3- year term.

The latest version of this committee' s charter was posted on TRC Group's website. The charter contains 6 topics – objectives of 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 To 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 operating results of TRC Group.
- 1.2 To specify the performance evaluation criteria and participate in the annual performance evaluation of the Chairman of Executive Committee and Chief Executive Officer and submit the evaluation results to the Board of Directors to consider and approve the appropriate remuneration accordingly.
- 1.3 To 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 To predetermine 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 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 number larger than 5%.

## 2. Nomination of Directors and Executives

- 2.1 To set the qualifications of directors, Chairman of Executive Committee, and Chief Executive Officer and executives at one level lower than Chief Executive Officer; Managing Director, Chief Finance Officer, Chief Marketing Officer, Chief Operation Officer, and other executives (if any), in terms of knowledge, experience, and expertise in line 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 To recruit, select person(s) with qualifications appropriate to serve as directors, Chairman of Executive Committee, and Chief Executive Officer and executives at one level lower than the Chief Executive Officer as mentioned in clause 2.1. Considerations for the appointment are as follows.
  - 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 shall consider for official appointment in case of vacancy due to resignation or inability to serve as director.
  - To 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 lower than the Chief Executive Officer.
- 2.3 To consider the succession plan of Chief Executive Officer to further 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.

### 3. Corporate Governance and Sustainability Committee

The 6/2023 Board of Directors Meeting resolved to change name of the Committee to be “Corporate Governance and Sustainability Committee”.

As of December 31, 2023, the Corporate Governance and Sustainability Committee consisted of 4 members; 2 independent directors and 2 executive directors as follows:

- |                                     |  |
|-------------------------------------|--|
| 1. Mrs. Puangthip Silpasart         | Chairman of the Corporate Governance and Sustainability Committee and Independent Director |
| 2. Mrs. Rachadaporn Rajchataewindra | Committee and Independent Director   |
| 3. Mrs. Podchanee Phaosavasdi       | Committee  |
| 4. Ms. Pavita Leesakul              | Committee  |

Ms. Pavita Leesakul, Company Secretary, acts as the secretary to the Corporate Governance and Sustainability Committee.

Corporate Governance and Sustainability Committee has 3-year term.

The Corporate Governance Charter was posted on TRC Group’s website; comprising 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 the Corporate Governance Committee

1. To define and review the corporate governance policy, business ethic and code of conduct including guideline of practices, anti-corruption policy including policy and guidelines for social and environmental responsibility which has been reviewed and proposed by the Company’s management to ensure compliance with the good corporate governance practice prior to being proposed to the Board of Directors.
2. To define the guideline and/or policy related to the good corporate governance and review the sustainability implementation plan inclusive with environment, society and governance (ESG) which is the national and international standard code of conduct to comply with the defined goals and strategies prior to being to the Board.
3. To suggest, support and promote the Board on the good corporate governance and sustainability issues.
4. To monitor the Company’s management to apply the good corporate governance, business ethics and code of conduct, guideline of practices and anti-



corruption policy including policy and operations regarding social and environmental responsibility to be in practical implementation.

5. To follow up and report corporate social responsibility activities, sustainability implementation plan inclusive with environment, society and governance (ESG) aspects to the Board.

In addition, the Corporate Governance and Sustainability Committee shall perform any 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.

#### 4. Risk Management Committee

As of December 31, 2023, the Risk Management Committee consisted of 4 members; 2 independent directors and 2 executive directors as follows:

- |   |  |
|---|--|
| 1. Assoc. Prof. Kamjorn Tatiyakavee, M.D. | Chairman of Risk Management Committee and Independent Director |
| 2. Mrs. Rachadaporn Rajchataewindra       | Committee and Independent Director                             |
| 3. Mr. Pasit Leesakul                     | Committee  |
| 4. Mrs. Podchanee Phaosavasdi             | Committee  |

Ms. Pavita Leesakul, Company Secretary, acts as 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 6 topics; composition, qualification, tenure, scope of authority and responsibilities, meeting, report on the performance results and 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 line 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 (the last matter must be immediately 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.

## 5. Executive Committee

As of December 31, 2023, the Executive Committee consisted of 5 executive directors as follows:

- |                               |  |
|-------------------------------|--|
| 1. Mr. Pasit Leesakul         | Chairman of Executive Committee  |
| 2. Mrs. Podchanee Phaosavasdi | Executive Committee  |
| 3. Mr. Loh Eng Kee            | Executive Committee  |
| 4. Mrs. Phanalee Norragit     | Executive Committee  |
| 5. MS. Pavita Leesakul        | Executive Committee (appointed by the resolution of the 7/2023 Board of Directors Meeting held on September 26, 2023 and effective since September 26, 2023) |

Ms. Runnapa Bupparit, Executive Secretary, acts as Secretary to the Executive Committee.

### Scope of Duties and Responsibilities of the Executive Committee

1. To define 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. To oversee to ensure business operations are proceeded efficiently and effectively in accordance with corporate polices, objectives, business plans / strategies and annual budgets approved by the Board of Directors and provide advice / suggestions to the management when necessary.
3. To be 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 with the corporate business operations' objectives required to obtain an approval of the Board of Directors.
4. To be 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. To consider profit and loss of the Company and propose the interim or annual dividend to further propose to the Board of Directors.
6. To review the actual operating results of the Company and subsidiaries on quarterly basis by comparing to the planned budget figures prior to proposing it to the Board of Directors.
7. To have the authority to hire, appoint, transfer, remove, terminate employment, set the remuneration, grant rewards, increase salaries, compensation, bonus for managerial employees (from the assistant division manager up). Nonetheless, the authority to hire, appoint, transfer, remove, terminate employment of top executive (1 level below the Chief Executive Officer) is the responsibility of the Remuneration and Nomination Committee.

8. To proceed with other matters to render support, or as assigned by the Board of Directors.
9. To 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 Board of Directors has the right to adjust the scope of duties and responsibilities of the Executive Committee as deemed necessary or appropriate.

### 5.1 Budget Authorization Authority of the Executive Committee and Chief Executive Officer

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

Items	Executive Committee (Baht)	Chief Executive Officer (Baht)
- Approval of project budget	-	Unlimited
- Write-off	5-10 million	≤ 5 million
- Advance payment	-	> 100,000/Time
- Accommodation budget, public relations and donation	-	> 50,000/Time
- Short-term intercompany loans	50-100 million	≤ 50 million

### 5.2 Policy for directorship of Chief Executive Officer and directors in other companies

The Board of Directors had set up a policy that directorship of the Chief Executive Officer and directors in other companies shall be in compliance with the Company 's article of associations, 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 notifying such a directorship to the General Meeting of Shareholders prior to the appointment resolution.”

And, it is required for each director to hold a director position of 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 for acknowledgement of the Board of Directors accordingly.

## 7.4 Executives

### 7.4.1 Name-List of Executives

As of December 31, 2023, there were 4 executives of the Company as follows:

1. Mr. Pasit Leesakul                      Chairman of the Executive Committee, Chief Executive Officer
2. Ms. Pavita Leesakul                    Managing Director\* and Acting Chief Commercial Officer
3. Mr. Loh Eng Kee                        Chief Operating Officer
4. Mrs. Phanalee Norragitt              Chief Financial Officer

\*Remark: appointed by resolution of the 7/2023 Board of Directors Meeting on and effective since September 26, 2023.

The abovementioned name-list of executive committee and top executives are in line with the definition of “executive” of SEC and SET as per the Notification no. Thor Jor.23/2008 dated August 31, 2008 and SEC’ s Notification no.17/2008 dated December 15, 2008 stating that executives shall be authorized to perform duties under policy, strategies and goals as defined by the Board and the Board approves the table of authority and implementation to clearly define the appropriate scope of duties for transparency and flexibility of operations. Executive Committee consists of 7 executives with unprohibited qualifications as follows:

1. no history of property offense in any criminal case
2. no history of conducting any transaction that may be caused by the Company’s conflict of interest during the past year

### Company Secretary

In 2022, the Board of Directors resolved to appoint Ms. Pavita Leesakul to hold Company Secretary position since August 11, 2022 to comply with Section 89/15 of the Securities and Exchange Act B.E. 2535.

Company Secretary has its duties and responsibilities as per Section 89/15 of the aforementioned act and the Company’s CG policy as follows:

1. To prepare and maintain the following documents
  - Director Registration
  - Invitation letters of the Board meetings including all invitation letter of sub-committee meetings for which Company Secretary acts as secretary; Remuneration and Nomination Committee and Corporate Governance and Sustainability Committee.
  - Minutes of Board meetings and sub-committees' meetings
  - Invitation letters and minutes of shareholders' meetings
2. To keep record of vested transactions and independence certifications reported by directors and executives including providing copies of such documents for Chairman of the Board and Chairman of Audit Committee within 7 days after obtaining such reports.
3. To perform any duties according to the notifications of the Capital Market Supervisory Board and as assigned by the Company i.e.
  - To give advice on relevant laws and regulatory requirements as well as director corporate governance code of conduct as required by laws.
  - To organize meetings of the Board of Directors, Remuneration and Nomination Committee, Corporate Governance and Sustainability Committee and Risk Management Committee.
  - To act as a contact person responsible for disclosing and reporting accurate and complete information as required by laws to SET and SEC.
  - To perform other duties as assigned by the Company.

Details of brief profile is as shown in “Attachment 1 : Details of Directors, Executives and Company Secretary”.

#### **7.4.2 Scope of Duties and Responsibilities of the Chief Executive Officer**

1. To support operations and administration of the Board by advising and informing Board members, intermediating between the Board and employees.
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 recommend 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 and 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.

The Chief Executive Officer has no the authority to undertake any of the Company's or its subsidiary's issues that might create conflict of interest in any other way for the Chief Executive Officer or other stakeholders (according to the Company's article of associations and as stipulated by the SEC and SET).

#### **7.4.3 Scope of Duties and Responsibilities of the Managing Director**

1. To manage and supervise the operations of the company to be in accordance with business policies, business plans, budgets, various administrative powers and business strategies. as well as setting a plan and following up the implementation of the plan in daily operations and management.
2. To set orders, rules, announcements, memos to ensure that operations are in line with business policies, business plans, budgets, administrative powers and business strategies for the benefit of the Company and maintain work discipline within the company.
3. To follow up and operate daily performance in order to plan, prepare, assess and prevent risks that may be arisen from external and internal factors.
4. To have authorization to approve legal transactions related to normal business transactions of the Company such as trading, expenses for normal transactions,

investments for the benefit of the Company under the various management authority assigned for flexibility of the Company's operations.

5. To have authorization to act and represent the company to third parties in necessary related activities and carry out normal commercial transactions for the benefit of the company.
6. To report to the Chief Executive Officer upon discovery or suspicion or receipt of a report on corruption indicating a practice that violates the law or any other abnormal actions.
7. To take any action (if any) as assigned by the Chief Executive Officer, from time to time and have the power to conduct any legal acts that may cause conflicts of interest between interested persons and the Company as required by laws and announcements of the Securities and Exchange Commission or of the Stock Exchange of Thailand and It is not considered within the scope of the Managing Director's authority to assign other persons to act on their own behalf. In this case, the juristic act must be proposed for approval through the Audit Committee to be later proposed to the Board of Directors and/or the shareholders' meeting as specified in the Company's Articles of Association and according to the law.
8. To perform other actions to support the above actions or as assigned by the Chief Executive Officer.

#### **7.4.4 Remuneration of Executive Directors, Chief Executive Officer and Executives**

##### **Remuneration Policy for Executive Directors and Executives**

The remuneration policy is based on 2 elements; base pay and variable pay (bonus) with diversified payment rank designed to comply with the Company's long-term goals and objectives. The remuneration structure enables balance of payment method between base pay and variable pay which may change subject to the operating performance of the business unit or the group of companies' and employees' tasks.

The purposes of the base pay are

- To motivate and retain capable employees with competitive and equal remuneration.
- To yearly review and compare the Company's remuneration with other companies in similar industry and also to be in line with market conditions



including difference of personal duties and responsibilities, performance result, achievement, working skills as well as competency.

#### Short-Term Policy for Variable Pay (Bonus)

- To promote remuneration culture based on competency and adhere to the core value of the group of companies.
- The variable pay shall be subject to the operating performance of the group of companies, business units and individual employees.
- Key Performance Indicator (KPI) shall be applied as the measure of performance or achievement.

#### Long-Term Policy for Variable Pay (Bonus)

- Variable pay exceeding the Company's defined standard shall be postponed for a period of time and immediately ended upon dismissal (including resignation) except in case of sickness, disability, retirement or death.

### 1) Monetary Remuneration

#### (A) Executive's Monetary Remuneration

Remuneration	2022		Year 2023	
	Number of Executives	Amount (Million Baht)	Number of Executives	Amount (Million Baht)
salary	4	16.36	4	15.76
bonus	0	0.00	0	0.00
<b>Total</b>		16.36		15.76

Remark:

1. 4 Executives are Mr. Pasit Leesakul, Ms. Pavita Leesakul, Mr. Loh Eng Kee and Mrs. Phanalee Norragit.
2. Executive remuneration consists of salary, bonus, premiums of life and accidental insurance, premiums of health insurance and social security & provident fund contributions excluding remuneration of Finance and Accounting Manager.

#### (B) Remuneration of Chairman of Executive Committee and Chief Executive Officer

The Remuneration and Nomination Committee evaluates the performance and considers the remuneration of the Chairman of Executive Chairman and the Chief Executive Officer and presents it to the Board of Directors for approval.

The remuneration of Chairman of the Executive Committee and Chief Executive Officer consists of salary, bonus, social security, provident fund contributions, health insurance, car, driver and fuel charges.

## 2) Other Compensation

### (a) Other Executives' Remuneration

#### Provident Fund Contributions

Contributions	Year 2022		Year 2023	
	Number of people	Amount (Million Baht)	Number of people	Amount (Million Baht)
Provident Fund	2	0.43	2	0.39

Note: 2 executives include: Mr. Pasit Leesakul and Ms. Pavita Leesakul.

## 7.5 Details of Employees

### 7.5.1 Significant change of the number of employees during the past 3 years.

The total number of employees as of December 31, 2023 of TRC and Sahakarn Wisavakorn Co., Ltd. equals to 1,395 consisting of 229 permanent and 1,166 contract ones.

Division	Number of Employees (Person)	
	2565	2566
<b>Permanent Employee</b>		
Management (from Vice President level up)	2	3
Marketing	12	12
TRC Project	9	6
SKW-Infrastructure (N)	7	12
SKW-Infrastructure (S)	7	7
Special Project	8	8
TRC Pipeline	11	11
Construction Management	127	17

Division	Number of Employees (Person)	
	2565	2566
Departments directly reporting to Chief Operating Officer	1	56
Quality Management	9	26
Corporate Affairs	38	56
Finance and Accounting	27	15
<b>Contract Employee</b>	<b>770</b>	<b>1,166</b>
<b>Total of employees</b>	<b>1,028</b>	<b>1,395</b>

**7.5.2 Employee Remuneration** in 2023, the Company and Sahakarn Wisavakorn Company Limited paid remuneration to employees totaling Baht 431.17 million. Remuneration includes salary, overtime payment, bonuses, social security, premiums of group life and accidental insurance, health insurance and provident fund contributions, etc.

(Unit: Million Baht)

Employee Remuneration (excluding directors and executives as shown in the previous section)		
	2022	2023
Permanent Employee	194.37	242.27
Contract Employee	244.33	188.90
<b>Total Remuneration</b>	<b>438.70</b>	<b>431.17</b>

### 7.5.3 Provident Fund

The Company established a provident fund, TISCO Master Joint Venture, registered and managed by TISCO Securities Co., Ltd. for the purpose of providing employee willpower and motivating them for long-term work with the Company. More details as appeared in the section "Business Drive for Sustainability".

### 7.5.4 Employee Development Policy

According to the Company's corporate philosophy, employees are considered the most valuable resource of the organization. The Company has always adhered to and focused on

human resource management and has a policy on human resource management and development. More details as appeared in the section "Business Drive for Sustainability".

### 7.5.5 Major Labor Disputes in the Past 3 Years

- None -

## 7.6 Other Significant Information

### 7.6.1 Name-List of Persons Directly Responsible for Accounting Controller, Company Secretary, Head of Internal Audit and Head of Compliance

#### 1) Top Executive of Finance and Accounting Division

Mrs.Phanalee Norajit, Chief Finance Officer, having accounting qualifications and conditions as per requirements of the notifications of Department of Business Development and Securities and Exchange Commission, Thailand as details of her biodata shown in "Attachment 1 : Details of Directors, Executives, Controlling Persons and Company Secretary".

#### 2) Accounting Controller

Ms.Rewadee Ard-harn, Senior Finance and Accounting Manager, was appointed to control and oversee accounting works. Her qualifications and conditions are as per requirements of the notifications of Department of Business Development and Securities and Exchange Commission, Thailand as details of her biodata shown in "Attachment 1 : Details of Directors, Executives, Controlling Persons and Company Secretary".

#### 3) Company Secretary

Ms.Pavita Leesakul was appointed to act as Company Secretary having qualifications and conditions as per requirements of the notifications of Department of Business Development and Securities and Exchange Commission, Thailand as details of her biodata shown in "Attachment 1 : Details of Directors, Executives, Controlling Persons and Company Secretary".

#### 4) Head of Internal Audit

El Business Advisory Co., Ltd. (ELBA)

NO. 98/163 Soi Ramkhamhaeng 39, Plubpla Subdistrict, Wangthonglang District, Bangkok 10310 Tel. 02 184 5979 website:

was appointed as the Company's and Sahakarn Wisavakorn's internal auditor. ELBA assigned Mr.Suwit Jan-Amporn, managing Director, to be mainly responsible as the internal

auditor as his biodata shown in Section 2, item 9, Internal Control and Connected Transactions, of the 56-1 One Report.

### 7.6.2 Name-List of Investor Relations, Responsible Unit and Contact Address

The Company arranges investor relations unit, by Ms.Pavita Leesakul, to disclose important information and communicate with investors, shareholders, analysts, reporters and other relevant agencies accurately, timely, transparently and thoroughly, with communications and public relations of the Company in various formats through various media including the Company's website <https://www.trc-con.com/th/home> on "Investor Relations", such as the Company's press releases and executive interviews in newspapers and magazines. It will coordinate with the data-owning agency responsible for providing the details to summarize as information and seek approval from the Chief Executive Officer or the person assigned before publication, as well as to be responsible for investor relations (IR), such as attending the Opportunity Day of the Stock Exchange of Thailand. For the investor site visit activity, there was no any arrangement due to COVID-19 pandemic.

The Company's Investor Relations' activities in 2023 are as follows:

Activities	Date
Listed company meets investors (Opportunity Day)	March 29, 2023 for 2022 Financial Statements June 14,2023 for Financial Statements, Q 1/2023 September 13,2023 for Financial Statements, Q 2/2023 December 20,2023 for Financial Statements, Q 3/2023

Investors can contact the Company for information about investor relations at +66 2022 7777 ext. 5202, 5160 or by email [ir\\_trc@trc-con.com](mailto:ir_trc@trc-con.com)

## 7.6.3 Auditor Remuneration

## - Audit Fee

Audit Firm Dharmniti Auditing Co., Ltd. (Unit : THB)	Audit Fees for Fiscal Year 2022	Audit Fees for Fiscal Year 2023	Other Service Fee for Fiscal Year 2022	Other Service Fee for Fiscal Year 2023
TRC Construction Public Company Limited	1,200,000	1,200,000	111,917	85,642
<b>Subsidiaries:</b>				
Sahakarn Wisavakorn Co., Ltd.	955,000	955,000	27,711	36,655
TRC Utility Co., Ltd.	285,000	285,000	-	-
SH Crossings Co., Ltd.	410,000	410,000	-	-
Sahakarn-Underground Joint Venture	80,000	30,000	-	-
Olive Technology Co., Ltd.	80,000	80,000	-	-
Sahahydro Pattaya Joint Venture	190,000	190,000	-	-

## - Other Service Fees:

Auditor' s travel expenses, overtime payment and others for 2023 audit.

## 8. Report on Key Operating Results on Corporate Governance

## 8. Report on Key Operating Results on Corporate Governance

### 8.1. Board of Directors Performance Report

#### 8.1.1. Nomination and Appointment of Director and Top Executive

##### (1) Independent Director

##### Nomination Criteria

- **Nomination Process**

The Remuneration and Nomination Committee predetermined persons having qualifications matched with the criteria and notification of the SEC and SET with knowledge and capability to assist and fruitfully advise the company before proposing the qualified ones for consideration of the Board of Directors Meeting and appointment by the shareholders' meeting, respectively (to propose to the shareholders' meeting for approval in case of additional director and election of director in replacement of a director retiring by rotation).

- **Qualifications**

The qualifications of an independent director are determined in consistent with the criteria and notification of the SEC as follows

1. Holding shares not exceeding 0.75 % of a total number of shares having the right to vote of the company, its parent company, subsidiaries, subsidiaries, joint venture company, major shareholder , or a person with a controlling power over the company by including all shares held by persons concerned with such an independent director as well;

2. Neither being nor used to be a Director involved in the management of the operations of, an employee of; or an advisor with a monthly retainer to; or a person with a controlling power over the company, its parent company, subsidiaries, joint venture company, major shareholder of, or a person with a controlling power over the company;

3. Not being a person who has a relationship, by blood or by legal registration, as a parent, spouse, sibling or children, as well as spouse of the children, of an executive of, a major shareholder of, a person with a controlling power over, as well as a person proposed to be appointed as an executive or as a person with a controlling power over, the company or subsidiaries;



4. Neither being nor used to be a person with a business relationship with the company, its parent company, subsidiaries, joint venture company, as well as a major shareholder of or a person with a controlling power over the company, that may be an obstacle to exercising judgments in a fully independent manner. This also includes not being or having been a significant shareholder of a party or having a controlling power over a party with a business relationship with the company, subsidiaries, joint venture company as well as a major shareholder of or a person with a controlling interest of the company. This is unless the person in question is no longer in such a position or has such a status for not less than 2 years prior to being appointed;

5. Neither being nor used to be an auditor of the company, its parent company, subsidiaries, joint venture company, major shareholder or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the company, its parent company, subsidiaries, joint venture company, major shareholder or controlling person, unless the foregoing relationship has ended not less than 2 years;

6. Neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding 2 million baht per year from the company, its parent company, subsidiaries, joint venture company, major shareholder or controlling person, and not being a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than 2 years.

## **(2) Nomination and Appointment of Director and Top Executive**

### **• Director Nomination**

Director nomination was undertaken by the Remuneration and Nomination Committee to predetermine qualifications of qualified persons having suitable knowledge, capability and experience before proposing to the Board of Directors and shareholders' meeting for consideration, respectively (to propose to the shareholders' meeting for approval in case of additional director and election of director in replacement of a director retiring by rotation), under the following criteria and process:

1. Each shareholder has one right to vote.
2. Voting is exercised for election of each director on individual basis.
3. The persons receiving the highest number of votes are those who are elected to be directors, in descending order, to elect the number of directors that are supposed to be or are to be elected at that time. If there is a tied vote for the last to be elected and this would result in the number of directors exceeding the required number of directors, the Chairman shall have an additional casting vote.

At each annual general meeting, at least one-third (1/3) of the total number of the directors at that time, or if the number is not a multiple of three, then the number nearest to one-third (1/3), must retire from office.

The directors retiring from office in the first and second years after the registration of the company shall be selected by means of drawing lots. In subsequent years, the director who has held office the longest shall retire. A retiring director is eligible for re-election.

- **Top Executive Nomination**

Top executive nomination consists of the positions of Chairman of the Board and Chief Executive Officer including top executive positions in the next level lower than Chief Executive Officer; Chief Financial Officer, Chief Operating Officer and Chief Marketing Officer that shall be handled by the Remuneration and Nomination Committee to select and nominate qualified persons having suitable knowledge, capability and experience to be proposed for consideration and approval of the Board of Directors. The Board of Directors has its policy to select the top executives and prepares the succession plan for an emergency case or retirement to avoid any impact to the company's business as follows;

- Approval of the succession plan of Chief Executive Officer and establishment of the policy for top executives at the division head level to prepare their succession plan and pass on knowledge of working to potential employees of the company in his/her replacement in case of emergency and retirement.
- Basic qualifications of Chief Executive Officer are as follows;
- Being graduated at not lower than a master's degree in engineering or business administration or other related fields. In case of graduation lower than a master's

degree, consideration shall be made and under discretion of the Remuneration and Nomination Committee based on other supportive qualifications.

- Having at least 10-year experience in top executive position
- Having leadership skills and broaden vision
- Being capable of making strategic planning and organizational management
- Having thorough and prudent decision-making and problem-solving in considering the company's best interest

### 8.1.2 Meeting Attendance and Remuneration Payment to Each Director

#### 8.1.2.1 Board of Directors Meeting and Committee Meetings in 2023

In 2023, there were 10 meetings of the Board of Directors with 100 per cent of the attendance rate including the meetings of each committee as details shown below:

Name-List of Directors	Numbers of Director Attendances in 2023						
	Shareholders Meeting	Board of Directors	Audit Committee	Remuneration and Nomination Committee	Corporate Governance & Sustainability Committee	Risk Management Committee	Executive Committee
1. Mrs.Paichit Rattananon	2/2	10/10	✕	✕	✕	✕	✕
2. Mrs. Ratchadaporn Rajchataewindra	2/2	10/10	6/6	3/3	2/2	2/2	✕
3. Assoc. Dr. Kamjorn Tatiyakavee M.D.	2/2	10/10	6/6	3/3	✕	2/2	✕
4. Mrs. Phuangthip Silpasart	2/2	10/10	6/6	3/3	2/2	✕	✕
5. Mr. Pasit Leesakul	2/2	10/10	✕	3/3	✕	2/2	16/16
6. Mrs. Phodchanee Phaosavasdi	2/2	10/10	✕	3/3	1/2	1/2	15/16
7. Miss Pavita Leesakul	2/2	10/10	✕	✕	2/2	✕	3/16*
8. Mr. Loh Eng Kee	-	✕	✕	✕	✕	✕	9/16
9. Mrs. Phanalee Norajit	-	✕	✕	✕	✕	✕	15/16

Remark\* Ms.Pavita Leesakul was appointed as a member of Executive Committee and Managing Director according to the resolution of the 7/2023 Board of Directors Meeting on September 26, 2023.

### 8.1.2.2 Director Remuneration

- **Monetary Compensation**

Remuneration of directors in 2023 were as follows:

1. Monthly compensation : Chairman of the Board at 50,000 Baht, independent director being Chairman of the Audit Committee at 25,000 Baht, two independent directors at 20,000 Baht each and 4 executive directors at 10,000 Baht each.
2. Compensation or bonus : no bonus payment as per the 2023 Annual General Meeting of Shareholders
3. Attendance Fee : 10,000 Baht/person/meeting attendance (only for independent directors) for Audit Committee, Remuneration and Nomination Committee, Corporate Governance Committee and Risk Management Committee
4. For the company subsidiary, there was only Sahakorn Wisavakorn Co., Ltd. paying 2023 monthly compensation to 5 directors at the rate of 10,000 Baht each.

#### Summary of 2023 Director Compensation

TRC Directors	TRC Directors					Sahakorn Wisavakorn Director Compensation	Total Compensation of both Companies
	Board of Directors ( 2023 monthly compensation)	Meeting Attendance					
		Audit Committee	Remuneration and Nomination Committee	Corporate Governance & Sustainability Committee	Risk Management Committee		
1. Mrs. Paichit Rattananon	600,000	✖	✖	✖	✖	120,000	720,000
2. Mrs. Ratchadaporn Rachthewin	300,000	60,000	20,000	20,000	20,000	✖	400,000
3. Assoc. Dr. Kamjorn Tatiyakavee M.D.	240,000	60,000	20,000	✖	20,000	✖	320,000
4.Mrs. Phuangthip Silapasart	240,000	60,000	20,000	20,000	✖	✖	320,000
5. Mr.Pasit Leesakul	120,000	✖	Not eligible	✖	Not eligible	120,000	240,000
6. Mrs. Podchanee Phaosavasdi	120,000	✖	Not eligible	Not eligible	Not eligible	120,000	240,000
7. Mrs. Phodchanee Phaosavasdi	120,000	✖	Not eligible	Not eligible	Not eligible	120,000	240,000
7. Miss Pavita Leesakul	120,000	✖	✖	Not eligible	✖	✖	120,000

TRC Directors	TRC Directors					Sahakorn Wisavakorn Director Compensation	Total Compensation of both Companies
	Board of Directors ( 2023 monthly compensation)	Meeting Attendance					
		Audit Committee	Remuneration and Nomination Committee	Corporate Governance & Sustainability Committee	Risk Management Committee		
Total of TRC Director Compensation	1,740,000	180,000	90,000	40,000	40,000		
Grand Total	2,090,000						
SKW Director Compensation						360,000	
Total compensation of both companies							2,450,000

- **Other Compensation**

**(a) Other Compensation of Director**

The Chairman of the Board obtained the provident fund contributions (in 2023 totally of 42,000 Baht), life insurance, group accidental insurance, health insurance, company car, driver and fuel expenses.

**(b) Other Compensation of Independent Director**

The Independent directors obtained the welfare of health insurance.

### 8.1.3. Governance of Subsidiary and Associate Companies' Operations

The Board of Directors determined the governance policy for the subsidiary and associate companies' operations and delegate its power to the company' s management as follows;

- To consider qualified persons to act as the representatives of the company to be directors and/or executives in the subsidiary and associate companies at least according to the shareholding proportion to oversee and control the business.
- To report the appointment of representatives with their qualifications for acknowledgement of the Board.
- To oversee the subsidiary and associate companies to perform in compliance with the table of authority including information disclosure and any acts to comply with the Securities and Exchange Act, rules, notifications and orders or requirements of the Securities and

Exchange of Thailand. This includes compliance with the obligations of information disclosure, connected transactions and acquisition or disposal of assets as well.

- To report the operating results of the subsidiary and associate companies to the Board on quarterly basis and in case of having significant matters such as an increase or reduction of capital, business liquidation, such matters shall be initially proposed to the Board for approval before proceeding any required actions.

#### **8.1.3.1 Monitoring Compliance with Corporate Governance Policy and Practices**

- **Control of the Use of Inside Information**

The 7/2018 Board of Directors held on 12 November 2018 resolved the Control of the Use of Inside Information Regulation, 1<sup>st</sup> Revision B.E. 2561, in replacement of the previous one approved in 2005 to be in line with the Securities and Exchange Act, Vol. 5 B.E. 2559, that has been adhered to until present. The revised one has been the inclusion of work rules of both TRC and SKW. The Company annually educates directors, executives and employees about preventing the use of inside information as details shown below:

- **Consideration of the Principle of Inside Information**

The inside information prohibited to be preliminarily disclosed to any person rather than investors means the information that has not yet been disclosed to the general public and information that may have a material effect on the price or value of TRC securities or investment decision-making including information regarding listed company, major shareholder, controlling person or key executives of listed company that clearly sounds for investment decision-making of investors.

- **Control of the Use of Inside Information Regulation**

1. The company shall comply with the criteria of the SET listed company information disclosure by disclosing the information that may have a material effect on investment decision-making of investors through the SET prior to securities analysts or any other outside persons including no wide dissemination of information to investors through other channels. The Chief Executive Officer, division top executives and Company Secretary are responsible for being the company's speakers for disclosure of company information.

2. Directors, executives, employees and outside persons working for the company who have

access to inside information of the group of companies must maintain such information carefully and securely to prevent information leakage to unauthorized persons or parties, conform with the announcement on “Guideline of Working Control and Information Security” comprising the information technology security policy, segregation of duties, control of server room access, damage prevention, etc., and not wrongfully disclose the inside information or exploit directly or indirectly such information for their own or other persons’ interests.

For outside persons working or proceeding any necessary works for the group of companies with access to the inside information that may affect the price movement of TRC securities such as financial advisor, legal advisor, etc. those persons are required to sign the confidentiality agreement prior to access to the inside information.

3. It is prohibited for directors, executive, employees and the group of companies’ employees who have access to confidential or inside information of the company that has not yet been disclosed to the general public and information that may have a material effect on the price of TRC securities to use such information for trading or offering or inviting other persons to trade the company’ or other company’ s (if any) securities both directly or indirectly regardless for their own or others’ interests or for reciprocal benefits.

Additionally, directors, executives, employees related to the inside information including his/her spouse or cohabiting couple or minor children must not trade TRC securities 1 month before disclosure of the quarterly and annual financial statements, and during 24 hours after such a disclosure.

In case the persons in the previous paragraph have access the inside information that may have a material effect on the price of TRC securities or other listed companies’ securities that has not yet been disclosed to the general public, they must not trade the captioned securities until completion of 24 hours after disclosure of such information to the public.

4. Directors, executives, auditors, interim executive, the plan preparer, the plan administrator and the interim plan administrator must report the changes of securities holding and future contracts related to TRC securities held by themselves and by close persons

as per Section 59 of the Securities and Exchange Act, Vol. 5 B.E. 2559 via e-submission to the Securities and Exchange Commission, Thailand within 3 business days from the date of purchase, sale, transfer or acceptance of transfer and also inform the Company Secretary to further inform of such changes to the Board of Directors Meeting.

Failing to comply with Section 59, there shall be liable to a penalty as prescribed in Section 275 of the Securities and Exchange Act, B.E. 2535 (included the revised one).

5. Non-compliance with this regulation shall be deemed a serious disciplinary offense.

- **Anti-Corruption**

The anti-corruption policy approved by the 6/2016 Board of Directors Meeting held on August 11, 2016 was announced to communicate to directors, executives and employees at all levels indicating the required practices on anti-corruption in written as shown in the 2020 corporate governance code of conduct, Part 4 “Anti-Corruption Policy” separated into sub-items consisting of definition, policy, duty and responsibility, guideline of practices, measure and channel for whistleblowing, recommendation or claims as disclosed in the company’ s website under the item of “Anti-Corruption Policy” in order that all working procedures of the company can be carried out accurately and strictly comply with regulatory obligations with integrity, transparency and fairness.

In 2023, there was no any whistleblowing related to misconduct or corruption.

- **Whistleblowing**

The Board establishes the designated whistleblowing channels of suspected wrongdoing and violation against laws, regulations, requirements, ethics and business code of conducts through the followings;

1. Directly contact to Chairman of Audit Committee

E-mail Address : chairman. auditor@trc-con.com or  
company’ s website ( www.trc-con.com)  
and Click at \*send email to Chairman of  
Audit Committee"



Facsimile : +66 2022 7788  
 Mail to : Chairman of Audit Committee  
 TRC Construction Plc.  
 No. 8, Soi Sukhapiban 5, Soi 32  
 Tha Raeng, Bangkhen District  
 Bangkok 10220

2. Contact through Company Secretary via

E-mail Address : CorporetaSecretary@trc-con.com  
 Telephone : +6620227777  
 Facsimile : +6620227799  
 Mail to : Company Secretary  
 TRC Construction Plc.  
 No. 8, Soi Sukhapiban 5, Soi 32  
 Tha Raeng, Bangkhen District  
 Bangkok 10220

3. The Company's website, item "Sustainability/Corporate Governance/Whistleblower" to send an email to Chairman of Audit Committee

For whistleblowing sent via the 2<sup>nd</sup> and 3<sup>rd</sup> channels, Company Secretary shall collect all received matters to propose to Chairman of Audit Committee for investigation according to the defined proceedings and significant matters shall be further reported to the Audit Committee and/or Board of Directors.

For employees, the company has been always open for their comments, suggestions or complaints with handling process to verify whether such complaints are within the scope of misconduct and the misconduct level to determine the penalty measure fairly and properly.

The channels for employee complaints are as follows:

1. comment box to be opened by Human Resource Manager once a month
2. complaint via their chain of command superiors

All complaints and suggestions shall be collected and considered and any significant ones require further actions shall be informed to the Welfare Committee in the Workplace.

In 2023, there was no any complaint or whistleblowing.

## 8.2. Summary of the Audit Committee Performance Report

### 2023 Audit Committee Report

TRC's Audit Committee comprises 3 independent directors; Mrs.Rachadaporn Rajchataewindra, Chairman of the Committee, Assoc.Prof.Kamjorn Tatiyakavee, M.D. and Mrs. Puangthip Silpasart who have complete qualifications as obliged by the Stock Exchange of Thailand and are expertise in accounting and finance, energy industry, economics and business administration.

Audit Committee performs their duties independently as assigned by the Board of Directors and as stipulated in the charter of TRC's Audit Committee provided in line with the requirements of the Securities and Exchange Commission, Thailand and Stock Exchange of Thailand.

In 2023, there were 6 Audit Committee meetings with the company's management, internal auditor and certified auditor to consider and review the company's financial statements and connected transactions, give suggestions beneficial to accuracy, completeness and reliability of the financial statements including improvement of the efficiency of internal control. The resolutions of each meeting shall be summarized and proposed to the Board of Directors for consideration and improvement. The Audit Committee's significant performance in 2023 can be concluded as follows:

**1. Review of Financial Statements** Audit Committee considered and reviewed the company's financial statements on quarterly basis and the annual one with discussion joined by auditors and Accounting and Finance Manager. Additionally, there was a meeting with the auditors without participation of the management to discuss on independence of discharge of duties and obtain the auditors' opinions and acknowledge the impact arisen from the change in the financial

report standards to ensure that the financial statements were prepared based on the generally accepted accounting principles with accuracy, completeness and reliability.

**2. Review of Internal Control Assessment and Internal Audit Governance** Audit Committee constantly conducts review on the company's internal control system to ensure its efficiency in the Board Meeting considering the financial statements and proposes the summary of internal audit results and significant impacted issues for discussion and improvement solution. Additionally, the committee also applies the internal control sufficiency evaluation form based on the framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) before proposing to the Board meeting. In 2022, Audit Committee and the Board of Directors are concurrently of the view that the company and its subsidiary had the proper and adequate internal control and internal audit.

**3. Review of Regulatory Compliance** Audit Committee constantly reviews and governs the company to operate its business in compliance with the regulatory agencies related to the company's and subsidiary's businesses and in 2023, there was no any violation against the concerned laws, rules and regulations.

**4. Review of Connected Transactions or Transactions Which Might Raise the Conflict of Interest** The connect transactions or transactions which might raise the conflict of interest are constantly reviewed by the Audit Committee as per the notifications of the Securities and Exchange Commission, Thailand and Stock Exchanges of Thailand and in 2023, the Audit Committee was of the view that the company and its subsidiary had conducted the connected transactions based on general trading conditions on equal and reasonable basis with adequate and complete information. disclosure.

**5. Consideration and Appointment of Auditor and Audit Fee** The appointment of 2023 auditor were made based on its qualifications, skills and professional experience in auditing with the Audit Committee's comments before proposing for consideration of the Board meeting and approval of the 2023 annual general meeting of shareholders, respectively. In 2023, Dharmniti Auditing Co., Ltd was appointed as the auditor expressing opinion towards the Company's financial statement.

In 2023, the Audit Committee had performed its duties with knowledge and capability dedication with independence as obliged by the Charter of Audit Committee and was of the view that the company's and its subsidiary's financial statements contained accuracy, adequacy and compliance information according to the generally accepted accounting principle with risk management system and proper & efficient internal control including thoroughly conforming with all obligations of the related regulatory agencies.

*-Rachadaporn Rajchataewindra-*

(Mrs.Rachadaporn Rajchataewindra)

Chairman of Audit Committee

February 28, 2024

### 8.3. Summary of Other Sub-Committee Performance Report

#### 8.3.1 2023 Remuneration and Nomination Committee Report

As appointed by the Board of Directors, Remuneration and Nomination Committee comprises 5 members; 3 independent directors and 2 executive directors or 60 per cent proportion of being independent directors, with the duties and responsibilities to review criteria and selection method, predetermine qualified persons to be appointed for a director position including predetermining director, top executives remuneration to be in compliance with relevant obligations and corporate governance principle.

In 2023, there were 3 meetings of Remuneration and Nomination Committee and the summary of the meetings are as follows:

Consideration and review of director and sub-committee remuneration by considering their assigned duties and responsibilities, performance results and compensation rate of other companies in similar industry before proposing for consideration of the Board of Directors Meeting and approval of the annual general meeting of shareholders.

Evaluation of 2023 performance of Chairman of Executive Committee and Chief Executive Officer before proposing for approval of the Board of Directors Meeting

Consideration and determination of the criteria and budget for 2024 salary increment and 2023 bonus payment of the company and its subsidiary at the proper rate in line with an overview of the operating results of the group of companies in order to propose for acknowledgement of the Board of Directors Meeting

Consideration, review and nomination of qualified persons having qualifications as per regulatory obligations and requirements related to directorship in replacement of directors retiring by rotation in order to propose for consideration of the Board of Directors and approval of the annual general meeting of shareholders, respectively. The nomination has been conducted based on selected persons' knowledge, capabilities and experience that shall contribute to the company's operation and match with the nature of business

Consideration and review of the charter of Remuneration and Nomination Committee including conducting self-evaluation and report the evaluation results to the Board of Directors Meeting.

Remuneration and Nomination Committee performs its duties with knowledge and capability dedication, and awareness with direct opinion expression based on the corporate governance principle for highest interests of the shareholders and all stakeholders.

- Kamjorn *Tatiyakavee* -

(Assoc.Prof. Kamjorn Tatiyakavee M.D.)

Chairman of Remuneration and Nomination Committee

February 24, 2023

### 8.3.2 2023 Corporate Governance & Sustainability Committee Report

Corporate Governance Committee comprises 4 members; 2 independent directors and 2 executive directors performing duties as assigned by the Board of Directors and stipulated in the charter of this committee, Its duties are to support the Board of Directors' operations in determining policy, governing and promoting the Company' s corporate governance and sustainable development to be in line with the CG Code of the listed companies and conducting business with transparency, disclosure and accountability based on equitable treatment to all stakeholders and awareness on 3 core responsibilities; environmental, social and governance & economic aspects to enable the company's stable growth and sustainable development.

In 2023, there were 2 meetings of Corporate Governance & Sustainability Committee and the summary of the meetings are as follows:

1. Considering and reviewing the company' s corporate governance policy and business code of conduct and following up the results of compliance with the corporate governance code as well as promoting communication about the policy for acknowledgement of employees for accurate understanding and compliance with the policy.
2. Determining the direction of business operating, considering and reviewing the sustainability implementation plan inclusive with all dimensions of environmental, social and corporate governance and economic aspects (ESG) containing national and international standard code of conduct to be matched with the Company' s goals and strategies.
3. Overseeing and encouraging the Company's directors on corporate governance and sustainability.
4. Considering the corporate social responsibility (CSR) activities by taking into account social, occupation health, safety and environmental responsibilities both internal and external terms that shall lead to the company' s sustainable growth.
5. Reviewing the charter of this committee and finding that the current charter remains adequate and in line with the duties assigned by the Board of Directors and relevant policies and code of conduct.

The Company commits continually operating the company' s business under the corporate governance principle by running operations in parallel with responsibility to economy, society, environment and all stakeholders including developing corporate governance practices and additionally adhering to maintaining quality of the Company' s corporate governance for stable and sustainable growth.

- Puangthip Silpasart -

(Mrs.Puangthip Silpasart)

Chairman of Corporate Governance Committee

November 27, 2023



### 8.3.3 2023 Risk Management Committee Report

Realizing that risk management is considerably essential for effective operations to ensure achievement of the business goals and create confidence and reliability towards investors and stakeholders including preventing and mitigating risk impact that might be arisen from internal and external changes, the Board of Directors therefore appointed the Risk Management Committee comprising 4 directors who all have knowledge, capability and experience suitable for the company's operations.

In 2023, there were 2 meetings of Risk Management Committee attended by all members and the summary of the meetings are as follows;

1. Approving 2023 risk management implementation plan by considering the list of significant risk that shall impact the company's operations, strategies, goals and changing environment,
2. Following up, evaluating and reviewing risk management implementation plan covering all significant types of risk i.e. strategic risk, operational risk and financial risk,
3. Monitoring the performance results of Risk Management Team to give fruitful advice for absolutely effective discharge of duties towards risk management,
4. Reviewing the charter of this committee including self-evaluation and reporting the evaluation results to the Board of Directors Meeting.

Risk Management Committee has overseen the risk management team to continually mitigate risk until the company has the risk appetite and the committee has confidence that the company risk management is conducted effectively and consistent with the corporate governance principle for listed companies. Additionally, the management has a policy to promote knowledge on risk management to executives and employees at all levels for their understanding and awareness on risk management and to work together to manage risk with risk appetite to achieve the Company's objectives, goals and sustainable operations.

-Kamjorn Tatiyakavee-

(Assoc.Prof. Kamjorn Tatiyakavee M.D.)

Chairman of Risk Management Committee

November 27, 2023

## 9. Internal Control and Connected Transaction

## 9. Internal Control and Connected Transaction

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

The Board of Directors assigned the Audit Committee to be responsible for reviewing the internal control system and internal audit. For 2022, the Company and Sahakorn Wisavakorn Company Limited (SKW) appointed EL Business Advisory Company Limited as internal auditor with duties and responsibilities to audit and assess internal control system according to the defined plan as well as monitoring the Company and SKW's compliance. The internal auditor reported audit results directly to Audit Committee on quarterly basis. Such report specifies audit objectives, scopes, procedures, summary of significant issues, recommendations and follow-up results for Audit Committee to consider and further report to the meeting of the Board of Directors for acknowledgement and further prepare report of auditor's comment on internal control system for the Board of Directors's consideration before being published in the Company's annual report.

During the 2 /2023 Board of Directors' Meeting on 24 February 2023, with 3 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 view that the Company and SKW had appropriate and adequate internal control system and implementation by providing sufficient 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's and SKW's internal auditor during the 1/2022 Audit Committee Meeting on 22 February 2022 and ELBA has appointed Mr. Suwit Jan-Amporn, Managing Director, as the in-charge person for auditing the Company and SKW.

The Audit Committee considered that the 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 obtained trainings related to internal audit operation. Since 2016, the Audit Committee had appointed Ms. Rawadee Ardhan, Senior Accounting Manager, as Secretary to the Audit Committee and coordinator with the external auditor.

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

<b>Name:</b>	Mr. Suwit Chanamporn
<b>Education:</b>	Master's degree: Faculty of Commerce & Accountancy, Chulalongkorn University  Bachelor's degree: Faculty of Law, Ramkhamhaeng University  Bachelors degree: Business Administration (accounting), Assumption University  Certificate: Accounting auditor, Chulalongkorn University
<b>Professional Certification:</b>	Certified Public Accountant (CPA) of Thailand
<b>Work Experience:</b>	
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
- Sustainability Strategy for Business
- Corporate IT Governance
- Cyber Security

### Connected Transaction

In 2022, the Company had connected transaction with related companies through buying/selling prices according to the contractual agreement as conducted in normal business condition practice. Details as shown below;

Name and Relationship	Transaction	2021	2022	2023	Neccessity and Reasonableness
<b>Subsidiaries</b>					
1. Sahakarn Wisavakorn (SKW)	Income : rental and services fee	3.07	13.12	14.99	Rental of machinery, warranty credit usage fee, labour wages and selling of trucks are common business support similar to market price and with normal business condition.
Subsidiaries, TRC holds 99.99% of shares	Construction cost	12.47	3.66	7.15	
Directors namely	Selling of trucks	-	-	-	
1) Mrs. Paichit Rattananon	Interest payment	25.08	24.60	43.81	

Name and Relationship	Transaction	2021	2022	2023	Neccessity and Reasonableness
2) Ms. Pavita Leesakul 3) Mr. Pasit Leesakul 4) Mrs. Podchanee Phaosavasdi	Account receivable/other receivable Account payable Outstanding interests <u>Short-term loan payable</u> Brought forward Loan during the year Payback during the year Balance (carry forward)	20.72 64.38 17.17  642.00 211.00 160.00 693.00	66.57 7.43 41.78  693.00 128.00 202.50 618.50	36.01 1.54 44.54  618.50 156.40 131.81 643.09	The Company took the loan for working capital. The loan would be due when claimed. Interest rate of 4-8% per year according to cost from financial institution plus additional expense.
2. Olive Technology Co., Ltd. - Subsidiary, TRC holds 49.97% - Mutual directors namely: 1) Mr. Pasit Leesakul 2) Ms. Pavita Leesakul Other shareholders have no potential conflict to TRC.	Income : rental and services fee  Interest payment Account receivable/other receivable Outstanding interests <u>Short-term loan payable</u> Brought forward Loan during the year Payback during the year Balance (carry forward)	0.74  0.02 -  0.05 0.85 0.90 -	0.92  0.07 0.53 0.07 - 13.00 2.00 11.00	0.66  0.49 1.09 0.56 11.00 - 5.65 5.35	Labour wages were common business support similar to market price and with normal business condition    The Company provided loan for working capital.The loan would be due when claimed with proper interest rate.
3. Sahahydro Pattaya Joint Venture Subsidiary, SKW holds 100% 1) Mrs.Podchanee Phaosavasdi	Income : rental and services fee  Construction cost Interest payment Account receivable/other receivable Account Payable Outstanding interests <u>Short-term loan payable</u> Brought forward	0.66  - - 5.12 - - -	0.51  25.44 0.32 4.15 27.22 0.32 -	0.70  0.45 0.13 7.96 24.81 0.44 9.41	Labour wages were common business support similar to market price and with normal business condition      The Company obtained loan for working capital.The loan would be due when claimed with proper interest rate.
	Loan during the year Payback during the year Balance (carry forward)	68.00 68.00 -	16.61 7.20 9.41	- 9.41 -	

Name and Relationship	Transaction	2021	2022	2023	Necessity and Reasonableness
<b>4. Hydortek Sahakarn Joint Venture</b> - Subsidiary, SKW holds 49% - Mrs. Podchanee Phaosavasdi TRC director as the Authorized Director of the joint venture	Income : rental and services fee  Interest payment  <u>Short-term loan payable</u> Brought forward Loan during the year Payback during the year Balance (carry forward)	-  -  - - - -	-  -  - - - -	-  -  - - - -	The 2/2019 Executive Committee Meeting on October 31, 2019 resolved to liquidate the joint venture on December 31, 2022. This subsidiary has been under liquidation procedure.
<b>Associates</b> 1. ASEAN Potash Chaiyaphum Plc. - TRC group holds 25.13%. Mrs. Podchanee Phaosavasdi is a director, TRC's representative.	Income: rental and service fees  Account receivable/other receivable Accounts receivable – retention under construction contracts	-  - -	-  - -	1.07  - -	In 2018, this company faced uncertainty of project implementation and lack of liquidity.  Doubtful debt, totally Baht 390.33 million was therefore recorded as per the 2018 financial statement and another Baht 1.24 million in 2019.
2. TRC Utility Co., Ltd. Joint Venture, TRC holds 40.00% Mutual directors namely 1) Mr. Pasit Leesakul 2) Mrs. Phanalee Norragitt	Income: rental and service fees  Other receivable	0.13  -	1.07  0.11	1.02  0.10	Car rental and warranty credit usage fee were common business support similar to market price and with normal business condition.
<b>Joint Venture</b> 2. SH Crossing Co., Ltd.  Joint Venture, TRC group holds 51% Mutual directors namely 1) Mr. Pasit Leesakul 2) Mrs. Podchanee Phaosavasdi	Income : rental and service fees  Other receivable	0.32  8.32	0.26  5.17	0.20  1.01	Rental of machinery, cars, labour wages and warranty credit usage fee were common business support similar to market price.

Name and Relationship	Transaction	2021	2022	2023	Neccessity and Reasonableness
Other shareholders have no potential conflict to TRC.					
3. Sahakarn Underground Joint Venture Joint Venture, TRC group holds 50% Mutual director is 1) Mrs.Podchanee Phaosavasdi	Income: rental and service fees  Account receivable/other receivable	-  -	-  0.09	-  -	
4.Essence-Olive Joint Venture Joint venture, TRC group holds 40%	Income: rental and service fees  Interest payment Account receivable/other receivable Accrued interests Account payable Outstanding interests Short-term loan receivable <u>Short-term loan payable</u> Brought forward Loan during the year Receive back during the year Balance (carry forward)	-  - - - - - - - - - - -	2.01  0.04 2.14 0.04 - 0.04 2.78  - 7.00 - - 7.00	-  0.01 2.14 - - - 2.78  - - - -	Labour wages were common business support similar to market price and with normal business conditions.
5. AT Energy Solution Co., Ltd. Joint Venture, TRC holds 50% Directors who are TRC representatives are : 1) Mr.Pasit Leesakul 2) Mrs.Podchanee Phaosavasdi 3) Mrs.Phanalee Norajit	Income: rental and service fees  Account receivable/other receivable	-  -	0.32  0.03	0.33  0.03	Labour wages were common business support similar to market price and with normal business conditions.
<b>Company Directors</b> Mrs.Paichit Rattananon	Interest payment Outstanding interests <u>Short-term loan</u> Brought forward Loan during the year Pay back during the year	- -  - - -	1.21 1.08  - 25.30 -	3.29 4.37  25.30 33.20 5.90	The Company obtained loan for working capital.The loan would be due when claimed with 2-8% interest rate.



Name and Relationship	Transaction	2021	2022	2023	Necessity and Reasonableness
	Balance (carry forward)	-	25.30	52.60	
Mr.Pasit Leesakul	Interest payment	-	2.39	3.28	The Company obtained loan for working capital.The loan would be due when claimed with 2-8% interest rate.
	Outstanding interests	-	2.27	5.55	
	<u>Short-term loan</u>				
	Brought forward	-	-	43.00	
	Loan during the year	-	43.00	-	
	Pay back during the year	-	-	2.00	
	Balance (carry forward)	-	43.00	41.00	
KPK 1999 Co., Ltd.	Interest payment	-	-	10.25	The Company obtained loan for working capital.The loan would be due when claimed with 2-9% interest rate.
	Outstanding interests	-	-	10.25	
	<u>Short-term loan</u>				
	Brought forward	-	-	-	
	Loan during the year	-	-	186.50	
	Pay back during the year	-	-	-	
	Balance (carry forward)	-	-	186.50	

### 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 reasonableness. Additionally, it is required to 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 a 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 the 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 the Board of Directors Meeting for further comment in terms of requirement and reasonableness and also for approval prior to proceeding.

- Uncommon business transaction or business support transaction
- Connected transaction with price and/or condition different from common business transaction done with outsiders.
- Common business transaction or business support with common business price and condition value of 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 Articles of Association or the Securities and Exchange Commission, Thailand and Stock Exchange's notifications and regulations) will have no authority to proceed with any act in relation to the transaction in which such a conflict of interest may be arisen.

In addition, the Board of Directors shall monitor the Company to perform in accordance with the Securities and Exchange laws, regulations, notifications and rules as well as compliance with the Stock Exchange of Thailand's disclosure guideline 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 the 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 the 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 August 31, 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 a 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 August 7, 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 on yearly basis. The 4/2022 Audit Committee Meeting and 7/2022 Board of Directors Meeting on November 11, 2022 had considered the review of policy and procedure on connected transaction approval and resolved that in case there are no significant change, this matter should be considered every 3 years. Should there be any significant change, such a transaction should be immediately proposed to the Board of Directors Meeting.

### **Policy and Trend of Future Connected Transaction**

The Company forecasts that the connected transaction will continually incur 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 with strict compliance to the Securities and Exchange Commission and the Stock Exchange of Thailand. Furthermore, the Company shall continuously promote understanding among all operating employees through holding of meetings to inform concerned parties of updates of regulations and written operating procedures to ensure full compliance with accuracy, transparency and protection of interests of stakeholders.

## Part 3 Financial Statements

### 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. 2023 financial statement ended 31 December 2023 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 Registration Statement / Annual Report 2023 (Form 56-1 One 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.

- Paichit Rattananon -

(Mrs. Paichit Rattananon)

Chairman

28 February 2567

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

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**REPORT AND CONSOLIDATED FINANCIAL STATEMENTS  
AND SEPARATE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2023**

## **INDEPENDENT AUDITOR'S REPORT**

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, 2023, 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, 2023, 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, 2023, 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, 2023, 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 describe in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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### **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, costs from construction agreement and provision of liabilities from construction project

As discussed in Note 4.1 Construction contract income, accounting policies for revenue and costs of construction services and Note 4.18 Accounting policies in relation to significant accounting judgements and significant accounting estimates 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 recognised by the Group 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 stage of completion 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 Group 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.

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### **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 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 or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's a 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.

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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 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 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 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.

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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 Miss Nitinee Kittikunapong.

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

Dharmniti Auditing Company Limited  
Bangkok, Thailand  
February 28, 2024

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

**STATEMENT OF FINANCIAL POSITION**

**AS AT DECEMBER 31, 2023**

		<b>ASSETS</b>			
		Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2023	2022	2023	2022
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	6	27,031,569	15,709,111	6,737,188	7,037,598
Trade and other current receivables	5, 7	203,297,745	247,033,193	120,499,197	144,069,405
Contract assets	5, 8	2,387,172,638	2,742,292,286	433,407,498	552,995,810
Short-term loans to related parties	5	5,977,999	17,969,257	2,778,001	2,778,001
Advances paid to subcontractors under construction contracts	5	367,649,100	354,245,383	34,067,521	23,597,275
Inventories	9	-	1,608,139	-	1,608,139
Withholding tax deducted at source	10	124,645,399	122,855,647	64,425,762	79,856,996
Other current assets	11	49,313,087	49,702,189	15,823,930	10,612,643
Total current assets		3,165,087,537	3,551,415,205	677,739,097	822,555,867
<b>NON-CURRENT ASSETS</b>					
Restricted deposits at banks	12	86,206,853	53,552,506	32,367,500	26,115,000
Other non-current financial assets	15	5,000,000	-	-	-
Long-term loans to related parties	5	-	-	-	-
Investments in subsidiaries	13	-	-	477,372,377	477,372,377
Investments in associate	14	9,505,526	-	12,500,000	-
Investments in joint ventures	15	87,712,316	123,990,703	99,999,900	115,375,287
Property, plant and equipment	16	526,174,919	571,987,169	500,189,147	547,389,249
Right-of-use assets	17	22,955,707	14,673,263	12,125,307	12,969,868
Intangible assets	18	6,919,499	9,096,591	6,748,418	8,899,288
Deferred tax assets	19	9,007,041	20,507,563	6,264,634	17,582,843
Other non-current assets		8,307,037	8,168,265	996,175	1,574,294
Total non-current assets		761,788,898	801,976,060	1,148,563,458	1,207,278,206
<b>TOTAL ASSETS</b>		<b>3,926,876,435</b>	<b>4,353,391,265</b>	<b>1,826,302,555</b>	<b>2,029,834,073</b>

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

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONT.)

AS AT DECEMBER 31, 2023

**LIABILITIES AND SHAREHOLDERS' EQUITY**

		Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2023	2022	2023	2022
CURRENT LIABILITIES					
Bank overdrafts and short-term loans					
from financial institutions	20	878,460,810	939,908,999	257,990,242	307,402,365
Trade and other current payables	5, 21	987,108,104	788,918,857	530,848,541	407,216,440
Unbilled payable		857,070,907	1,174,281,648	91,981,859	147,488,550
Contract liabilities	8	559,811,223	617,556,759	75,401,951	87,180,221
Short-term loans from other companies	22	19,500,000	-	16,000,000	-
Short-term loans from related person or parties	5	280,102,031	73,300,000	928,543,478	712,213,933
Accounts payable - retention under					
construction contracts		361,062,008	284,929,835	34,208,345	32,842,708
Provision for liabilities under					
construction projects	23	52,716,760	64,486,304	28,772,727	61,462,896
Current portion of lease liabilities	24	10,807,994	10,378,697	7,070,021	6,784,394
Income tax payable		-	238,639	-	-
Other current liabilities	25	84,528,404	33,670,802	39,379,045	8,606,259
Total current liabilities		4,091,168,241	3,987,670,540	2,010,196,209	1,771,197,766
NON-CURRENT LIABILITIES					
Lease liabilities	24	12,695,517	7,803,892	6,394,761	7,493,936
Non-current provisions for employee benefits	26	47,830,328	38,705,103	33,958,037	27,187,876
Provision for litigation	35	-	2,493,836	-	2,493,836
Non-other current liabilities	5	13,890,006	13,890,006	-	-
Total non-current liabilities		74,415,851	62,892,837	40,352,798	37,175,648
TOTAL LIABILITIES		4,165,584,092	4,050,563,377	2,050,549,007	1,808,373,414

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

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

**STATEMENT OF FINANCIAL POSITION (CONT.)**

**AS AT DECEMBER 31, 2023**

**LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)**

	Notes	Baht			
		Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Share capital					
Registered					
9,587,146,838 ordinary shares of Baht 0.125 each		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		1,198,393,355	1,198,393,355	1,198,393,355	1,198,393,355
Other deficit		-	-	-	-
Retained earnings (deficits)					
Appropriated - statutory reserve					
The Company	28	-	-	-	-
Subsidiary		-	-	-	-
Unappropriated		(1,454,160,675)	(913,844,821)	(1,422,639,807)	(976,932,696)
Other components of shareholders' equity		15,108,533	15,818,224	-	-
Equity attributable to owners of the Company		(240,658,787)	300,366,758	(224,246,452)	221,460,659
Non-controlling interests of the subsidiaries		1,951,130	2,461,130	-	-
Total shareholders' equity		(238,707,657)	302,827,888	(224,246,452)	221,460,659
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		3,926,876,435	4,353,391,265	1,826,302,555	2,029,834,073

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

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

**STATEMENT OF COMPREHENSIVE INCOME**

**FOR THE YEAR ENDED DECEMBER 31, 2023**

	Notes	Baht			
		Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>REVENUES</b>	5, 33				
Construction services income		2,124,510,351	3,283,819,565	850,509,657	1,020,766,172
Other services income		16,755,855	57,870,217	-	-
Sales income		-	1,600,263	-	-
Interest income		1,114,628	1,211,743	228,477	70,038
Other income		51,497,329	28,518,894	44,956,224	22,800,534
Total revenues		2,193,878,163	3,373,020,682	895,694,358	1,043,636,744
<b>EXPENSES</b>	29				
Cost of construction services	5	2,247,414,133	3,067,463,106	951,693,940	913,209,684
Cost of other services		14,754,455	52,045,242	-	-
Cost of sales		-	1,222,402	-	-
Administrative expenses		258,032,438	258,320,791	187,205,163	199,381,886
Loss from business dissolution in the subsidiary	13	-	36,845,368	-	-
Total expenses		2,520,201,026	3,415,896,909	1,138,899,103	1,112,591,570
Profit (loss) from operating activities		(326,322,863)	(42,876,227)	(243,204,745)	(68,954,826)
Impairment gain and reversal of impairment loss					
(impairment loss) determind in accordance with TFRS 9		(131,566)	-	(114,025,405)	-
Finance cost	5	(68,125,799)	(42,550,115)	(77,158,752)	(45,129,400)
Share of profit (loss) from investments in associate	14.2	(119,193,967)	-	-	-
Share of profit (loss) from investments in joint venture	15.1	(14,101,292)	(21,036,979)	-	-
Profit (loss) before income tax expenses		(527,875,487)	(106,463,321)	(434,388,902)	(114,084,226)
Income tax income (expenses)	30	(12,440,367)	(6,091,248)	(11,318,209)	(23,237)
<b>PROFIT (LOSS) FOR THE YEAR</b>		<b>(540,315,854)</b>	<b>(112,554,569)</b>	<b>(445,707,111)</b>	<b>(114,107,463)</b>

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

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

**STATEMENT OF COMPREHENSIVE INCOME (CONT.)**

**FOR THE YEAR ENDED DECEMBER 31, 2023**

		Baht			
		Consolidated financial statements		Separate financial statements	
	Notes	2023	2022	2023	2022
Other comprehensive income:					
Components of other comprehensive income to be reclassified to profit or loss					
Exchange differences on translation of financial statements in foreign currency - net of income tax					
		(709,691)	(3,631,811)	-	-
Components of other comprehensive income not to be reclassified to profit or loss					
Actuarial gains - net of income tax	26	-	14,367,755	-	5,819,594
Other comprehensive income for the year - net of income tax		(709,691)	10,735,944	-	5,819,594
Total comprehensive income for the year		(541,025,545)	(101,818,625)	(445,707,111)	(108,287,869)
Profit (loss) attributable to:					
Equity holders of the Company		(540,315,854)	(111,960,817)	(445,707,111)	(114,107,463)
Non-controlling interests of the subsidiaries		-	(593,752)	-	-
		(540,315,854)	(112,554,569)	(445,707,111)	(114,107,463)
Total comprehensive income attributable to:					
Equity holders of the Company		(541,025,545)	(97,892,958)	(445,707,111)	(108,287,869)
Non-controlling interests of the subsidiaries		-	(3,925,667)	-	-
		(541,025,545)	(101,818,625)	(445,707,111)	(108,287,869)
Earnings per share	31				
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company					
( Baht per share )		(0.0564)	(0.0117)	(0.0465)	(0.0119)

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



**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

Baht													
Consolidated financial statements													
Note	Equity attributable to the parent's shareholders									Equity attributable	Total		
	Issued and paid-up share capital	Other deficit		Retained earnings (deficit)			Other components of equity			Total equity attributable to shareholders of the Company	to non-controlling interests of the subsidiaries	shareholders' equity	
		Deficit on revaluation of investment in subsidiaries	Total other deficit	Appropriated - Statutory reserve		Unappropriated	Other comprehensive income		Total other components of shareholders' equity				
				The Company	Subsidiary		Exchange differences on translation of financial statements in foreign currency	Share of other comprehensive income from associate					
Balance as at January 1, 2022	1,198,393,355	(2,955,890)	(2,955,890)	-	4,108,018	(816,251,759)	15,218,346	899,774	16,118,120	399,411,844	(31,610,699)	367,801,145	
Profit (loss) for the year	-	-	-	-	-	(111,960,817)	-	-	-	(111,960,817)	(593,752)	(112,554,569)	
Other comprehensive income for the year	-	-	-	-	-	14,367,755	(299,896)	-	(299,896)	14,067,859	(3,331,915)	10,735,944	
Total comprehensive income for the year	-	-	-	-	-	(97,593,062)	(299,896)	-	(299,896)	(97,892,958)	(3,925,667)	(101,818,625)	
Effective loss from business dissolution in the subsidiary	13	-	2,955,890	2,955,890	-	(4,108,018)	-	-	-	(1,152,128)	37,997,496	36,845,368	
Balance as at December 31, 2022		1,198,393,355	-	-	-	-	(913,844,821)	14,918,450	899,774	15,818,224	300,366,758	2,461,130	302,827,888
Balance as at January 1, 2023		1,198,393,355	-	-	-	-	(913,844,821)	14,918,450	899,774	15,818,224	300,366,758	2,461,130	302,827,888
Profit (loss) for the year		-	-	-	-	-	(540,315,854)	-	-	-	(540,315,854)	-	(540,315,854)
Other comprehensive income for the year		-	-	-	-	-	(709,691)	-	-	(709,691)	(709,691)	-	(709,691)
Total comprehensive income for the year		-	-	-	-	-	(540,315,854)	(709,691)	-	(709,691)	(541,025,545)	-	(541,025,545)
Effective loss from business dissolution in the subsidiary	13	-	-	-	-	-	-	-	-	-	(510,000)	(510,000)	
Balance as at December 31, 2023		1,198,393,355	-	-	-	-	(1,454,160,675)	14,208,759	899,774	15,108,533	(240,658,787)	1,951,130	(238,707,657)

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

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

**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)**

**FOR THE YEAR ENDED DECEMBER 31, 2023**

	Baht			
	Separate financial statements			
	Issued and	Retained earnings (deficit)		Total
	paid-up	Appropriated -	Unappropriated	shareholders'
Note	share capital	Statutory reserve		equity
Balance as at January 1, 2022	1,198,393,355	-	(868,644,827)	329,748,528
Profit (loss) for the year	-	-	(114,107,463)	(114,107,463)
Other comprehensive income for the year	-	-	5,819,594	5,819,594
Total comprehensive income for the year	-	-	(108,287,869)	(108,287,869)
Balance as at December 31, 2022	1,198,393,355	-	(976,932,696)	221,460,659
Balance as at January 1, 2023	1,198,393,355	-	(976,932,696)	221,460,659
Profit (loss) for the year	-	-	(445,707,111)	(445,707,111)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(445,707,111)	(445,707,111)
Balance as at December 31, 2023	1,198,393,355	-	(1,422,639,807)	(224,246,452)

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

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

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED DECEMBER 31, 2023**

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit (loss) before tax	(527,875,487)	(106,463,321)	(434,388,902)	(114,084,226)
Adjustments to reconcile profit (loss) before tax				
to net cash provided by (paid from) operating activities				
Depreciation and amortisation	66,193,684	69,579,435	61,316,461	62,262,757
Expected credit loss allowance (Reverse)	131,566	979,227	114,025,405	979,227
Allowance for decline in value of inventories (Reverse)	(693,793)	-	(693,793)	-
Unrealised (gain) loss on exchange rate	(400,139)	344,179	(400,139)	344,179
(Gain) loss on disposal of equipment	(74,764)	(475,049)	(74,764)	(442,050)
Loss on write-off of equipment	417,771	1,931,353	247,940	1,926,638
Loss from business dissolution in the subsidiary	-	36,845,368	-	-
Loss from the reduction of proportion in joint venture	3,040,434	-	-	-
Share of (profit) loss from investments in associate	119,193,967	-	-	-
Share of (profit) loss from investments in joint venture	14,666,574	21,238,410	-	-
Provision for litigation (Reverse)	(1,701,056)	-	(1,701,056)	-
Provision for liabilities under construction projects	217,947,359	28,037,174	135,353,052	3,500,000
Non-current provisions for employee benefits	9,237,425	7,884,501	6,882,361	5,864,767
Interest income	(1,114,628)	(1,211,743)	(228,477)	(70,038)
Interest expenses	68,125,799	42,550,115	77,158,752	45,129,400
Profit (loss) from operating activities before changes in				
operating assets and liabilities	(32,905,288)	101,239,649	(42,503,160)	5,410,654
(Increase) decrease in operating assets				
Trade and other current receivables	45,312,703	161,254,198	25,889,406	92,700,707
Contract assets	355,119,648	(456,734,112)	119,588,312	192,774,957
Advance paid to subcontractors under construction contracts	(13,403,717)	26,538,062	(10,470,246)	15,497,471
Inventories	2,301,932	-	2,301,932	-
Other current assets	389,102	(25,867,681)	(5,211,287)	(1,168,741)
Other non-current assets	(138,772)	(3,413,362)	578,119	(10,119)

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

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

**STATEMENT OF CASH FLOWS (CONT.)**

**FOR THE YEAR ENDED DECEMBER 31, 2023**

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Increase (decrease) in operating liabilities				
Trade and other current payables	179,861,009	9,888,990	102,417,329	(10,176,011)
Unbilled payables	(317,210,741)	334,553,432	(55,506,691)	(48,891,177)
Contract liabilities	(57,745,536)	(293,435,829)	(11,778,270)	(130,691,667)
Accounts payable - retention under construction contracts	76,132,173	55,323,381	1,365,637	5,029,787
Other current liabilities	50,857,602	25,901,442	30,772,786	(7,410,175)
Other non-current liabilities	-	13,890,006	-	-
Cash flows from provide by (used in) operating activities	288,570,115	(50,861,824)	157,443,867	113,065,686
Cash paid for provision for liabilities under construction projects	(229,716,903)	(39,545,075)	(168,043,221)	(1,263,223)
Cash paid for provision for litigation	(792,780)	-	(792,780)	-
Cash paid for non-current provision for employee benefits	(112,200)	(12,485,928)	(112,200)	(8,451,016)
Cash paid for income tax	(48,443,453)	(115,447,956)	(29,372,348)	(92,765,920)
Received from withholding tax refund	45,469,861	57,775,976	44,803,582	57,712,506
Net cash flows provided by (used in) operating activities	54,974,640	(160,564,807)	3,926,900	68,298,033
Cash flows from investing activities				
Decrease (increase) in restricted deposits at bank	(32,654,347)	(21,592,852)	(6,252,500)	2,995,000
Cash paid for investing in other non-current financial assets	(5,000,000)	-	-	-
Cash receive from short-term loans to related parties	11,991,258	6,008,744	-	-
Cash paid for short-term loans to related parties	-	(2,778,001)	(596,065)	(2,778,001)
Cash paid for long-term loans to related parties	-	-	(113,303,500)	-
Cash paid for investing in associate	(119,253,526)	-	(6,250,025)	-
Cash paid for investing in joint venture	-	(6,340,050)	-	(6,000,050)
Cash received from the payaback of capital in joint venture	6,749,825	-	6,749,825	-
Interest income	1,787,120	549,090	159,026	33,124
Cash received from disposal of equipment	74,766	475,056	74,766	442,056
Cash paid for purchase of property, plant and equipment	(9,588,157)	(15,608,854)	(5,712,996)	(15,218,641)
Cash paid for purchase of intangible assets	-	(224,470)	-	(153,470)
Net cash flows provided by (used in) investing activities	(145,893,061)	(39,511,337)	(125,131,469)	(20,679,982)

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

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

**STATEMENT OF CASH FLOWS (CONT.)**

**FOR THE YEAR ENDED DECEMBER 31, 2023**

	Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans				
from financial institutions	(61,448,189)	143,292,146	(49,412,123)	(65,755,161)
Cash receive from short-term loans from other companies	19,500,000	-	16,000,000	-
Cash receive from short-term loans from person or related parties	219,702,031	75,300,000	376,416,527	232,913,933
Cash paid for short-term loans from person or related parties	(12,900,000)	(2,000,000)	(160,086,982)	(213,700,000)
Interest expenses	(49,774,062)	(39,302,849)	(55,891,332)	(16,770,620)
Cash paid for lease liabilities	(11,619,210)	(10,813,797)	(6,121,931)	(6,957,215)
Cash payments for return of capital to minor shareholders of				
the subsidiary	(510,000)	-	-	-
Net cash flows provided by (used in) financing activities	102,950,570	166,475,500	120,904,159	(70,269,063)
Increase (decrease) in translation adjustment	(709,691)	(3,631,811)	-	-
Net increase (decrease) in cash and cash equivalents	11,322,458	(37,232,455)	(300,410)	(22,651,012)
Cash and cash equivalents at the beginning of the year	15,709,111	52,941,566	7,037,598	29,688,610
Cash and cash equivalents at the end of the year	27,031,569	15,709,111	6,737,188	7,037,598
Supplemental cash flows information				
Non-cash items consist of				
Increase (decrease) in purchase of fixed assets				
that have yet to be paid	376,641	(5,082,478)	347,492	(5,036,916)
Increase in lease liabilities	16,940,131	7,731,682	5,308,382	7,123,048

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

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**1. GENERAL INFORMATION**

**(A) Operating Results of the Company**

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.

**(B) Assumption underlying the preparation of the financial statements**

As at December 31, 2023, the Group have higher current liabilities than current assets for Baht 926 million (Separate financial statements: Baht 1,332 million). The capital deficiency loss is Baht 239 million (Separate financial statements: Baht 224 million) and operating loss of Baht 540 million (Separate financial statements: Baht 446 million), mainly due to the recording of bad debts and allowance for doubtful accounts from lending to subsidiaries and indirect subsidiaries to invest in ASEAN Potash Chaiyaphum Public Company Limited (associated company) and the outstanding balances related to construction projects received from the associated company. This is due to the uncertain situation in the project development of the associated company. The management plans to allocate the capital increase ordinary shares.

According to the resolution of the Board of Directors Meeting No. 8/2023 held on October 9, 2023, and According to the Extraordinary Shareholders Meeting No. 1/2023 held on November 27, 2023 to consider approving the allocation of capital increase ordinary shares in an amount not exceeding 2,396,786,710 shares with a par value of Baht 0.125 per share and offer for sale to existing shareholders of the Company in proportion to their shareholding in an allocation ratio of 4 existing ordinary shares to 1 capital increase ordinary share at an offering price of Baht 0.20 to enhance the liquidity of the Group. In addition, the management has prepared the business operation plan, set a policy for new customer base expansion to increase revenues, policy to control expense to reduce operating costs and the Company has adequate short-term loan for its operation.

Later on February 1, 2024, the Company has received the capital increase from the allocation amounted Baht 479,357,342. The Company has registered the paid-up change in registered capital of Baht 1,497,991,693.50 with the Department of Business Development, Ministry of Commerce. Therefore, the Company can continue to operate on a going concern. From the above reasons, these financial statements have been prepared in accordance with generally accepted accounting principles based on the accounting assumption that the business will continue as a going concern. Therefore, assets are not adjusted for their salable prices and liabilities are not adjusted for the amounts that would have to be repaid and reclassified. This may be necessary if the Company cannot continue to operate as a going concern.

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**  
**DECEMBER 31, 2023**

**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 shareholding (%)	
			As at December 31,	
			2023	2022
<u>Held by the Company</u>				
Sahakarn Wisavakorn Company Limited	Construction service - basic infrastructure	Thailand	99.99	99.99
TRC Investment Limited	Holding company	The Republic of Mauritius	100.00	100.00
Olive Technology Company Limited	Data management and processing	Thailand	49.97	49.97
<u>Held by the Company's subsidiaries</u>				
Hydrotek Sahakarn Joint Venture (held by Sahakarn Wisavakorn Company Limited)	Construction services	Thailand	-	49.00
TRC International Limited (held by TRC Investment Limited)	Holding company	Hong Kong	100.00	100.00
Mahat Company Limited (held by Olive Technology Company Limited)	Data management and processing	Thailand	59.98	59.98
SAHAHYDRO PATTAYA Joint Venture (held by Sahakarn Wisavakorn Company Limited)	Construction services	Thailand	100.00	100.00

- 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.

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

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



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3.3 Revised financial reporting standards to be applied in the future

The Federation of Accounting Professions has announced to apply the revised financial reporting standards 2023 and it was announced in the Royal Gazette on August 8, 2023 on altogether 4 topics: definition of the accounting estimates, disclosure of information of the accounting policy, deferred income tax related to assets and liabilities arising from one transaction and other adjustments due to the change of the Accounting Standard No. 17 “Insurance Contracts”. This adjustment is an adjustment for the financial reporting standards to be clearer and more appropriate. This is effective for the financial statements for the accounting period beginning on or after January 1, 2024.

The Management of the Group have assessed and believed that this revision will not significantly affect the financial statements in the year that such standard is applied.

**4. SIGNIFICANT ACCOUNTING POLICIES**

4.1 Revenue and expense recognition

Services income and service cost from construction

The Group considered that most of the construction agreement had involved a single performance obligation. The Group recognized the revenue from rendering services under construction agreement throughout the construction period by using the outcome method to measure the success of work which assessed the ratio of work completed by the project engineer. The percentage of work completed had been considered and calculated by comparing the actual construction costs incurred until the end of the year with the total cost of construction that was expected to be used in the construction agreement. The allowance for losses would be provided for the construction project in full amount when it was clear that the construction project would suffer a loss.

The likelihood of contract variations claims and liquidated damages, delays in delivery or contractual penalties are taken into account in determining the revenue to be recognised, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

When the value and stage of completion of the contract cannot be reasonably measured, revenue is recognised only to the extent of contract costs incurred that are expected to be recovered.

The recognised revenue which is not yet due per the contracts has been presented under the caption of “Contract asset” in the statement of financial position. The amounts recognised as contract assets are reclassified to trade receivables when the Group’s right to consideration is unconditional such as upon completion of services and acceptance by the customer.

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The obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer is presented under the caption of “Contract liability” in the statement of financial position. Contract liabilities are recognised as revenue when the Group performs under the contract.

Costs of construction contracts comprise the costs of supply, subcontractors’ charges, other services and overheads which are recognized on 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.

**Revenue and cost of system development services**

Revenue from system development services of subsidiaries is recognized over time when services have been rendered taking into account the stage of completion, by measuring from the ratio of the services cost completed until present compared to the total estimate of services cost.

Revenue from system maintenance and equipment maintenance services of subsidiaries is recognized as revenue over the service period under the contract on a straight-line basis.

**Sales income**

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns and discounts.

**Interest income**

Interest income is calculated using the effective interest method and recognised on an accrual basis.

**Other income and expense**

The Group have recognised 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 Financial Instruments**

**Classification and measurement of financial assets**

Financial assets are classified, at initial recognition, as to be subsequently measured at amortized cost, fair value through other comprehensive income, or fair value through profit or loss. The classification of financial assets at initial recognition is driven by the Group’ business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

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Equity instruments can be classified and cannot be changed by two types of measurement which are measuring fair value through profit or loss or measuring fair value through other comprehensive income that without recycling to profit or loss.

The initial recognition of financial assets that are not measured at fair value through profit or loss with fair value plus or deduct transaction cost directly related to the acquisition or issuance. Financial assets that are measured at fair value through profit or loss, transaction costs of financial assets are recognized as expense in profit or loss. However, trade receivables, that do not contain a significant financing component are measured at the transaction price.

Subsequent measurement of debt instruments by 3 methods depends on the classification of debt instruments.

- Financial assets measured at amortized cost when financial assets are held to receive cash flow under the agreement and condition of the agreement of the financial assets that generate cash flow to pay the principal and interest from the principal balance on the specified date only. Such financial assets have to be calculated using the effective rate and are subject to impairment assessment. Profit or loss arising from derecognized, modified or impaired will be recognized in profit or loss.

- Financial assets measured at fair value through other comprehensive income when financial assets are held to receive cash flow under the agreement and to sell financial assets and the agreement condition of financial assets generating cash flow that only pays the principal and interest from the principal balance on the specified date. The change of value of financial assets is recognized through other comprehensive income except loss on impairment and interest income and gain and loss on exchange rate are recognized as profit or loss upon recognized of financial assets. Earning or deficit previously recognized in other comprehensive income has to be reclassified into profit or loss. Such financial asset has to be calculated using the effective interest rate same as financial assets measured at amortized cost.

- Financial assets measured at fair value through profit or loss when financial assets that do not meet the criteria for amortized cost or financial assets measured at fair value through other comprehensive income will be presented in the statement of financial position at fair value by recognizing the net change of fair value in profit or loss.

Subsequent valuation of equity instruments must present equity instruments using the fair value and record profit/loss from change in fair value through profit or loss or other comprehensive income depending on equity instruments classification.

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Classification and valuation of financial liabilities

The Group are recognized initially of financial liabilities at fair value net of transaction costs and classified as financial liabilities as financial liabilities subsequently measured at amortized cost using the effective rate. The amortized cost is calculated taking into account fees or costs that are an integral part of the effective rate. Amortization by the effective rate is presented as part of financial costs in profit or loss.

Derecognition of financial instruments

Financial assets will be derecognized from the account when the right to receive cash flow of such asset has ended or when the right to receive cash flow of the assets is transferred including upon the transfer of all risk and consideration of that asset or transfer of internal control in that asset although there is no transfer or maintaining of nearly all risk and consideration of such asset.

Financial liabilities will be derecognized from the account when the obligation of such liabilities has been complied, the obligation is cancelled or the obligation has ended. In case existing financial liabilities are changed to new liabilities from one single lender with considerably different requirements or there is a significant amendment in the requirements of existing liabilities, these are considered as recognition old liabilities and recognizing new liabilities by recognizing the difference of such carrying value under profit or loss.

Impairment of financial assets

Expected credit loss for financial assets measured at amortized cost or debt instrument financial asset measured at fair value through other comprehensive income and assets arising from credit facility obligation and financial guarantee agreement are assessed without having to wait for the credit event to occur first. The Group use the general approach in considering the allowance for loss on impairment. For trade receivables, the Group apply a simplified approach in calculating ECLs. The Group recognize a loss based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

Offset of financial instruments

Financial assets and liabilities will be offset and presented at net balance in the statement of financial position in the case legally enforced in offsetting the recognized amount. The Group intend to pay the net balance or intends to receive assets and settle payment of liabilities at the same time.

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

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 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.

**4.6 Investment in associates**

Associates are all entities over which the Group 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).

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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**4.7 Investment in joint ventures**

Investment in joint ventures is presented in the separate financial statements by stating at cost net of the allowance for impairment (if any). Joint venture is recorded by the equity method in the consolidated financial statements. Investment in joint venture is initially measured at cost and adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses on the portion that belongs to the Company and movements in other comprehensive income. When the Company's share of losses on the portion that belongs to the Company in a joint venture equals or exceeds its interests in the joint ventures, the Company will recognise such losses as an obligation of the Company's interest in the joint ventures.

**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 Group have 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 Group 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.

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

At inception of a contract, the Group 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 Group assess the lease term for the non-cancellable period as stipulated in lease contract or the remaining period of active leases 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.

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

Depreciation of 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 Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

In calculating the present value of lease payments, the Group 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.



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**Short-term leases and leases of low-value assets**

The Group 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.

The Group recognized the lease payments from operating leases as revenue on a straight-line basis over the term of the lease agreement.

**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 non-financial assets**

As at the statement of financial position date, the Group have assessed whether there is an indication of asset impairment. If any such indication exists, the Group 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 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 Group could obtain from the disposal of the asset in an arm's length transactions between knowledgeable, willing parties, after deducting the costs of disposal.

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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4.14 Employee benefits

Short-term employment benefits

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

Post-employment benefits (Defined contribution plans)

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. 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 Group have 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 Group treats these severance payment obligations as a defined benefit plan. Moreover, the Group have prepared for other long-term employee benefit programs, such as reward project for completion of work plans.

The Group 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.

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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 Group 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 Group 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 Group 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 Group 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.

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

Construction contracts

The Group recognises revenue from construction contracts over time taking into account the stage of completion. The management has exercised judgement in measuring the progress towards satisfaction of the performance obligation, with reference to information provided by project engineers or project managers and relying on their expertise and past experience.

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The expected credit loss allowance

In determining an the expected credit loss allowance, 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 Group 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 Group 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 Group 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 Group 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.

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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Impairment of investments

The Group 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 Group 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 Group 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.

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

Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit of the lease. Therefore, the incremental borrowing rate of the Group are used to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay for necessary borrowing to acquire the assets, or assets with close value to right-of-use assets in similar economic environment, borrowing period and borrowing security.

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**5. RELATED PERSON OR PARTY TRANSACTIONS**

During the year, the Group had significant business transactions with person or related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company, its subsidiaries and those 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
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
SAHAHYDRO PATTAYA Joint Venture	Thailand	Subsidiary company
ASEAN Potash Chaiyaphum Public Company Limited	Thailand	Associated company
Sinopec-TRC Joint Venture	Thailand	Joint venture
SH Crossing Company Limited	Thailand	Joint venture
AT Energy Solution Company Limited	Thailand	Joint venture
TRC Utility Company Limited	Thailand	Joint venture
		from July 27, 2023 the status of such company changed from the Joint venture to the Associated company with 40% shareholding
Sahakarn Underground Joint Venture	Thailand	Joint venture
XSENSE - OLIVE Joint Venture	Thailand	Joint venture
EXPRESS WORLD TRACKING Joint Venture	Thailand	Joint venture
		from May 16, 2023 the status of such company changed from the Joint venture to the Related party
KPK 1999 Company Limited	Thailand	Related company and Common director
Pasit Leesakul	Thailand	Director
Paichit Rattananon	Thailand	Chairman of the Board of Directors

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



**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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Significant transactions with person or related companies for the years ended December 31, 2023 and 2022 are as follows :

	In Million Baht				
	Consolidated		Separate		
	financial statements		financial statements		Transfer Pricing Policy
	2023	2022	2023	2022	
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Cost of construction services	-	-	8	29	Cost plus margin
Finance cost	-	-	44	25	At rate of 4.50% - 7.00% p.a. (2022 : At rate of 2.50% - 6.25% p.a.)
Other income	-	-	16	15	Cost plus margin
<u>Transactions with person or related parties</u>					
Other service income	12	53	-	-	Contract price
Finance cost	17	4	17	4	At rate of 6.25% - 9.00% p.a. (2022 : At rate of 6.25% - 8.00% p.a.)
Other income	3	5	3	4	Cost plus margin
Interest income	1	1	-	-	At rate of 2.50% p.a. (2022 : At rate of 2.50% p.a.)

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

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at December 31,		As at December 31,	
	2023	2022	2023	2022
<u>Trade and other current receivables - related parties</u>				
Subsidiary companies	-	-	574,534	528,838
Associated company	381,661	383,420	381,394	383,420
Joint venture	25,778	35,876	3,376	7,583
Total	407,439	419,296	959,304	919,841
<u>Less</u> The expected credit loss allowance	(381,051)	(383,420)	(910,529)	(841,010)
Trade and other current receivables - related parties - net	26,388	35,876	48,775	78,831

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at December 31,		As at December 31,	
	2023	2022	2023	2022
<u>Account receivable - retention under</u>				
<u>construction contracts - related parties</u>				
Associated company	7,854	7,854	7,854	7,854
Joint venture	-	-	-	-
Total	7,854	7,854	7,854	7,854
<u>Less : The expected credit loss allowance</u>	(7,854)	(7,854)	(7,854)	(7,854)
Total account receivable - retention under construction				
contracts - related parties - net	-	-	-	-
<u>Advances paid to subcontractor under construction contract :</u>				
<u>related party</u>				
Joint venture	37,927	42,528	-	-
Total	37,927	42,528	-	-
<u>Short-term loans to related parties</u>				
Subsidiary companies	-	-	5,186	4,595
Associated company	3,200	-	-	-
Joint venture	2,778	17,969	2,778	2,778
Total	5,978	17,969	7,964	7,373
<u>Less : The expected credit loss allowance</u>	-	-	(5,186)	(4,595)
Total short-term loans to related parties - net	5,978	17,969	2,778	2,778
<u>Long-term loans to related parties</u>				
Subsidiary companies	-	-	1,419,821	1,306,517
Total	-	-	1,419,821	1,306,517
<u>Less : The expected credit loss allowance</u>	-	-	(1,419,821)	(1,306,517)
Total long-term loans to related parties - net	-	-	-	-
<u>Trade and other current payables - person or related parties</u>				
Subsidiary companies	-	-	72,500	77,704
Joint ventures	38,359	41,741	53	44
Related company	10,247	-	10,247	-
Director and Chairman of the Board of Directors	9,923	3,347	9,923	3,347
Total	58,529	45,088	92,723	81,095

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	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	As at December 31,		As at December 31,	
	2023	2022	2023	2022
<u>Short-term loans from person or related parties</u>				
Subsidiary companies	-	-	648,442	638,914
Joint ventures	-	7,000	-	7,000
Related company	186,500	-	186,500	-
Director and Chairman of the Board of Directors	93,602	66,300	93,602	66,300
Total	<u>280,102</u>	<u>73,300</u>	<u>928,544</u>	<u>712,214</u>
<u>Accounts payable - retention under construction contracts</u>				
<u>- related party</u>				
Joint ventures	20,071	12,996	-	-
Total	<u>20,071</u>	<u>12,996</u>	<u>-</u>	<u>-</u>
<u>Non-other current liabilities - related party</u>				
Joint ventures	13,890	13,890	-	-
Total	<u>13,890</u>	<u>13,890</u>	<u>-</u>	<u>-</u>

As at December 31, 2023 and 2022, the balance of loans and short-term loans between the Company and related companies and the movements are as follows:

		In Thousand Baht			
		Consolidated Financial Statements			
		Balance as at	Increase	Decrease	Balance as at
		December			December
Loans to	Related by	31, 2022			31, 2023
<u>Short-term loans</u>					
Sahakarn Underground Joint Venture	Joint Venture	3,191	-	(3,191)	-
TRC Utility Company Limited	Joint Venture	12,000	-	(8,800)	3,200
	(from July 27, 2023 the status changed to the Associated company)				
XSENSE - OLIVE Joint Venture	Joint Venture	2,778	-	-	2,778
Total		17,969	-	(11,991)	5,978
Less : The expected credit loss allowance		-		-	-
Short-term loans - net		<u>17,969</u>	<u>-</u>	<u>(11,991)</u>	<u>5,978</u>

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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		In Thousand Baht			
		Consolidated Financial Statements			
Loans to	Related by	Balance as at	Increase	Decrease	Balance as at
		December			December
		31, 2021			31, 2022
<u>Short-term loans</u>					
Sahakarn Underground Joint Venture	Joint venture	9,200	-	(6,009)	3,191
TRC Utility Company Limited	Joint venture	12,000	-	-	12,000
XSENSE - OLIVE Joint Venture	Joint venture	-	2,778	-	2,778
Total		21,200	2,778	(6,009)	17,969
Less : The expected credit loss allowance		-	-	-	-
Short term loans - net		21,200	2,778	(6,009)	17,969

		In Thousand Baht				
		Separate Financial Statements				
Loans to	Related by	Balance as at	Increase	Decrease	Exchange rate	Balance as at
		December			adjustment	December
		31, 2022				31, 2023
<u>Short-term loans</u>						
TRC Investment Limited	Subsidiary company	4,595	595	-	(4)	5,186
XSENSE - OLIVE Joint Venture	Joint Venture	2,778	-	-	-	2,778
Total		7,373	595	-	(4)	7,964
Less : The expected credit loss allowance		(4,595)	(595)	-	4	(5,186)
Short-term loans - net		2,778	-	-	-	2,778

<u>Long-term loans</u>						
TRC Investment Limited	Subsidiary company	1,260,508	101,250	-	-	1,361,758
TRC International Limited	Subsidiary company	46,009	12,054	-	-	58,063
Total		1,306,517	113,304	-	-	1,419,821
Less : The expected credit loss allowance		(1,306,517)	(113,304)	-	-	(1,419,821)
Long-term loans - net		-	-	-	-	-

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**  
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		In Thousand Baht				
		Separate Financial Statements				
Loans to	Related by	Balance as at December 31, 2021	Increase	Decrease	Exchange rate adjustment	Balance as at December 31, 2022
<u>Short-term loans</u>						
TRC Investment Limited	Subsidiary company	3,986	594	-	15	4,595
TRC Engineering LLC	Subsidiary company	56,858	95	(56,953)	-	-
TRC Middle East LLC	Subsidiary company	3,940	142	(4,082)	-	-
XSENSE - OLIVE Joint Venture	Joint Venture	-	2,778	-	-	2,778
Total		64,784	3,609	(61,035)	15	7,373
Less : The expected credit loss allowance		(64,784)	(831)	61,035	(15)	(4,595)
Short-term loans - net		-	2,778	-	-	2,778
<u>Long-term loans</u>						
TRC Investment Limited	Subsidiary company	1,260,508	-	-	-	1,260,508
TRC International Limited	Subsidiary company	46,009	-	-	-	46,009
Total		1,306,517	-	-	-	1,306,517
Less : The expected credit loss allowance		(1,306,517)	-	-	-	(1,306,517)
Long-term loans - net		-	-	-	-	-

Loans to related parties carried interest at rate of 2.50% - 9.25% per annum (December 31, 2022 : 2.50% - 5.00% 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 Chaiphaphum Public Company Limited as described in Note 14 The Company classified these loans as long-term loans to related parties in the separate financial statements.

		In Thousand Baht			
		Consolidated Financial Statements			
Short-term loans from	Related by	Balance as at December 31, 2022	Increase	Decrease	Balance as at December 31, 2023
XSENSE - OLIVE Joint Venture	Joint Venture	7,000	-	(7,000)	-
KPK 1999 Company Limited	Related company	-	186,500	-	186,500
Pasit Leesakul	Director	41,000	-	-	41,000
Paichit Rattananon	Chairman of the Board of Directors	25,300	33,202	(5,900)	52,602
Total		73,300	219,702	(12,900)	280,102

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**  
**DECEMBER 31, 2023**

		In Thousand Baht			
		Consolidated Financial Statements			
		Balance as at December 31, 2021	Increase	Decrease	Balance as at December 31, 2022
Short-term loans from	Related by				
XSENSE - OLIVE Joint Venture	Joint Venture	-	7,000	-	7,000
Pasit Leesakul	Director	-	43,000	(2,000)	41,000
Paichit Rattananon	Chairman of the Board of Directors	-	25,300	-	25,300
Total		-	75,300	(2,000)	73,300

		In Thousand Baht			
		Separate Financial Statements			
		Balance as at December 31, 2022	Increase	Decrease	Balance as at December 31, 2023
Short-term loans from	Related by				
Sahakarn Wisavakorn Company Limited	Subsidiary company	618,500	156,400	(131,808)	643,092
SAHAHYDRO PATTAYA Joint Venture	Subsidiary company	9,414	314	(9,728)	-
Olive Technology Company Limited	Subsidiary company	11,000	-	(5,650)	5,350
XSENSE - OLIVE Joint Venture	Joint Venture	7,000	-	(7,000)	-
KPK 1999 Company Limited	Related company	-	186,500	-	186,500
Pasit Leesakul	Director	41,000	-	-	41,000
Paichit Rattananon	Chairman of the Board of Directors	25,300	33,202	(5,900)	52,602
Total		712,214	376,416	(160,086)	928,544

		In Thousand Baht			
		Separate Financial Statements			
		Balance as at December 31, 2021	Increase	Decrease	Balance as at December 31, 2022
Short-term loans from	Related by				
Sahakarn Wisavakorn Company Limited	Subsidiary company	693,000	128,000	(202,500)	618,500
SAHAHYDRO PATTAYA Joint Venture	Subsidiary company	-	16,614	(7,200)	9,414
Olive Technology Company Limited	Subsidiary company	-	13,000	(2,000)	11,000
XSENSE - OLIVE Joint Venture	Joint Venture	-	7,000	-	7,000
Pasit Leesakul	Director	-	43,000	(2,000)	41,000
Paichit Rattananon	Chairman of the Board of Directors	-	25,300	-	25,300
Total		693,000	232,914	(213,700)	712,214

Short-term loan from related parties carried interest at rate of 6.25% - 9.00% per annum (December 31, 2022 : 2.50 - 8.00% per annum) and due for repayment on demand and no security to guarantee.

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**  
**DECEMBER 31, 2023**

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 34.4 and 34.5.

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, 2023 and 2022, are as follows :

	In Million Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended December 31,		For the year ended December 31,	
	2023	2022	2023	2022
Management				
Management benefit expenses				
Short-term employee benefits	19	20	18	18
Post-employment benefits	1	1	1	1
Total	20	21	19	19

**6. 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,	
	2023	2022	2023	2022
Cash	1,127	1,377	170	180
Deposits at banks (saving and current account)	25,905	14,332	6,567	6,858
Total	27,032	15,709	6,737	7,038

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

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**  
**DECEMBER 31, 2023**

**7. 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,	
	2023	2022	2023	2022
<u>Trade accounts receivable - related parties</u>				
Aged on the basis of due dates				
Not yet due	239	-	239	-
Past due				
Up to 3 months	-	16,668	-	-
3 - 6 months	-	-	-	-
6 - 12 months	22,090	-	-	-
Over 12 months	381,051	383,420	381,051	383,420
Total trade accounts receivable - related parties	403,380	400,088	381,290	383,420
Less : The expected credit loss allowance	(381,051)	(383,420)	(381,051)	(383,420)
Total trade accounts receivable - related parties - net	22,329	16,668	239	-
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	106,723	94,901	59,222	33,973
Past due				
Up to 3 months	19,860	43,368	4,318	23,631
3 - 6 months	-	10,564	-	-
6 - 12 months	-	4,956	-	-
Over 12 months	14,777	214	214	214
Total trade accounts receivable - unrelated parties	141,360	154,003	63,754	57,818
Less : The expected credit loss allowance	(214)	(214)	(214)	(214)
Total trade accounts receivable - unrelated parties - net	141,146	153,789	63,540	57,604
Total trade accounts receivable - net	163,475	170,457	63,779	57,604
<u>Other current receivables</u>				
Advance to related parties	3,685	18,161	48,429	78,795
Interest receivable from related parties	374	1,047	529,585	457,627
Others	36,598	58,202	9,018	8,468
Total other current receivables	40,657	77,410	587,032	544,890
Less : The expected credit loss allowance	(834)	(834)	(530,312)	(458,425)
Total other current receivables - net	39,823	76,576	56,720	86,465
Total trade and other current receivables - net	203,298	247,033	120,499	144,069



**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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The Group transferred rights to receive payment from accounts receivable under construction contracts to secure the credit facilities with banks. Pledged trade accounts receivable amounting to Baht 126 million included in the trade accounts receivable balance as at December 31, 2023 (Separate financial statements : Baht 58 million) (December 31, 2022 : Baht 84 million, Separate financial statements : Baht 46 million).

**8. CONTRACT ASSETS / CONTRACT LIABILITIES**

**8.1 Contract balances**

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2023	2022	2023	2022
Contract assets				
Unbilled receivable	2,087,599	2,472,845	401,226	494,535
Accounts receivable - retention under construction contracts	307,428	277,301	40,035	66,315
Less : The expected credit loss allowance	(7,854)	(7,854)	(7,854)	(7,854)
Total contract assets	<u>2,387,173</u>	<u>2,742,292</u>	<u>433,407</u>	<u>552,996</u>
Contract liabilities				
Unearned construction - revenue	3,015	3,280	-	3,280
Advances received from customers under construction				
Project	<u>556,796</u>	<u>614,276</u>	<u>75,402</u>	<u>83,900</u>
Total contract liabilities	<u>559,811</u>	<u>617,556</u>	<u>75,402</u>	<u>87,180</u>

**8.2 Unbilled receivable**

As at 31 December 2023 and 2022, the Group had balance of unbilled receivables of Baht 2,088 million and Baht 2,391 million, respectively (Separate financial statements: Baht 401 million and Baht 413 million, respectively) was expected to be billed within one year.

As at December 31, 2022 the Group had balance of unbilled receivables of Baht 82 million (Separate financial statement : Baht 82 million) was expected to be billed after one year. the detail of Note 35 (the second case of the Company).

**8.3 Revenue recognised in relation to contract balances**

During the years 2023 and 2022, the Group recognised contract liabilities at the beginning of the year of Baht 243 million and Baht 387 million, respectively (Separate financial statements: Baht 64 million and Baht 192 million, respectively) as revenue.

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**  
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8.4 Revenue to be recognised for the remaining performance obligations

As at December 31, 2023 and 2022, the Group expected to recognise revenue totaling Baht 3,712 million and Baht 4,460 million, respectively (Separate financial statements: Baht 377 million and Baht 586 million, respectively) in the future in respect of performance obligations under contracts with customers that have not been satisfied or partially unsatisfied. The Group expects to satisfy these performance obligations within 1-2 years.

**9. INVENTORIES**

Inventories are as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2023	2022	2023	2022
Raw materials and construction supplies	-	2,302	-	2,302
<u>Less</u> Allowance for decline in value of inventories	-	(694)	-	(694)
Inventories - net	-	1,608	-	1,608

During the year 2023, the Group reversed allowance for decline in value of inventories from the sales.

**10. 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,	
	2023	2022	2023	2022
Year 2019	-	566	-	-
Year 2021	23,576	68,480	-	44,804
Year 2022	53,810	53,810	35,053	35,053
Year 2023	47,260	-	29,373	-
	124,646	122,856	64,426	79,857

The Group 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 Group by Government Agency.

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**  
**DECEMBER 31, 2023**

**11. 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,	
	2023	2022	2023	2022
Prepaid expenses	10,685	15,115	7,768	9,175
Account receivable - Revenue Department	16,109	21,845	-	-
Undue Input Vat	22,519	12,742	8,056	1,438
Total other current assets	49,313	49,702	15,824	10,613

**12. RESTRICTED DEPOSITS AT BANKS**

These balances represent saving deposit and fixed deposits that the Group pledged with bank guarantee facilities issued by the banks on behalf of the Group, as described in Note 34.4.

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS (CONT.)

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13. 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 (%)		Paid-up capital		In Baht					
							Cost method		Allowance for loss on impairment of investment		Cost - net	
			As at December 31,		As at December 31,		As at December 31,		As at December 31,		As at December 31,	
			2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Sahakarn Wisavakorn Company Limited	Construction services - basic infrastructure	Thailand	99.99	99.99	500,000,000	500,000,000	620,894,691	620,894,691	(145,071,416)	(145,071,416)	475,823,275	475,823,275
					Baht	Baht						
TRC Investment Limited	Holding company	The Republic of Mauritius	100.00	100.00	1 USD	1 USD	32	32	-	-	32	32
Olive Technology Company Limited	Data management and processing	Thailand	49.97	49.97	3,100,000	3,100,000	1,549,070	1,549,070	-	-	1,549,070	1,549,070
					Baht	Baht						
Total							622,443,793	622,443,793	(145,071,416)	(145,071,416)	477,372,377	477,372,377

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**  
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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		In Baht					
							Cost method		Allowance for loss on		Cost method - net	
									impairment of investment			
							As at December 31,		As at December 31,		As at December 31,	
							2023	2022	2023	2022	2023	2022
<u>Held by Sahakarn Wisavakom Company Limited</u>												
Hydrotek Sahakarn Joint Venture	Construction services	Thailand	-	49.00	-	1,000,000	-	490,000	-	-	-	490,000
					Baht	Baht						
SAHAHYDRO PATTAYA Joint Venture	Construction services	Thailand	100.00	100.00	200,000	200,000	200,000	200,000	-	-	200,000	200,000
					Baht	Baht						
<u>Held by TRC Investment Limited</u>												
TRC International Limited	Holding company	Hong Kong	100.00	100.00	10	10	33	33	-	-	33	33
					HKD	HKD						
<u>Held by TRC International Limited</u>												
TRC Middle East LLC	Construction services	Sultanate of Oman	-	-	-	-	-	-	-	-	-	-
					Omani Rial	Omani Rial						
TRC Engineering LLC	Construction services	Sultanate of Oman	-	-	-	-	-	-	-	-	-	-
					Omani Rial	Omani Rial						
<u>Held by Olive Technology Company Limited</u>												
Mahat Company Limited	Data management and processing	Thailand	59.98	59.98	1,000,000	1,000,000	599,800	599,800	-	-	599,800	599,800
					Baht	Baht						
Total							799,833	1,289,833	-	-	799,833	1,289,833

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

**NOTES TO FINANCIAL STATEMENTS (CONT.)**

**DECEMBER 31, 2023**

Hydrotek Sahakarn Joint Venture

On October 31, 2019, the Board of Directors' Meeting No.2/2019 approved to cease the business operation. As at December 31, 2023 such subsidiary had completed of the liquidation process.

TRC Middle East LLC and TRC Engineering LLC

On March 10, 2016, the Meeting No. 3/2016 of the Company's Board of Directors passed a resolution to approve the closure of TRC Middle East LLC and TRC Engineering LLC. As at December 31, 2022 both subsidiary's business had been dissolved undergone the liquidation process and ended the status of the subsidiary. Both subsidiaries had been operating at loss so the Company has to recognize the loss from the subsidiary's business dissolution in the amount of Baht 36.85 million as stated in the statement of comprehensive income.

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**  
**DECEMBER 31, 2023**

**14. INVESTMENTS IN ASSOCIATE**

14.1 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	In Thousand Baht									
			Shareholding percentage (%)		Paid-up capital (Thousand Baht)		Carrying amounts based on		Allowance for loss on		Carrying amounts based on	
							equity method		impairment of investment		equity method - net	
			As at December 31,		As at December 31,		As at December 31,		As at December 31,		As at December 31,	
			2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
<u>Held by the Company</u>												
TRC Utility Company Limited	To produce and distribute tap water	Thailand	40.00	-	31,250	-	9,506	-	-	-	9,506	-
<u>Held by TRC Investment Limited</u>												
ASEAN Potash Chaiyaphum Public Company Limited	Mining Industries	Thailand	22.46	22.46	3,256,727	2,805,797	1,126,742	1,126,742	(1,126,742)	(1,126,742)	-	-
<u>Held by TRC International Limited</u>												
ASEAN Potash Chaiyaphum Public Company Limited	Mining Industries	Thailand	2.67	2.67	3,256,727	2,805,797	85,989	85,989	(85,989)	(85,989)	-	-
Total							1,222,237	1,212,731	(1,212,731)	(1,212,731)	9,506	-

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**  
**DECEMBER 31, 2023**

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

							In Thousand Baht					
Company's name	Business type	Country of registration	Shareholding percentage (%)		Paid-up capital (Thousand Baht)		Allowance for loss on					
							Cost method		impairment of investment		Cost method- net	
			As at December 31,		As at December 31,		As at December 31,		As at December 31,		As at December 31,	
			2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
<u>Held by the Company</u>												
TRC Utility Company Limited	To produce and distribute tap water	Thailand	40.00	-	31,250	-	12,500	-	-	-	12,500	-
Total							12,500	-	-	-	12,500	-



**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**  
**DECEMBER 31, 2023**

ASEAN Potash Chaiyaphum Public Company Limited

According to the concession application agreement between the associated company and the Department of Primary Industries and Mines, Ministry of Industry, in January 2015. The associated company was obligated to pay the special benefits in 8 installments amounting to Baht 433 million per installment with interest at the rate of 6.5% per annum, totaling Baht 569 million. It had started from 2018 and had an obligation to pay various fund payments every year throughout the concession certificate period. In addition, the associated company received a letter from the Chaiyaphum Provincial Industrial Office requesting payment of the installments 1 - 7 of the special benefits of totaling Baht 3,980 million, including a fine at the rate of 15% per annum within 90 days from the date of receipt of the letter which was due in January 2024, otherwise the concession certificate might be revoked in accordance with Section 128 of the Minerals Act B.E. 2560.

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

According to the Extraordinary Shareholders' Meeting No. 1/2023 held on November 27, 2023, it was resolved to approve the additional investment limit in capital increase ordinary shares in proportion to ASEAN Potash Chaiyaphum Public Company Limited not over Baht 4,020,240,000.

The Company's subsidiary has recorded an allowance for impairment of investment in the full amount with the total value of Baht 1,474 million. Due to the associated company had significant uncertainty, such as the obligation to pay the special benefits which resulted in the risk of being revoked the concession certificate along with uncertainty in seeking additional funding to develop potash mining projects both in the part of the capital increase that had no progress in securing new investors from both the public and private sectors and/or obtaining credit from commercial banks. As a result, the associated company had problems with working capital resulting in the delay in the project development plan of the associated company. The Company had to recognize a large amount of many loss of associated company by the equity method in the consolidated operating results for consecutive years. It would be more recognized in the future from recording the fine from the associated company's failure to pay the special benefits required to be paid every year. Although the Company's management had recorded full provision for loss for assets related to the associated company's potash mining project, the Company continued to have the duty and responsibility to do the best to restore the value of those assets as much as possible. In the future, if the values of those assets are restored, the Company will then be able to reverse the excess loss reserve and can recognize the future profits to compensate for the loss from such reserves.

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**  
**DECEMBER 31, 2023**

As at December 31, 2023, the associated company was still unable to settle payment for the special state benefits to the Department of Primary Industries and Mines and local government organizations, installment 1 - 7 of Baht 3,980 million, including the penalty fee at the rate of 15% per annum as the associated company is in the process of procuring additional funding sources in term of both calling for capital increase from the existing shareholders of the associated company and recruiting the new potential investors. The associated company has suspended the mine construction project temporary. And during the year 2022, the associated company had been sued from the parties on the breach of agreement by claiming compensation for damages and interest with the capital amount Baht 3,971 million. Which is under consideration of the Court and associated company was still unable to comply with the conditions attached to the concession certificate regarding the remittance to the fund and the delivery to the Department of Primary Industries and Mines and local government organizations and the communities located in the concession areas amount Baht 550 million. The management of the associated company has recorded the provisions in the full amount.

14.2 Share of Profit (loss)

During the year ended December 31, 2023 and 2022, the Company has recognised its share of profit (loss) from investments in associate in the consolidated financial statements as follows:

Company's name	In Thousand Baht			
	Share of profit (loss) from investments in associated company		Share of other comprehensive income from investments in associated company	
	2023	2022	2023	2022
TRC Utility Company Limited	(5,890)	-	-	-
ASEAN Potash Chaiphum Public Company Limited	(113,304)	-	-	-
Total	<u>(119,194)</u>	<u>-</u>	<u>-</u>	<u>-</u>

During the year ended December 31, 2023 the Company has recognized share of loss from investment in ASEAN Potash Chaiphum Public Company Limited in the consolidated financial statements equal to the cost price according to the shareholding proportion of the subsidiaries as the share of loss in that ASEAN Potash Chaiphum Public Company Limited has the value equal to the value of the interest of the ASEAN Potash Chaiphum Public Company Limited. The Company did not guarantee for the debt obligation of the associated company.

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**  
**DECEMBER 31, 2023**

During the year ended December 31, 2022, the Company has stop recognised its share of loss from investments in ASEAN Potash Chaiphum Public Company Limited in the consolidated financial statements as the share of loss in that ASEAN Potash Chaiphum Public Company Limited has the value equal to the value of the interest of the ASEAN Potash Chaiphum Public Company Limited. The Company did not guarantee for the debt obligation of the associated company.

14.3 Summary of significant financial information on associate  
 ASEAN Potash Chaiphum Public Company Limited

Summary of information about financial position as at December 31, 2023 and 2022

	In Million Baht	
	2023	2022
Current assets	174	6
Non-current assets	6,570	6,579
Current liabilities	(6,462)	(5,632)
Non-current liabilities	(840)	(1,376)
Net assets	(558)	(423)
Shareholding percentage (%)	25.13	25.13
Share of net assets	(140)	(106)
Elimination entries	-	-
Goodwill	847	847
Total	707	741
Less: Allowance for loss on impairment of investment	(1,213)	(1,213)
Unrecognized cumulative effect of the share of loss from associated company	(506)	(472)

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**  
**DECEMBER 31, 2023**

Summary of information about comprehensive income for the year ended December 31, 2023 and 2022

	In Million Baht	
	2023	2022
Revenue	35	5
Profit (loss)	(586)	(545)
Other comprehensive income	-	-
Total comprehensive income	(586)	(545)

TRC Utility Company Limited

Summary of information about financial position as at December 31, 2023

	In Million Baht
	2023
Current assets	7
Non-current assets	25
Current liabilities	(7)
Non-current liabilities	(5)
Net assets	20
Shareholding percentage (%)	40.00
Share of net assets	8
Elimination entries	-
Goodwill	2
Total	10
Less: Allowance for loss on impairment of investment	-
Carrying amounts of associate based on equity method	10

Summary of information about comprehensive income for the year ended December 31, 2023

	In Million Baht
	2023
Revenue	25
Profit (loss)	(12)
Other comprehensive income	-
Total comprehensive income	(12)

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS (CONT.)

DECEMBER 31, 2023

15. 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	In Thousand Baht									
		Shareholding percentage (%)		Cost (Thousand Baht)		Carrying amounts based on		Allowance for loss on		Carrying amounts based on equity	
						equity method		impairment of investment		method - net	
		As at December 31,		As at December 31,		As at December 31,		As at December 31,		As at December 31,	
		2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
<u>Held by the Company</u>											
Sinopec-TRC Joint Venture	Construction service	-	30	-	2,376	-	2,376	-	-	-	2,376
AT Energy Solution Company Limited	Energy production and distribution	50	50	100,000	100,000	86,644	90,334	-	-	86,644	90,334
TRC Utility Company Limited	To produce and distribute tap water	-	50	-	12,999	-	15,238	-	-	-	15,238
<u>Held by Sahakarn Wisavakorn Company Limited</u>											
SH Crossing Company Limited	Construction service	51	51	20,400	20,400	-	15,225	-	-	-	15,225
Sahakarn Underground Joint Venture	Construction service	50	50	200	200	-	-	-	-	-	-
<u>Held by Olive Technology Company Limited</u>											
XSENSE - OLIVE Joint Venture	Data management and processing	40	40	40	40	1,068	818	-	-	1,068	818
EXPRESS WORLD TRACKING Joint Venture	Data management and processing	-	30	-	300	-	-	-	-	-	-
Total				120,640	136,315	87,712	123,991	-	-	87,712	123,991

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

Company's name	Business type	In Thousand Baht							
		Shareholding percentage (%)		Cost method		Allowance for loss on impairment of investment		Cost method – net	
		As at December 31,		As at December 31,		As at December 31,		As at December 31,	
		2023	2022	2023	2022	2023	2022	2023	2022
Sinopec-TRC Joint Venture	Construction service	-	30	-	2,376	-	-	-	2,376
AT Energy Solution Company Limited	Energy production and distribution	50	50	100,000	100,000	-	-	100,000	100,000
TRC Utility Company Limited	To produce and distribute tap water	-	50	-	12,999	-	-	-	12,999
Total				100,000	115,375	-	-	100,000	115,375

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**  
**DECEMBER 31, 2023**

Sinopec-TRC Joint Venture

As at December 31, 2023, the management approved to write-off the investment in joint venture in the whole amount due to the completion of the project operation of the joint venture. The Company recognizes the loss on write-off in the amount of Baht 2.38 million in administrative expenses account.

TRC Utility Company Limited

According to the Extraordinary Shareholders' Meeting No.1/2023 held on July 13, 2023, it was approved to reduce the registered capital of the Company from Baht 50,000,000 to Baht 12,500,000 divided into 500,000 shares by reducing the par value per share Baht 25 and to increase the registered capital Baht 18,750,000 by issuing 750,000 ordinary shares at the par value of Baht 25. As a result, the Company's new registered capital is Baht 31,250,000 divided into 1,250,000 shares at the par value of Baht 25.

TRC Construction Public Company Limited had a resolution to approve the waiver of partial capital increase ordinary shares purchase of TRC Utility Company Limited in the amount 125,000 shares of the number of ordinary shares that rights are granted to S Group AEC (Thailand) Company Limited as a new investor.

From the said transaction, the shareholding percentage of the company has changed from 50 percent to 40 percent of the total number of ordinary shares in TRC Utility Company Limited. Along with the agreement in the joint venture agreement, the Board of Directors of TRC Utility Company Limited, the Board of Directors formed through an appointment, totaling 5 persons, each contracting party consists of TRC Construction Public Company Limited, not more than 2 persons, S Group AEC (Thailand) Company Limited, not more than 2 persons, and Planet Utility Company Limited, not more than 1 person, and the conditions of the resolution of the board meeting must receive the affirmative vote from the directors of at least 3 out of 5 directors. The Company has classified the investment in TRC Utilities Company Limited as investment in associate and recognized the difference arising from the reduction in shareholding proportion under the account of administrative expenses shown in the statement of comprehensive income for the period in the consolidated financial statements in the amount of Baht 723,978.26.

EXPRESS WORLD TRACKING Joint venture

During the year 2022, Olive Technology Company Limited (the subsidiary) and 2 partners have cooperated to establish the EXPRESS WORLD TRACKING Joint Venture to jointly operate the THP Core System Project in the 30% of investment proportion, amounting to 300,000 Baht. The subsidiary and partners jointly manage and oversee the joint venture which consisting of 2 nominee directors from each party. The resolution of the Board of Directors' Meeting on various matters must receive a majority vote of all directors and there must be at least one vote of support from each representative. Consequently, the subsidiary has considered its investment in joint venture.

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**  
**DECEMBER 31, 2023**

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

Later, on May 16, 2023, Olive Technology Company Limited (the subsidiary) signed on the addendum to the EXPRESS WORLD TRACKING Joint Venture agreement to change the investment proportion in the joint venture from 30 percent to 4.17 percent or amount of Baht 5,000,000 of the investment in joint venture to Baht 120,000,000.

From the said transaction, the shareholding percentage of the subsidiary has decreased. Along with the EXPRESS WORLD TRACKING Joint Venture agreement, the party, agreed to change the quorum and resolution of the Board of Directors of the joint venture. The quorum of the joint venture must have the representatives of the parties joining the meeting not less than 2 parties combined at least 3 persons. The conditions of the resolution of the meeting must receive the majority votes. The Company has classified the investment in EXPRESS WORLD TRACKING Joint Venture as other non-current financial assets and recognized the difference arising from the reduction in shareholding proportion under the account of administrative expenses shown in the statement of comprehensive income for the period in the consolidated financial statements in the amount of Baht 2,316,454.94.

XSENSE-OLIVE Joint Venture

During the year 2022, Olive Technology Company Limited (the subsidiary) and a partner have cooperated to establish the XSENSE-OLIVE Joint Venture to jointly operate the THPD Load Board Management System Project in the 40% of investment proportion, amounting to 40,000 Baht. The subsidiary and partner jointly manage and oversee the joint venture which consisting of 2 nominee directors from the Subsidiary and 3 nominee directors from partner. The resolution of the Board of Directors' Meeting on various matters must receive a majority vote of all directors and there must be at least one vote of support from each representative. Consequently, the subsidiary has considered its investment in joint venture.

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**  
**DECEMBER 31, 2023**

15.1 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,		For the years ended December 31,	
	2023	2022	2023	2022
SH Crossings Company Limited	(15,225)	(8,479)	-	-
AT Energy Solution Company Limited	(3,124)	(12,303)	(566)	(202)
Sahakarn Underground Joint Venture	-	(546)	-	-
TRC Utility Company Limited	1,382	(186)	-	-
XSENSE - OLIVE Joint Venture	250	778	-	-
EXPRESS WORLD TRACKING Joint Venture	2,616	(300)	-	-
Total	(14,101)	(21,036)	(566)	(202)

Sahakarn Underground Joint Venture

During the year ended December 31, 2023, the Company stopped recognizing share of loss from the investment in Sahakarn Underground Joint Venture in the consolidated financial statements as the share of loss from investment equals or exceeds the value of the share of loss of the joint venture. The Company did not guarantee against the liabilities obligation of the joint venture.

15.2 Summary of significant financial information on joint venture

SH Crossings Company Limited

Summary information about financial position

	In Million Baht	
	2023	2022
Cash and cash equivalent	-	-
Other current assets	136	166
Non-current assets	3	5
Current liabilities	(143)	(142)
Net assets	(4)	29
Shareholding percentage (%)	51	51
Share of net assets	(2)	15



**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**  
**DECEMBER 31, 2023**

Summary information about comprehensive income

	In Million Baht	
	For the years ended December 31,	
	2023	2022
Revenue	27	73
Depreciation and amortization	(2)	(4)
Income tax expense	-	-
Profit (loss)	(34)	(17)
Other comprehensive income	-	-
Total comprehensive income	(34)	(17)

AT Energy Solution Company Limited

Summary information about financial position

	In Million Baht	
	2023	2022
	2023	2022
Cash and cash equivalent	15	19
Other current assets	11	27
Non-current assets	325	333
Current liabilities	(28)	(29)
Non - current liabilities	(148)	(168)
Net assets	175	182
Shareholding percentage (%)	50	50
Share of net assets	88	91

Summary information about comprehensive income

	In Million Baht	
	For the years ended December 31,	
	2023	2022
Revenue	50	54
Depreciation and amortization	18	17
Income tax expense	(4)	(4)
Profit (loss)	(6)	(25)
Other comprehensive income	(1)	(0)
Total comprehensive income	(7)	(25)

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**  
**DECEMBER 31, 2023**

**16. PROPERTY, PLANT AND EQUIPMENT**

Consolidated financial statements (In Thousand Baht)					
	Balance as at January 1,2023	Additions	Disposals / Written-off	Transfer in/ (Transfer out)	Balance as at December 31,2023
<b>Cost</b>					
Land	142,062	-	-	-	142,062
Building	400,755	3,645	-	-	404,400
Tools and equipment	643,702	5,378	(141,986)	10,607	517,701
Furniture, fixtures and office equipment	89,845	757	(27,414)	-	63,188
Vehicles	77,825	-	(1,221)	-	76,604
Construction in progress	16,627	185	-	(10,607)	6,205
Total cost	1,370,816	9,965	(170,621)	-	1,210,160
<b>Accumulated depreciation</b>					
Building	(98,015)	(20,302)	-	-	(118,317)
Tools and equipment	(536,768)	(32,913)	141,635	-	(428,046)
Furniture, fixtures and office equipment	(87,435)	(1,511)	27,348	-	(61,598)
Vehicles	(76,611)	(634)	1,221	-	(76,024)
Total accumulated depreciation	(798,829)	(55,360)	170,204	-	(683,985)
Property, plant and equipment - net	571,987				526,175

Consolidated financial statements (In Thousand Baht)					
	Balance as at January 1,2022	Additions	Disposals / Written-off	Transfer in/ (Transfer out)	Balance as at December 31,2022
<b>Cost</b>					
Land	142,062	-	-	-	142,062
Building	395,504	-	-	5,251	400,755
Tools and equipment	632,554	4,297	(6,997)	13,848	643,702
Furniture, fixtures and office equipment	89,805	283	(243)	-	89,845
Vehicles	81,282	-	(3,457)	-	77,825
Construction in progress	31,606	6,022	(1,902)	(19,099)	16,627
Total cost	1,372,813	10,602	(12,599)	-	1,370,816
<b>Accumulated depreciation</b>					
Building	(78,001)	(20,014)	-	-	(98,015)
Tools and equipment	(510,878)	(32,859)	6,969	-	(536,768)
Furniture, fixtures and office equipment	(85,364)	(2,311)	240	-	(87,435)
Vehicles	(79,428)	(639)	3,456	-	(76,611)
Total accumulated depreciation	(753,671)	(55,823)	10,665	-	(798,829)
Property, plant and equipment - net	619,142				571,987

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**

**DECEMBER 31, 2023**

	Separate financial statements (In Thousand Baht)				
	Balance as at January 1, 2023	Additions	Disposals / Written-off	Transfer in/ (Transfer out)	Balance as at December 31, 2023
<b>Cost</b>					
Land	140,472	-	-	-	140,472
Building	391,835	-	-	-	391,835
Tools and equipment	475,203	5,164	(120,831)	10,607	370,143
Furniture, fixtures and office equipment	79,701	712	(25,044)	-	55,369
Vehicles	61,189	-	(1,221)	-	59,968
Construction in progress	16,627	185	-	(10,607)	6,205
Total cost	1,165,027	6,061	(147,096)	-	1,023,992
<b>Accumulated depreciation</b>					
Building	(97,247)	(19,770)	-	-	(117,017)
Tools and equipment	(382,815)	(31,239)	120,649	-	(293,405)
Furniture, fixtures and office equipment	(77,583)	(1,377)	24,978	-	(53,982)
Vehicles	(59,993)	(627)	1,221	-	(59,399)
Total accumulated depreciation	(617,638)	(53,013)	146,848	-	(523,803)
Property, plant and equipment - net	547,389				500,189

	Separate financial statements (In Thousand Baht)				
	Balance as at January 1, 2022	Additions	Disposals / Written-off	Transfer in/ (Transfer out)	Balance as at December 31, 2022
<b>Cost</b>					
Land	140,472	-	-	-	140,472
Building	386,584	-	-	5,251	391,835
Tools and equipment	457,848	3,982	(475)	13,848	475,203
Furniture, fixtures and office equipment	79,687	253	(239)	-	79,701
Vehicles	64,019	-	(2,830)	-	61,189
Construction in progress	31,606	6,022	(1,902)	(19,099)	16,627
Total cost	1,160,216	10,257	(5,446)	-	1,165,027
<b>Accumulated depreciation</b>					
Building	(77,634)	(19,613)	-	-	(97,247)
Tools and equipment	(352,163)	(31,104)	452	-	(382,815)
Furniture, fixtures and office equipment	(75,713)	(2,106)	236	-	(77,583)
Vehicles	(62,193)	(630)	2,830	-	(59,993)
Total accumulated depreciation	(567,703)	(53,453)	3,518	-	(617,638)
Property, plant and equipment - net	592,513				547,389

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS (CONT.)

DECEMBER 31, 2023

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	For the years ended December 31,		For the years ended December 31,	
	2023	2022	2023	2022
Depreciation charged to the statements of comprehensive income				
Cost of sales and services	8,221	11,310	5,245	8,332
Administrative expenses	47,139	44,513	47,768	45,121
Total	55,360	55,823	53,013	53,453

As at December 31, 2023 and 2022, the Group'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 432 million and Baht 567 million, respectively (Separate financial statements : Baht 330 million and Baht 442 million, respectively).

As at December 31, 2022, the Group has tools and motor vehicles acquired under finance lease agreements, with net book value amounting to approximately Baht 1 million (Separate financial statements : Baht 1 million).

As at December 31, 2023 and 2022, 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.

17. RIGHT-OF-USE ASSETS

17.1 Right-of-use assets consists of:

	In Thousand Baht			
	Consolidated financial statements			
	Balance as at	Transactions during the year		Balance as at
	January	Addition	Change in	December
	1, 2023		conditions/ written-off	31, 2023
<u>At cost</u>				
Land and land improvement	5,487	-	(5,487)	-
Furniture, fixture and office equipment	21,694	14,439	(6,630)	29,503
Vehicles	9,101	2,501	(5,152)	6,450
Total	36,282	16,940	(17,269)	35,953
<u>Less Accumulated depreciation</u>				
Land and land improvement	(5,159)	(328)	5,487	-
Furniture, fixture and office equipment	(9,771)	(6,228)	6,630	(9,369)
Vehicles	(6,679)	(2,101)	5,152	(3,628)
Total	(21,609)	(8,657)	17,269	(12,997)
Right-of-use assets - net	14,673			22,956

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS (CONT.)

DECEMBER 31, 2023

	In Thousand Baht			
	Consolidated financial statements			
	Balance as at	Transactions during the year		Balance as at
	January	Addition	Change in	December
	1, 2022		conditions/ written-off	31, 2022
<u>At cost</u>				
Land and land improvement	9,820	-	(4,333)	5,487
Building and building improvement	810	-	(810)	-
Furniture, fixture and office equipment	20,760	7,123	(6,189)	21,694
Vehicles	9,188	609	(696)	9,101
Total	40,578	7,732	(12,028)	36,282
<u>Less Accumulated depreciation</u>				
Land and land improvement	(6,364)	(3,128)	4,333	(5,159)
Building and building improvement	(743)	(67)	810	-
Furniture, fixture and office equipment	(9,876)	(6,084)	6,189	(9,771)
Vehicles	(5,130)	(2,245)	696	(6,679)
Total	(22,113)	(11,524)	12,028	(21,609)
Right-of-use assets - net	18,465			14,673

	In Thousand Baht			
	Separate financial statements			
	Balance as at	Transactions during the year		Balance as at
	January	Addition	Change in	December
	1, 2023		conditions/ written-off	31, 2023
<u>At cost</u>				
Land and land improvement	1,386	-	(1,386)	-
Furniture, fixture and office equipment	20,849	5,309	(6,262)	19,896
Vehicles	3,863	-	(2,088)	1,775
Total	26,098	5,309	(9,736)	21,671
<u>Less Accumulated depreciation</u>				
Land and land improvement	(1,193)	(193)	1,386	-
Furniture, fixture and office equipment	(9,221)	(5,641)	6,262	(8,600)
Vehicles	(2,714)	(320)	2,088	(946)
Total	(13,128)	(6,154)	9,736	(9,546)
Right-of-use assets - net	12,970			12,125

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**  
**DECEMBER 31, 2023**

	In Thousand Baht			
	Separate financial statements			
	Balance as at	Transactions during the year		Balance as at
	January	Addition	Change in	December
	1, 2022		conditions/ written-off	31, 2022
<u>At cost</u>				
Land and land improvement	1,386	-	-	1,386
Furniture, fixture and office equipment	19,765	7,123	(6,039)	20,849
Vehicles	3,863	-	-	3,863
Total	25,014	7,123	(6,039)	26,098
<u>Less Accumulated depreciation</u>				
Land and land improvement	(731)	(462)	-	(1,193)
Furniture, fixture and office equipment	(9,424)	(5,836)	6,039	(9,221)
Vehicles	(2,395)	(319)	-	(2,714)
Total	(12,550)	(6,617)	6,039	(13,128)
Right-of-use assets - net	12,464			12,970

The Group lease several assets including land and land improvement of which lease term 3 years, office buildings, equipment and vehicles of which average lease term during 3 years.

**18. INTANGIBLE ASSETS**

	Consolidated financial statements (In Thousand Baht)				
	Balance as at January 1, 2023	Additions	Disposals / Written-off	Transfer in/ (Transfer out)	Balance as at December 31, 2023
<b>Cost</b>					
Computer software	31,268	-	-	-	31,268
Total cost	31,268	-	-	-	31,268
<b>Accumulated amortisation</b>					
Computer software	(22,171)	(2,177)	-	-	(24,348)
Total accumulated amortisation	(22,171)	(2,177)	-	-	(24,348)
Intangible assets - net	9,097				6,920

TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS (CONT.)

DECEMBER 31, 2023

Consolidated financial statements (In Thousand Baht)					
	Balance as at January 1, 2022	Additions	Disposals / Written-off	Transfer in/ (Transfer out)	Balance as at December 31, 2022
<b>Cost</b>					
Computer software	31,118	150	-	-	31,268
Total cost	31,118	150	-	-	31,268
<b>Accumulated amortisation</b>					
Computer software	(19,939)	(2,232)	-	-	(22,171)
Total accumulated amortisation	(19,939)	(2,232)	-	-	(22,171)
Intangible assets - net	11,179				9,097

Separate financial statements (In Thousand Baht)					
	Balance as at January 1, 2023	Additions	Disposals / Written-off	Transfer in/ (Transfer out)	Balance as at December 31, 2023
<b>Cost</b>					
Computer software	30,621	-	-	-	30,621
Total cost	30,621	-	-	-	30,621
<b>Accumulated amortisation</b>					
Computer software	(21,722)	(2,151)	-	-	(23,873)
Total accumulated amortisation	(21,722)	(2,151)	-	-	(23,873)
Intangible assets - net	8,899				6,748

Separate financial statements (In Thousand Baht)					
	Balance as at January 1, 2022	Additions	Disposals / Written-off	Transfer in/ (Transfer out)	Balance as at December 31, 2022
<b>Cost</b>					
Computer software	30,543	78	-	-	30,621
Total cost	30,543	78	-	-	30,621
<b>Accumulated amortisation</b>					
Computer software	(19,530)	(2,192)	-	-	(21,722)
Total accumulated amortisation	(19,530)	(2,192)	-	-	(21,722)
Intangible assets - net	11,013				8,899

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

**NOTES TO FINANCIAL STATEMENTS (CONT.)**

**DECEMBER 31, 2023**

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	For the years ended December 31,		For the years ended December 31,	
	2023	2022	2023	2022
Amortisation charged to the statements of comprehensive income				
Cost of sales and services	27	31	15	17
Administrative expenses	2,150	2,201	2,136	2,175
Total	2,177	2,232	2,151	2,192

**19. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES**

19.1 Deferred tax assets and deferred tax liabilities are as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Deferred tax assets	9,534	20,777	6,792	17,869
Deferred tax liabilities	(527)	(269)	(527)	(286)
	9,007	20,508	(6,265)	17,583

Changes in deferred tax assets and deferred tax liabilities for the years ended December 31, 2023 and 2022, were as follows:

	In Thousand Baht				
	Consolidated financial statements				Balance as at December 31, 2023
	Balance as at December 31, 2022	Recognized in Profit and Loss		Recognized in Other Comprehensive Income	
		Additions	Utilized/ Reversal		
Deferred tax assets resulted from					
Allowance for decline in value in inventories	139	-	(139)	-	-
Employee benefit obligations	7,741	1,815	(22)	-	9,534
Other provision	12,897	-	(12,897)	-	-
Total	20,777	1,815	(13,058)	-	9,534
Deferred tax liabilities from					
Financial lease	(269)	(258)	-	-	(527)
Total	(269)	(258)	-	-	(527)
Net	20,508	1,557	(13,058)	-	9,007



TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS (CONT.)

DECEMBER 31, 2023

In Thousand Baht				
Consolidated financial statements				
Balance as at	Recognized in Profit and Loss		Recognized in Other	Balance as at
December 31,	Additions	Utilized/	Comprehensive	December 31,
2021		Reversal	Income	2022
Deferred tax assets resulted from				
Allowance for decline in value				
in inventories	139	-	-	139
Employee benefit obligations	12,253	1,577	(2,497)	7,741
Other provision	15,199	5,873	(8,175)	12,897
Total	27,591	7,450	(3,592)	20,777
Deferred tax liabilities from				
Financial lease	(287)	-	18	(269)
Total	(287)	-	18	(269)
Net	27,304	7,450	(3,592)	20,508
In Thousand Baht				
Separate financial statements				
Balance as at	Recognized in Profit and Loss		Recognized in Other	Balance as at
December 31,	Additions	Utilized/	Comprehensive	December 31,
2022		Reversal	Income	2023
Deferred tax assets resulted from				
Allowance for decline in value				
in inventories	139	-	(139)	-
Employee benefit obligations	5,437	1,377	(22)	6,792
Other provision	12,293	-	(12,293)	-
Total	17,869	1,377	(12,454)	6,792
Deferred tax liabilities from				
Financial lease	(286)	(241)	-	(527)
Total	(286)	(241)	-	(527)
Net	17,583	1,136	(12,454)	6,265

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

**NOTES TO FINANCIAL STATEMENTS (CONT.)**

**DECEMBER 31, 2023**

In Thousand Baht					
Separate financial statements					
Balance as at	Recognized in Profit and Loss		Recognized in Other	Balance as at	
December 31,	Additions	Utilized/	Comprehensive	December 31,	
2021		Reversal	Income	2022	
Deferred tax assets resulted from					
Allowance for decline in value					
in inventories	139	-	-	-	139
Employee benefit obligations	7,410	1,173	(1,691)	(1,455)	5,437
Other provision	11,845	700	(252)	-	12,293
Total	19,394	1,873	(1,943)	(1,455)	17,869
Deferred tax liabilities from					
Financial lease	(333)	-	47	-	(286)
Total	(333)	-	47	-	(286)
Net	19,061	1,873	(1,896)	(1,455)	17,583

**20. 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		2023	2022	2023	2022
(% per annum)					
Bank overdrafts	MOR, MOR-1	38,082	13,458	19,542	6,333
Trust receipts	MLR-0.65, MLR-1	185,686	171,804	12,266	39,370
Promissory note	MLR-1, MLR-2,	654,693	754,647	226,182	261,700
	Fixed rate				
Total		878,461	939,909	257,990	307,403

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

**NOTES TO FINANCIAL STATEMENTS (CONT.)**

**DECEMBER 31, 2023**

**21. 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,	
	2023	2022	2023	2022
Trade accounts payable - related parties	38,266	41,357	24,813	27,219
Trade accounts payable - unrelated parties	839,628	653,128	385,346	289,576
Advances from related parties	40	340	2,145	8,322
Fixed assets payable	2,460	2,057	2,366	1,994
Accrued interest expense - person or related parties	20,223	3,391	65,765	45,554
Accrued expenses - unrelated parties	86,491	88,646	50,414	34,551
Total trade and other current payables	987,108	788,919	530,849	407,216

**22. SHORT-TERM LOANS FROM OTHER COMPANIES**

The movements of short-term loans from other companies for the year ended December 31, 2023, were as follows:

	Interest rate (% per annum)	In Thousand Baht			
		Consolidated financial statements			
		Balance as at	Transactions during the year		Balance as at
		December 31, 2022	Increase	Decrease	December 31, 2023
Other companies	7.00 - 8.00	-	19,500	-	19,500
Total		-	19,500	-	19,500

	Interest rate (% per annum)	In Thousand Baht			
		Separate financial statements			
		Balance as at	Transactions during the year		Balance as at
		December 31, 2022	Increase	Decrease	December 31, 2023
Other companies	8.00	-	16,000	-	16,000
Total		-	16,000	-	16,000

The Group have short-term loans from other companies no security to guarantee.

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**  
**DECEMBER 31, 2023**

**23. PROVISION FOR LIABILITIES UNDER CONSTRUCTION PROJECTS**

Provision for liabilities under construction projects are as follows:

	In Thousand Baht					
	Consolidated financial statements			Separate financial statements		
	Warranties	Loss on construction	Total	Warranties	Loss on construction	Total
As at January 1, 2023	3,970	60,516	64,486	3,000	58,463	61,463
Increase during the year	2,000	247,449	249,449	2,000	164,584	166,584
Decrease from occurrence of actual expense	(119)	(229,598)	(229,717)	(119)	(167,924)	(168,043)
Reversal of provisions	(2,270)	(29,231)	(31,501)	(2,000)	(29,231)	(31,231)
As at December 31, 2023	3,581	49,136	52,717	2,881	25,892	28,773

	In Thousand Baht					
	Consolidated financial statements			Separate financial statements		
	Warranties	Loss on construction	Total	Warranties	Loss on construction	Total
As at January 1, 2022	3,455	72,539	75,994	-	59,226	59,226
Increase during the year	3,500	25,864	29,364	3,500	-	3,500
Decrease from occurrence of actual expense	(1,658)	(37,887)	(39,545)	(500)	(763)	(1,263)
Reversal of provisions	(1,327)	-	(1,327)	-	-	-
As at December 31, 2022	3,970	60,516	64,486	3,000	58,463	61,463

**24. LEASE LIABILITIES**

The carrying amounts of lease liabilities and the movement for the year ended December 31, 2023 and 2022 are presented below

	In Thousand Baht			
	Consolidated		Separate	
	Financial Statements		Financial Statements	
	2023	2022	2023	2022
Lease liabilities, beginning	18,183	21,264	14,278	14,112
Addition	16,940	7,732	5,309	7,123
Accretion of interest	1,169	939	758	682
Payments	(12,788)	(11,752)	(6,880)	(7,639)
Decrease from cancel of lease agreement	-	-	-	-
Lease liabilities, ending	23,504	18,183	13,465	14,278
<u>Less : current portion</u>	<u>(10,808)</u>	<u>(10,379)</u>	<u>(7,070)</u>	<u>(6,784)</u>
Lease liabilities - net	12,696	7,804	6,395	7,494

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**  
**DECEMBER 31, 2023**

The following are the amounts recognized in profit or loss :

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	For the years ended December 31,		For the years ended December 31,	
	2023	2022	2023	2022
Depreciation of right-of-use assets	8,657	11,524	6,154	6,617
Interest expense on lease liabilities	1,169	939	758	682
Expense relating to short-term lease	7,656	7,262	5,368	5,246
Leases of low - value assets	640	668	394	154
Total	18,122	20,393	12,674	12,699

For the years ended December 31, 2023 and 2022, the Group have total cash outflows for leases of Baht 21 million and Baht 20 million, respectively (Separate financial statements : Baht 13 million and Baht 13 million, respectively) and also had non-cash additions to right-of-use assets and lease liabilities of Baht 17 million and Baht 8 million, respectively (Separate financial statements : Baht 5 million and Baht 7 million, respectively).

**25. OTHER CURRENT LIABILITIES**

Other current liabilities are as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2023	2022	2023	2022
VAT payable	-	-	1,452	1,788
Accrued withholding tax	58,928	33,348	12,284	6,503
Deposit received	25,000	-	25,000	-
Others	600	323	643	315
Total	84,528	33,671	39,379	8,606

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**  
**DECEMBER 31, 2023**

**26. NON-CURRENT PROVISION FOR EMPLOYEE BENEFITS**

26.1 Movements in the non-current provision for employee benefits are as follows:

	Consolidated Financial Statements (In Thousand Baht)					
	2023			2022		
	Post-employment benefits	Other long- term benefits	Total	Post-employment benefits	Other long- term benefits	Total
Non-current provisions for employee benefits, beginning	32,884	5,821	38,705	52,807	8,459	61,266
Gain estimation over actuarial principles	-	-	-	(14,603)	(3,357)	(17,960)
Current service cost and Interest cost	7,451	1,786	9,237	6,304	1,581	7,885
Non-current provisions for employee benefits paid	(112)	-	(112)	(11,624)	(862)	(12,486)
Non-current provisions for employee benefits, ending	40,223	7,607	47,830	32,884	5,821	38,705

	Separate Financial Statements (In Thousand Baht)					
	2023			2022		
	Post-employment benefits	Other long- term benefits	Total	Post-employment benefits	Other long- term benefits	Total
Non-current provisions for employee benefits, beginning	23,311	3,877	27,188	31,934	5,115	37,049
Gain estimation over actuarial principles	-	-	-	(5,545)	(1,730)	(7,275)
Current service cost and Interest cost	5,681	1,201	6,882	4,808	1,057	5,865
Non-current provisions for employee benefits paid	(112)	-	(112)	(7,886)	(565)	(8,451)
Non-current provisions for employee benefits, ending	28,880	5,078	33,958	23,311	3,877	27,188

26.2 Expenses recognized in the statement of comprehensive income for the year ended December 31, 2023 and 2022 are as follows :

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended December 31,		For the year ended December 31,	
	2023	2022	2023	2022
<b>The statement of comprehensive income</b>				
<b>Recognized in profit or loss</b>				
Cost of construction services	4,716	4,370	3,796	2,664
Administrative expenses	4,521	3,515	3,086	3,201
Total	9,237	7,885	6,882	5,865
<b>Recognized in other comprehensive income</b>				
Gain on actuarial gain loss	-	(17,960)	-	(7,275)
Total	9,237	(10,075)	6,882	(1,410)

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**  
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- 26.3 Gain and loss from the estimate based on actuarial principles recognized in the statement of comprehensive income for the year ended December 31, 2023 and 2022 arise from

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended December 31,		For the year ended December 31,	
	2023	2022	2023	2022
Recognized in other comprehensive income				
Population assumption	-	595	-	248
Financial assumption	-	3,446	-	2,182
Improvement from experience	-	13,919	-	4,845
Total	-	17,960	-	7,275

- 26.4 The main assumptions in the assessment financial assumptions

	(% per annum)			
	Consolidated Financial Statement		Separate Financial Statement	
	For the year ended December 31,		For the year ended December 31,	
	2023	2022	2023	2022
Discount rate (% per annum)	2.22 - 2.31	2.22 - 2.31	2.22	2.22
Salary increase rate (% per annum)	1.00	1.00	1.00	1.00
Employee turnover rate (depending on age)	0 - 37.00	0 - 37.00	0 - 37.00	0 - 37.00
(% per annum)				
Mortality rate	Table of death	Table of death	Table of death	Table of death
	B.B.2017	B.B.2017	B.B.2017	B.B.2017
Gold price (Baht)	30,350	30,350	30,350	30,350

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**  
**DECEMBER 31, 2023**

**26.5 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, 2023 and 2022 are summarized below :

	In Million Baht							
	Consolidated Financial Statements				Separate Financial Statements			
	2023		2022		2023		2022	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate (Changing 1%)	(2.6)	2.9	(2.4)	2.7	(1.8)	2.0	(1.6)	1.8
Future salary increase rate (Changing 1%)	3.2	(2.9)	2.5	(2.3)	2.2	(2.0)	1.7	(1.6)
Employee turnover rate (Changing 1%)	(2.8)	0.8	(2.5)	0.7	(1.9)	0.5	(1.7)	0.5
Mortality rate (Changing 1 year)	0.2	(0.2)	0.2	(0.2)	0.1	(0.1)	0.1	(0.1)
Gold price (1,000 Baht)	0.1	(0.1)	0.1	(0.1)	0.1	(0.1)	0.1	(0.1)

**27. 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 consolidated statements of financial position as at December 31, 2023 and 2022, the Group's debt-to-equity ratio was (17.45) : 1 and 13.38 : 1, respectively.

According to the separate statements of financial position as at December 31, 2023 and 2022, the Company's debt-to-equity ratio was (9.14) : 1 and 8.17 : 1, respectively.

**28. 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.



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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.

**29. EXPENSES BY NATURE**

Significant expenses by nature for the years ended December 31, 2023 and 2022 are as follow:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Construction materials and consumables				
used and subcontractors costs	1,962,106	2,234,702	532,176	538,656
Salary and wage and other employee benefits	444,218	443,132	358,809	368,198
Depreciation	64,017	67,347	59,167	60,070
Amortisation expenses	2,177	2,232	2,151	2,192
Rental and service expenses from operating lease				
agreements	116,665	99,486	77,793	60,334

**30. INCOME TAX EXPENSE (INCOME)**

30.1 Major components of tax expense (income)

For the years ended December 31, 2023 and 2022 consisted of:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Income tax expense (income) shown in profit or loss :				
Current tax expense :				
Income tax expense for the year	945	2,886	-	-
Deferred tax expense (income) :				
Changes in temporary differences relating to the				
original recognition and reversal	11,495	3,205	11,318	23
Total	12,440	6,091	11,318	23

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30.2 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, 2023 and 2022 which are summarized as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Accounting profit (loss) for the year	(527,875)	(106,463)	(434,389)	(114,084)
The applicable tax rate (%)	15% - 20%	12% - 20%	20%	20%
Tax expense (income) at the applicable tax rate	(105,526)	(15,377)	(86,878)	(22,817)
Reconciliation items:				
Tax effect of expenses that are not deductible in determining tax profit:	(13,477)	4,815	-	-
Tax effect of intercompany transactions				
- Expenses not allowed as expenses in determining taxable profit	10,025	11,787	40,691	17,501
- Share of (gain) loss from investment in associated	23,839	-	-	-
- Share of (gain) loss from investment in joint venture	2,820	4,208	-	-
The amount of previously unrecognized tax losses for a prior period that is used to reduce current tax expense	-	(6,383)	-	-
Unused tax losses which may net utilise	94,759	7,041	57,505	5,339
Total reconciliation items	117,966	21,468	98,196	22,840
Total tax expense (income)	12,440	6,091	11,318	23

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30.3 A numerical reconciliation between the average effective tax rate and the applicable tax rate

For the years ended December 31, 2023 and 2022 are summarized as follows:

	Consolidated financial statements			
	2023		2022	
	Tax amount (In Thousand Baht)	Tax rate (%)	Tax amount (In Thousand Baht)	Tax rate (%)
Accounting profit (loss) before tax expense for the year	(527,875)		(106,463)	
Tax expense (income) at the applicable tax rate	(105,526)	(15 - 20)	(15,377)	(12 - 20)
Reconciliation items	117,966	22.35	21,468	20.16
Tax expense (income) at the average effective tax rate	12,440	2.36	6,091	5.72

	Separate financial statements			
	2023		2022	
	Tax amount (In Thousand Baht)	Tax rate (%)	Tax amount (In Thousand Baht)	Tax rate (%)
Accounting profit (loss) before tax expense for the year	(434,389)		(114,084)	
Tax expense (income) at the applicable tax rate	(86,878)	(20.00)	(22,817)	(20.00)
Reconciliation items	98,196	22.60	22,840	20.02
Tax expense (income) at the average effective tax rate	11,318	2.60	23	0.02

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, 2023, the Group have deductible temporary differences totaling Baht 2,559 million (Separate financial statements : Baht 2,515 million) (2022: Baht 2,268 million, Separate financial statements : Baht 2,268 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, 2023, the Group have unused tax losses totaling Baht 919 million, USD 10 million (Separate financial statements : Baht 703 million) (2022: Baht 599 million, USD 41 million. (Separate financial statements : Baht 412 million) will expire by 2028.

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**31. 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	
	2023	2022	2023	2022
Profit (loss) for the year (Thousand Baht)	(540,316)	(111,961)	(445,707)	(114,107)
Weighted average number of ordinary shares (Thousand shares)	9,587,147	9,587,147	9,587,147	9,587,147
Earnings per share (Baht per share)	(0.0564)	(0.0117)	(0.0465)	(0.0119)

**32. PROVIDENT FUND**

The Group and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Group 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 2023 amounting to approximately Baht 5 million (Separate financial statements: Baht 3 million) (2022 : Baht 5 million, Separate financial statements: Baht 3 million) were recognised as expenses.

**33. 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 Group 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.

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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 Group' operating segments for the year ended December 31, 2023 and 2022, respectively.

	In Thousand Baht						
	For the year ended December 31, 2023						
	Pipeline system	Engineering system	Civil work	Sales and other services	Total Segments	Adjustments and eliminations	Consolidated
Timing of revenue recognition							
- Point in time	-	-	-	446	446	(446)	-
- Over time	472,511	-	1,359,407	309,349	2,141,267	-	2,141,267
Revenue from sales and services	472,511	-	1,359,407	309,795	2,141,713	(446)	2,141,267
Depreciation	(26,379)	-	(18,703)	(20,389)	(65,471)	1,454	(64,017)
Administrative expense	(65,865)	-	(111,054)	(49,653)	(226,572)	20,208	(206,364)
Segment profit (loss)	(63,359)	-	(252,292)	(110,318)	(425,969)	46,903	(379,066)
Other income							51,497
Interest revenue							1,115
Financial cost							(68,126)
Share of profit (loss) from investments in associated							(119,194)
Share of profit (loss) from investments in joint ventures							(14,101)
Profit (loss) before income tax expense							(527,875)
Income tax income (expense)							(12,440)
Profit (loss) for the year							(540,315)

	In Thousand Baht						
	For the year ended December 31, 2022						
	Pipeline system	Engineering system	Civil work	Sales and other services	Total Segments	Adjustments and eliminations	Consolidated
Timing of revenue recognition							
- Point in time	-	-	-	27,038	27,038	(25,438)	1,600
- Over time	724,846	-	2,256,144	360,700	3,341,690	-	3,341,690
Revenue from sales and services	724,846	-	2,256,144	387,738	3,368,728	(25,438)	3,343,290
Depreciation	(31,405)	-	(19,366)	(18,030)	(68,801)	1,454	(67,347)
Administrative expense	(104,365)	-	(92,659)	(61,647)	(258,671)	350	(258,321)
Segment profit (loss)	(54,736)	-	(14,468)	13,161	(56,043)	20,282	(35,761)
Other income							28,519
Interest revenue							1,212
Loss from business dissolution in the subsidiary							(36,846)
Financial cost							(42,550)
Share of profit (loss) from investments in joint ventures							(21,037)
Profit (loss) before income tax expense							(106,463)
Income tax income (expense)							(6,091)
Profit (loss) for the year							(112,554)

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**Geographic information**

The Group 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 2023, the Group have revenue from two major customers in amount of Baht 276 million and Baht 218 million, respectively arising from pipeline system segment and other services segment (2022 : Baht 726 million and Baht 550 million, two major customers from pipeline system segments).

**34. COMMITMENTS AND CONTINGENT LIABILITIES**

**34.1 Purchase construction materials and subcontracted work commitments**

As at December 31, 2023, the Group have outstanding commitments of Baht 3,111 million and USD 1 million in respect of purchase construction materials and subcontracted work (Separate financial statements : Baht 187 million and USD 1 million ) (December 31, 2022 : Baht 3,734 million and USD 1 million in respect of purchase construction materials and subcontracted work (Separate financial statements : Baht 391 million and USD 1 million )).

**34.2 Operating lease commitments**

The Group 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 3 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,	
	2023	2022	2023	2022
Payable :				
In up to 1 year	3	4	1	2
In over 1 and up to 3 years	-	-	-	-

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**34.3 Service agreement commitments**

The Group 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,	
	2023	2022	2023	2022
Payable :				
In up to 1 year	-	1	-	1

**34.4 Bank guarantees**

As at December 31, 2023 and 2022, bank guarantees issued by banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business were as follows.

	In Million Baht			
	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2023	2022	2023	2022
Guarantee of construction contract and bidding	1,049	1,330	250	424
Guarantee of advance payment bond and retention	1,438	1,511	258	192
Guarantee of others	128	153	88	108
Total	2,615	2,994	596	724

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

**34.5 Guarantees**

- (a) As at December 31, 2023, the Company has commitments from guarantee of credit facilities of the subsidiary amounting to Baht 977 million (December 31, 2022 : Baht 985 million).
- (b) As at December 31, 2023, the Group have commitment from cross guarantee of credit facilities of the Group amounting to Baht 3,230 million (December 31, 2022 : Baht 3,230 million).

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34.6 Other commitments

	In Million Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at December 31,		As at December 31,	
	2023	2022	2023	2022
<b>Other commitments</b>				
Construction material purchase	-	50	-	48
Total	-	50	-	48

**35. LITIGATIONS**

As at December 31, 2023, the Group was sued claiming damage on the breach of hiring agreement in total 17 cases in the compensation amount of Baht 84 million (Separate financial statements : Baht 27 million), the case is under consideration of the Court. The Group cannot assess the period of cash paid for damages (if any) from such claim. The management of the Group believes such case will not cause significant damage to the Group. The information to fight the case is adequate and stands a chance to win the case. However, the management of the Group have recorded the provisions of Baht 46 million (Separate financial statements : Baht 27 million) in the financial statements.

Significant changes in the lawsuits are as follows :

	Amount (Million Baht)	Status of the Cases	Remark
<u>The Company</u>			
Case 1	20	The case is final. (The Company : plaintiff)	The Company had filed the litigation against the government agency and others to reclaim the bank guarantee and repay the damages. Since the government agency had issued the letter, dated December 6, 2011, to the bank to enforce the bank guarantee, which the Company had submitted to the government agency in accordance with the trade proposal for 20 million Baht due to their consideration that the Company could not fulfil such proposal. The Administrative Court ordered the government agency to return the bank guarantee to the Company and the Company to repay the damage for 10 million Baht with interest at 7.5% p.a. to the government agency. The government agency had appealed to the court. On July 3, 2023, the Supreme Administrative Court ordered the Company to repay the principal of Baht 10.15 million along with the interest at 7.5 percent of the principal of Baht 10 million to the accused person from the suing date (December 28, 2011) to April 10, 2021 and 5 percent per annum of the principal Baht 10 million from April 11, 2023 onwards. On August 25, 2023 the Company paid the amount of the sum with interest to the defendant in total Baht 18.30 million.



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	Amount (Million Baht)	Status of the Cases	Remark
<u>The Company (Cont.)</u>			
Case 2	118	The case is final. (The Company : claimant)	The Company sued the counterparty to pay the fee and damage due to breach of hiring contract on July 30, 2021 in the amount of Baht 121.18 million with interest at 7.5% p.a. On September 16, 2021, the counterparty filed an objection to counterclaim Baht 232.14 million. On December 22, 2021, the appointment and dispute topic were set. Later, the dispute date was postponed on March 1, 2022 and the first witness investigation on July 26, 2022. Due to the withdrawal of the arbitrator, the witness investigation date was cancelled. Later, name list was proposed to appoint a new arbitrator committee. On September 20, 2022 it was scheduled to set a new witness investigation time frame during February 13 - 20, 2023. The witness had been investigated. On April 21, 2023 a statement was submitted to dismiss the case to the arbitrator. On June 30, 2023 the arbitrator ordered the counterparty to compensate the company in the amount of Baht 119 million and the company to compensate the counterparty Baht 61 million and the counterparty to compensate the company on the difference of Baht 58 million. The arbitrator ordered the counterparty to pay the company within 30 days from the arbitration. On July 26, 2023 both parties have an agreement and already made payment.
Case 3	24.45	Under scheduling for the court hearing (The Company : plaintiff)	On June 13, 2023 the project contractor filed to the court on the breach of hire of work agreement and demanded the company to pay debt Baht 24.45 million along with the interest rate 5 percent per annum of the principal Baht 23.77 million from the suing date until the company pays to this contractor. The lawsuit is under the process of statement filing to the court. The scheduled statement date is August 24, 2023. Later, on September 4, 2023 all parties present themselves in court. The Company filed a statement and countersued the plaintiff to pay damages to the company in the amount Baht 22.31 million. The contractor has scheduled to negotiate with the company. The court permitted to postpone the mediation to reach agreement and settlement of issues on October 9, 2023. Later, both parties could not agree. The court scheduled the plaintiff's witness investigation on February 21, 2024 and defendant's witness investigation on February 22 - 23, 2024. On February 22, 2024 the court scheduled the witness investigation. The case has been completed for trial and it has scheduled the court hearing on April 30, 2024.  The case is under scheduling for the court hearing. The Company recorded such liabilities in the financial statements. The Company's management believes the information in fighting the case is adequate and stands a chance to win the case.

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

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	Amount (Million Baht)	Status of the Cases	Remark
<u>The Subsidiary</u> (Cont.)			
Case 2 (Cont.)			<p>On October 17, 2022, the case was judged by the President of the Special Court of Appeal and proposed to transfer the case to the Civil Court. On December 8, 2022, the court permitted the subsidiary to appoint a lawyer. Later, on December 26, 2022, the witness investigation of 2 parties took place between the petitioner and the subsidiary. On February 11, 2023 the court has investigated the witness and petition of both parties. On March 24, 2023 the court ordered to enforce by the judgment of the arbitrator for the subsidiary to pay Baht 9.62 million along with the interest at 3 percent p.a. from March 10, 2022 onwards until payment is complete to the petitioner. Later, on May 24, 2023 the Subsidiary filed an appeal to the court and sent a copy of the appeal to the plaintiff. Presently, the case is under scheduling for the appeal hearing. The case is not final.</p> <p>The management of the subsidiary believes the information to fight the case is adequate and stands the chance to win the case. The subsidiary has not considered providing a provision in the financial statements.</p>
Case 3	66.8	The case is final (The Subsidiary : defendant)	<p>On January 14, 2022, the project contractor of the subsidiary filed a charge against the subsidiary on breaches of product and installation service agreement and claiming damages from the subsidiary Baht 66.88 million with interest at 15 percent per annum Baht 61.77 million from the filing date until payment is completely made to plaintiff. The court scheduled for settlement of issues and define the guidelines in taking legal action or witness investigation. On April 3, 2023 the subsidiary filed a statement and countersued such contractor. Later, on July 26, 2023 the court ordered the subsidiary and contractor to negotiate and agree on the damages. Both parties will present information to the management of each party and postpone the mediation. On August 30, 2023, both parties came to court. The plaintiff and defendant could not negotiate and reach agreement. This case is further entered into the witness investigation process.</p> <p>On November 15, 2023, the court mediated for the subsidiary and the contractor to compromise by allowing the subsidiary to pay debts to the contractor in the amount of Baht 54 million. The subsidiary agreed to pay the plaintiff in monthly installments and the payment shall be completed within 12 installments. The payment schedule is installments 1-3, payment of not less than Baht 3 million, installments 4-12, payment of not less than Baht 5 million starting the first installment payment within February 29, 2024, and payment shall be completed within January 31, 2025. The said lawsuit is final.</p>

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	Amount (Million Baht)	Status of the Cases	Remark
<u>The Subsidiary (Cont.)</u>			
Case 4	18.13	Pending witness investigation (The Subsidiary : defendant)	On October 5, 2023, the Company contracted the subsidiary's construction project being the plaintiff who filed a lawsuit against a subsidiary on breach of contract requesting to pay debt and claiming damages for hire of work. The amount of capital is Baht 18.13 million along with interest at the rate of 5 percent per year of the principal amount Baht 18.13 million from the date of filing the lawsuit until the defendant completes payment to the plaintiff. On January 16, 2024, the subsidiary's and the contractor's lawyers have come to court to determine the issue of dispute and set the date for examining the plaintiff's witness on May 30, 2024 and examining the defendant's witness on May 31, 2024. The case is in the process of examining the plaintiff's and defendant's witnesses. The subsidiary has recorded this amount of debt in the financial statements and the Subsidiary's management believes that the information in the legal fight is sufficient and that there is a chance of winning the case.

### 36. FINANCIAL INSTRUMENTS

#### Financial risk management

The financial risks associated with these financial instruments and how they are managed is described below.

#### Credit risk

The Group are exposed to credit risk primarily with respect to trade and other current receivables, and loans to. The Group 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.

#### Classification and measurement the financial assets and liabilities

As at December 31, 2023 and 2022 the financial assets and liabilities are classified and measured at the amortised cost method.

#### Interest rate risk

The Group exposure to interest rate risk relates primarily to its deposits at banks, loans to/from and lease liabilities. However, since most of the Group's 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.

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As at December 31, 2023 and 2022, the significant financial assets and liabilities classified by types of interest rates were as follows:

	In Million Baht					
	Consolidated Financial Statements					
	As at December 31, 2023					
	Fixed interest rates		Floating	Non-interest	Total	Effective
	within	1 - 5 years	interest	Bearing		interest rate
	1 year		rate			(% per annum)
Financial Assets						
Cash and cash equivalents	-	-	27	-	27	0.00 - 0.55
Trade and other current receivables	-	-	-	203	203	-
Contract assets	-	-	-	2,387	2,387	-
Short-term loans to related parties	6	-	-	-	6	2.50 - 6.25
Restricted deposits at banks	-	-	86	-	86	0.50
	<u>6</u>	<u>-</u>	<u>113</u>	<u>2,590</u>	<u>2,709</u>	
Financial liabilities						
Bank overdrafts and short-term loans from financial institution	472	-	406	-	878	4.25 - 8.45
Trade and other current payables	-	-	-	987	987	-
Contract liabilities	-	-	-	560	560	-
Short-term loans from other companies	19	-	-	-	19	7.00 - 8.00
Short-term loans from related parties	280	-	-	-	280	8.00 - 9.00
Accounts payable - retention under construction contracts	-	-	-	361	361	- 3.81 - 6.58
Lease liabilities	<u>11</u>	<u>13</u>	<u>-</u>	<u>-</u>	<u>24</u>	
	<u>782</u>	<u>13</u>	<u>406</u>	<u>1,908</u>	<u>3,109</u>	

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	In Million Baht					
	Separate financial statements					
	As at December 31, 2023					
	Fixed interest rates		Floating	Non- interest	Total	Effective
	within	1 - 5 years	interest	Bearing		interest rate
	1 year		rate			(% per annum)
Financial Assets						
Cash and cash equivalents	-	-	7	-	7	0.00 - 0.55
Trade and other current receivables	-	-	-	120	120	-
Contract assets	-	-	-	433	433	-
Short-term loans to related parties	3	-	-	-	3	2.50
Restricted deposits at banks	-	-	32	-	32	0.50
	<u>3</u>	<u>-</u>	<u>39</u>	<u>553</u>	<u>595</u>	
Financial liabilities						
Bank overdrafts and short-term loans from						
financial institutions	77	-	181	-	258	5.00 - 7.58
Trade and other current payables	-	-	-	531	531	-
Contract liabilities	-	-	-	75	75	-
Short-term loans from other companies	16	-	-	-	16	8.00
Short-term loans from related parties	929	-	-	-	929	6.25 - 9.00
Accounts payable - retention under						
construction contracts	-	-	-	34	34	-
Lease liabilities	<u>7</u>	<u>6</u>	<u>-</u>	<u>-</u>	<u>13</u>	<u>3.81 - 6.46</u>
	1,029	6	181	640	1,856	

	In Million Baht					
	Separate financial statements					
	As at December 31, 2022					
	Fixed interest rates		Floating	Non- interest	Total	Effective
	within	1 - 5 years	interest	Bearing		interest rate
	1 year		rate			(% per annum)
Financial Assets						
Cash and cash equivalents	-	-	6	1	7	0.00 - 0.325
Trade and other current receivables	-	-	-	144	144	-
Contract assets	-	-	-	553	553	-
Restricted deposits at banks	-	-	26	-	26	0.25
	-	-	32	698	730	
Financial liabilities						
Bank overdrafts and short-term loans from						
financial institutions	307	-	-	-	307	3.47 - 6.60
Trade and other current payables	-	-	-	407	407	-
Contract liabilities	-	-	-	87	87	-
Short-term loans from related parties	712	-	-	-	712	2.50 - 8.00
Accounts payable - retention under						
construction contracts	-	-	-	33	33	-
Lease liabilities	7	7	-	-	14	6.44
	1,026	7	-	527	1,560	

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**  
**DECEMBER 31, 2023**

Foreign currency risk

The Group'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 Group enter into forward exchange contracts when it considers appropriate.

As at December 31, 2023 and 2022, the Group had balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Consolidated financial statements					
	Financial assets as at		Financial liabilities as at		Average exchange rate as at	
	December 31,		December 31,		December 31,	
	2023	2022	2023	2022	2023	2022
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
US dollar	-	-	185	10	34.2233	34.5624

Foreign currency	Separate financial statements					
	Financial assets as at		Financial liabilities as at		Average exchange rate as at	
	December 31,		December 31,		December 31,	
	2023	2022	2023	2022	2023	2022
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
US dollar	21	20	185	10	34.2233	34.5624

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.

**37. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES**

Changes in the liabilities arising from financing activities for the years ended December 31, 2023 and 2022 are as follows:

	Consolidated Financial Statements (In Thousand Baht)			
	Balance as at	Cash flows	Non-cash	Balance as at
	January 1,	Increase	transaction	December 31,
	2023	(decrease)*	Increase	2023
Bank overdrafts and short-term loans from financial institutions	939,909	(61,448)	-	878,461
Short-term loans from other companies	-	19,500	-	19,500
Short-term loans from related parties	73,300	206,802	-	280,102
Lease liabilities	18,183	(11,619)	16,940	23,504
Total	1,031,392	153,235	16,940	1,201,567

**TRC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO FINANCIAL STATEMENTS (CONT.)**  
**DECEMBER 31, 2023**

Consolidated Financial Statements (In Thousand Baht)			
	Balance as at January 1, 2022	Cash flows Increase (decrease)*	Non-cash transaction Increase
			Balance as at December 31, 2022
Bank overdrafts and short-term loans from financial institutions	796,617	143,292	-
Short-term loans from related parties	-	73,300	-
Lease liabilities	21,264	(10,813)	7,732
Total	817,881	205,779	7,732

Separated Financial Statements (In Thousand Baht)			
	Balance as at January 1, 2023	Cash flows Increase (decrease)*	Non-cash Transaction Increase
			Balance as at December 31, 2023
Bank overdrafts and short-term loans from financial institutions	307,403	(49,413)	-
Short-term loans from other companies	-	16,000	-
Short-term loans from related parties	712,214	216,330	-
Lease liabilities	14,278	(6,122)	5,309
Total	1,033,895	176,795	5,309

Separated Financial Statements (In Thousand Baht)			
	Balance as at January 1, 2022	Cash flows Increase (decrease)*	Non-cash Transaction Increase
			Balance as at December 31, 2022
Bank overdrafts and short-term loans from financial institutions	373,158	(65,755)	-
Short-term loans from related parties	693,000	19,214	-
Lease liabilities	14,112	(6,957)	7,123
Total	1,080,270	(53,498)	7,123

\* Financing cash flows included net proceed and repayment cash transactions in the statements of cash flows.

**38. APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved for issue by the Board of Directors on February 28, 2024.



## Part 4 Certification of Information

### Certification of Information

“The Company has reviewed the information on this annual registration statement /annual report with care and hereby certifies that the information is accurate, complete, not false or misleading, and does not lack material information that should be notified. In addition, the Company certifies that:

- (1) The financial statements and financial information summarized in this annual registration statement /annual report show material information accurately and completely regarding the financial conditions, the operating results and the cash flows of the Company and the subsidiaries;
- (2) The Company has provided an efficient disclosure system to ensure that the material information of the Company and the subsidiaries is disclosed accurately and completely, and has supervised compliance with such disclosure system;
- (3) The Company has provided an efficient internal control system, supervised compliance with the system, and submitted the information on the internal control assessment on February 24, 2023 available to the auditor and the Audit Committee, which covers deficiencies, significant changes to the internal control system, and wrongful acts that may affect the preparation of financial report of the Company and the subsidiaries.

In this regard, as proof that all the documents are identical to those certified by the Company, the Company has authorized **Mr. Pasit Leesakul** or **Mrs. Podchanee Phaosavasdi** to sign on every page of the documents, and the absence of the authorized signature of **Mr. Pasit Leesakul** or **Mrs. Podchanee Phaosavasdi** on any document shall be deemed that such unsigned document has not been certified by the Company.

Name	Position	Signature
1. Mr. Pasit Leesakul	Authorized Director	-Mr. Pasit Leesakul- .....
2. Mrs. Podchanee Phaosavasdi	Authorized Director	-Mrs. Podchanee Phaosavasdi- .....

#### Authorized Person

Name	Position	Signature
1. Mr. Pasit Leesakul	Chairman of the Executive Committee and Chief Executive Officer	-Mr. Pasit Leesakul- .....
2. Mrs. Podchanee Phaosavasdi	Director	-Mrs. Podchanee Phaosavasdi- .....

## Attachment 1

Details of Directors, Executives, Persons with  
Controlling Authority and company secretary

Details of Directors, Executives, Persons with Controlling Authority and company secretary  
December 31, 2023



1. Mrs. Paichit Rattananon

Chairman of the Board and Authorized Director

Age: 68 years old

Appointment Date to be TRC's Director:	25 April 2005
Tenure as the director:	18 years 9 months (until December 2023)
Attendance in Board of Directors meetings during year 2023:	10/10
Shareholding in TRC as at 31 December 2023:	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, Chairman of Executive Committee and Chief Executive Officer, and Ms. Pavita Leesakul, Director, Managing Director, Acting Chief Marketing Officer and Company Secretary
Education:	Master of Arts in Political Economy, Faculty of Economics, Chulalongkorn University

Training:

Institution	Program
Thai-Chinese Leadership Institute, Huachiew Chalermprakiet University	Thai-Chinese Leadership Studies 5/2023
Judicial Training Institute	The program for Senior Executives on Justice Administration 23/2018
King Prajadhipok's Institute	Certificate Course in Good Governance for Medical Executives 6/2017

Institution	Program
Thailand Energy Academy	Energy Academy Leader Program (TEA) 6/2015
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
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: 4 Companies**

Year	Position	Company	Business Type
2022 - present	Director	TRC Investment Limited (Republic of Mauritius)	Investment and bidding of new projects
2015 – present	Chairman	Sahakarn Wisavakorn Co., Ltd.	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 Co., Ltd.	Property Rental

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

**Criminal offense record during the past 10 years: None**



2. Mrs. Rachadaporn Rajchataewindra  
Independent Director, Chairman of Audit Committee,  
Remuneration and Nomination Committee,  
Corporate Governance and Sustainability Committee  
and Risk Management Committee  
Age: 66 years old

Appointment Date to be TRC's Director: 21 June 2019

Tenure as the director: 4 years 7 months (until December 2023)

Attendance in meetings during year 2023:

Board of Directors	Audit Committee	Remuneration and Nomination Committee	Corporate Governance and Sustainability Committee	Risk Committee
10/10	6/6	3/3	2/2	2/2

Shareholding in TRC as at 31 December 2023: 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
The Stock Exchange of Thailand	SET online Seminar - The importance of the audit committee and confidence in the Thai capital market 24/11/2023
Thai Institute of Directors Association	<ul style="list-style-type: none"> <li>- Risk Management Program for Corporate Leaders (RCL 28/2022)</li> <li>- Advanced Audit Committee Program (AACP), Class 32/2019</li> <li>- Director Certification Program (DCP), Class 204/2015</li> <li>- Successful Formulation and Execution of Strategy (SFE), Class 21/2014</li> </ul>

Institution	Program
	<ul style="list-style-type: none"> <li>- Corporate Governance for Executive (CGE), Class 1/2014</li> <li>- Director Accreditation Program (DAP), Class 111/2014</li> </ul>
King Prajadhipok's Institute and the Medical Council of Thailand	Certificate Course in Good Governance for Medical Executives (PTP), Class 9/2020
Capital Market Academy	Leadership Program, Class 25 (2017)
Thai Listed Companies Association	TLCA Executive Development Program (EDP), Class 4/2009
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
14 May 2021 - present	Corporate Governance and Sustainability Committee

**Position in other listed companies:** 1 Companies

Year	Position	Company	Business Type
2018 - present	Independent Director, Chairman of Audit Committee	Thai Union Feedmill Public Company Limited	Production and distribution of animal feeds
2 May 2022 – 31 Aug 2023	Director, Remuneration and Nomination Committee	DHIPAYA Group Holdings Public Company Limited	Insurance and life insurance
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: 1 Companies**

Year	Position	Company	Business Type
21 July 2022 - present	Independent Director, Chairman of Audit Committee	TKK Corporation Co., Ltd.	Distribution of products in the automatic production control system in factory
8 February 2022 – 19 July 2023	Director	The Government Savings Bank (GSB)	Financial Institution
2021 - 2022	Director and Chairman of Audit Committee	Fish Marketing Organization	State enterprise
2021 - 2022	Director	Thailand Privilege Card Co., Ltd.	State enterprise
2020 - 2022	Director and Chairman of Audit Committee	The Zoological Park Organization of Thailand	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 – 2018	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**





3. Association. Prof. Kamjorn Tatiyakavee, M. D  
Independent Director, Chairman of Risk Management Committee,  
Audit Committee and Chairman of Remuneration and Nomination  
Committee  
Age: 68 years old

Appointment Date to be TRC's Director:	29 April 2019
Tenure as the director:	4 years 8 months (until December 2023)

Attendance in meetings during year 2023:

Board of Directors	Audit Committee	Remuneration and Nomination Committee	Risk Committee
10/10	6/6	3/3	2/2

Shareholding in TRC as of 31 December 2023:	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
23 Nov 2021 - present	Chairman of Remuneration and Nomination Committee
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 companies

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



#### 4. Mrs. Puangthip Silpasart

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

Age: 69 years old

Appointment Date to be TRC's Director: 24 February 2016

Tenure as the director: 7 years 11 months (until December 2023)

#### Attendance in meetings during year 2023:

Board of Directors	Audit Committee	Remuneration and Nomination Committee	Corporate Governance and Sustainability Committee
10/10	6/6	3/3	2/2

Shareholding in TRC as at 31 December 2023: 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

Institution	Program
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 Service 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: 3 companies

Year	Position	Company	Business Type
August 2019 - present	Director	At Energy Solution Co., Ltd.	Provide utility supply and services to industrial plants.
2015 - present	High-Level Position Classification Committee	Ministry of Industry	Public Sector
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



5. Mrs. Podchanee Phaosavasdi

Authorized Director, Remuneration and Nomination Committee,  
Corporate Governance and Sustainability Committee, Risk  
Management Committee and Executive Committee  
Age: 63 years old

Appointment Date to be TRC's Director: 9 August 2007

Tenure as the director: 16 years 5 months (until December 2023)

Attendance in meetings during year 2023:

Board of Directors	Remuneration and Nomination Committee	Corporate Governance and Sustainability Committee	Risk Committee	Executive Committee
9/10	3/3	1/2	1/2	15/16

Shareholding in TRC as at 31 December 2023: 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

Institution	Program
	- Director Accreditation Program (DAP) 64/2007
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
2015 - 2020	Chief Commercial Officer
2013 - present	Remuneration and Nomination Committee and Risk Management Committee
2012 - present	Corporate Governance and Sustainability 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: 6 companies**

Year	Position	Company	Business Type
2017 - present	Director	SH Crossings Co., Ltd.	Construction Services
2017 – 20 Sep. 2021	Director	TRC Utility Co., Ltd.	Investment of the infrastructure projects
2016 - present	Director	ASEAN Potash Chaiphum Public Co., Ltd.	Potash mining

Year	Position	Company	Business Type
2015 - 2020	Chief Commercial Officer and Commercial Division	Sahakarn Wisavakorn Co., Ltd.	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 Co., Ltd.	Construction Services

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

Criminal offense record during the past 10 years: None





**6. Mr. Pasit Leesakul**

Authorized Director, Chairman of Executive Committee,  
Chief Executive Officer, Remuneration and Nomination  
Committee, Risk Management Committee and Acting  
Managing Director  
Age: 40 years old

Appointment Date to be TRC's Director: 21 March 2013

Tenure as the director: 10 years 10 months (until December 2023)

**Attendance in meetings during year 2023:**

Board of Directors	Remuneration and Nomination Committee	Risk Committee	Executive Committee
10/10	3/3	2/2	16/16

Shareholding in TRC as at 31 December 2023: 0.114% (10,919,998 shares)

**Family Relationship among Executives:**

- Son of Mrs. Paichit Rattananon, Chairman
- Brother of Ms. Pavita Leesakul, Director, Managing Director, Acting Chief Marketing Officer and Company Secretary

**Education:**

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

**Training:**

Institution	Program
The Stock Exchange of Thailand (SET)	- CEO CLUB 3/2023 "Riding the Waves of Mega Trends"
Office of the Permanent Secretary for Ministry of Agriculture and Cooperatives, Kasettratikarn Foundation and the Agricultural Research Development Agency	- Agriculture and Cooperatives Executive Program (ACE 1)

Institution	Program
Thai Listed Companies Association	<ul style="list-style-type: none"> <li>- TLCA CFO Professional Development Program (TLCA CFO CPD), 7/2020</li> <li>- TLCA Leadership Development Program (LDP) 4/2016</li> <li>- Director Accreditation Program (DAP) 105/2013</li> <li>- TLCA Executive Development Program (EDP) 7/2011</li> </ul>
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
2022 - present	Chairman of Executive Committee
2022 - 2022	Acting Managing Director
2013 - present	Director
2009 - present	Chief Executive Officer, Executive Committee, Remuneration and Nomination Committee and Risk Management Committee
2018 – August 2021	Acting Chief Financial Officer
Feb - Sep 2018	Acting Chief Operation Officer
2015 - 2018	Chairman of Management Committee

Position in other listed companies: None

Position in other non-listed companies: 6 Companies

Year	Position	Company	Business Type
March 2022 - present	Director	AT Energy Solution Company Limited	Procurement and Services on utility to general industrial plants and power plant businesses
November 2020 - present	Director	Mahat Company Limited	Manufacturing, distribution, management services of information technology and platform development
March 2020 - present	Director	Olive Technology Company Limited	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
August 2012 - present	Director and Chief Executive Officer	Sahakarn Wisavakorn Company Limited	Construction Services
2016	Director	Human Capital Management Club, Thai Listed Companies Association	-

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

Criminal offense record during the past 10 years: None



**7. Ms. Pavita Leesakul**

Director, Executive Committee, Corporate Governance and Sustainability Committee, Managing Director, Acting Chief Commercial Officer and Company Secretary  
Age: 37 years old

**Appointment Date to be TRC's Director:** 8 August 2018

**Tenure as the director:** 5 year 5 months (until December 2023)

**Attendance in meetings during year 2023:**

Board of Directors	Corporate Governance and Sustainability Committee	Executive Committee
10/10	2/2	3*/16

\*Ms. Pavita Leesakul appointed as Executive Committed member on 26 September 2023

**Shareholding in TRC as at 31 December 2023:** 0.184% (17,645,411 shares)

**Family Relationship among Executives:**

- Daughter of Mrs. Paichit Rattananon, Chairman
- Sister of Mr. Pasit Leesakul, Director, Chairman of Executive Committee, Chief Executive Officer

**Education:**

- Master of Economic Law, General Business Chulalongkorn University,
- Master of Arts, International Economics and Finance, Keio University, Japan and Brandeis International Business School, U.S.A

**Training:**

Institution	Program
Institute of Security Psychology, National Defence Studies Institute	Security Psychology Course #123/2023
University of the Thai Chamber of Commerce	Top Executive Program for Creative & Amazing Thai Services (TOPCATS) #3

Institution	Program
Safety and Health at Work Promotion Association (Thailand) Under Her Royal Highness Princess Maha Chakri Sirindhorn Patronage	Safety Officer at Executive Level Course
King Prajadhipok's Institute	Intermediate Certificate course of Young Leadership in Democratic Governance (Batch 9)
Thai Institute of Director Association	<ul style="list-style-type: none"> <li>Director Accreditation Program (DAP) 151/2018</li> <li>How to Develop a Risk Management Plan (HRP) 11/2016</li> </ul>
Chulalongkorn University	Diploma “Human Resources Management” #40
Stock Exchange of Thailand	<ul style="list-style-type: none"> <li>Engaging Board in ESG 2023</li> <li>Corporate Sustainability Strategy #4</li> </ul>
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
2022 - present	Managing Director, Executive Committee, Acting Chief Commercial and Company Secretary
2022 - 2022	Commercial Division
2018 - present	Director and Corporate Governance and Sustainability Committee
2016 - 2021	Corporate Affairs Division
2015 - 2017	Corporate Communication Manager

**Position in other listed companies:** None

**Position in other non-listed companies:** 4 Companies

Year	Position	Company	Business Type
July 2021 - present	Director	Sahakarn Wisavakorn Co., Ltd.	Construction Services

Year	Position	Company	Business Type
Nov 2020 - present	Director	Mahat Co., Ltd.	Manufacturing, distribution, management services of information technology and platform development
Jan 2020 – present	Chairman of Audit and Monitoring Committee of Khannayao Metropolitan Police Station	-	-
Mar 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 Co., Ltd.	Investment of the infrastructure projects

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

Criminal offense record during the past 10 years: None



**8. Mr. Loh Eng Kee**

**Chief Operating Officer and Executive Committee**

**Age: 66 years old**

**Attendance in Executive Committee meetings during year 2023:**

9/16

**Shareholding in TRC as at 31 December 2023:**

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	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



9. Mrs. Phanalee Norragitt  
Chief Financial Officer  
Age: 58 years old

Attendance in Executive Committee meetings during year 2023: 15/16

Shareholding in TRC as at 31 December 2023: None

Family Relationship among Executives: None

Education: Master of Accounting, Chulalongkorn University

#### Training:

Institution	Program
Federation of Accounting Professions Under The Royals Patronage of His Majesty The King	<ul style="list-style-type: none"> <li>- Case study of accounting records according to standards (TAS16 TAS2 and TAS23).</li> <li>- Precautions for submitting financial statements for 2023 and preparation for submitting financial statements for 2024</li> <li>- Tax impacts from changes in accounting standards in 2023 and case studies that accountants should not miss.</li> <li>- Focus on financial statement analysis.</li> <li>- Regulations of the Federation of Accounting Professions Concerning the ethics of accounting professionals.</li> <li>- Online Training: Economic Update for CFO “Following the economic situation in the country and abroad”.</li> <li>- Online Training: e-learning CFO’s Refresher Course “Continuous development of accounting knowledge for person with the most responsibility for accounting and finance.”.</li> <li>- Online Training: Risk Management for CFOs.</li> </ul>



Institution	Program
	<ul style="list-style-type: none"> <li>- Online Training: “FINTECH – Financial Technology”.</li> <li>- Online Training: “Green Assets: Opportunities for Sustainable Development”.</li> <li>- Online Training: “RPA (Robotic Process Automation) in Finance and Accounting”.</li> <li>- Online Training: “ESG Risk Management- Practical Challenges”.</li> <li>- Online Training: “What is the future of the CFO role”.</li> <li>- Online Training: “Guidelines for issuing and offering debt instruments for environmental conservation”.</li> </ul>
Thai Listed Companies Association	<ul style="list-style-type: none"> <li>- TLCA CFO CPD No. 8/2023 “Guidelines for issuing and offering debt instruments for environmental conservation”</li> <li>- TLCA CFO CPD No. 7/2023 “Economic Update for CFO (No. 2)”</li> <li>- TLCA CFO CPD No. 6/2023 “What is the future of the CFO role?”</li> <li>- Online seminar “Governance System for Fraud Detection”</li> <li>- TLCA CFO CPD No.5/2023 “RPA (Robotic Process Automation) in finance and Accounting”</li> <li>- TLCA CFO CPD No. 4/2023 “Green Assets: Opportunities for Sustainable”</li> <li>- IR Sharing 4/2023 “How to improve your IR strategy from basic to advanced?”</li> <li>- IR Sharing 3/2023 “How to Write an Effective MD&amp;A”</li> <li>- TLCA CFO CPD No. 3/2023 “FINTECH – Financial Technology”</li> <li>- TLCA CFO CPD No. 2/2023 “Risk Management for CFOs”</li> <li>- TLCA CFO Professional Development Program (TLCA CFO CPD) 1/2022</li> </ul>

Institution	Program
	<ul style="list-style-type: none"> <li>- TLCA CFO Professional Development Program (TLCA CFO CPD) 2/2022</li> <li>- TLCA CFO Professional Development Program (TLCA CFO CPD) 3/2022</li> <li>- TLCA CFO Professional Development Program (TLCA CFO CPD) 6/2022</li> </ul>
The Securities and Exchange Commission, Thailand	Easy listening: Accounting Tips
The Stock Exchange of Thailand	<ul style="list-style-type: none"> <li>- E-learning CFO's Orientation Course</li> <li>- Summary of TFRS Financial Reporting Standards that have changed and are effective for the year 2023</li> </ul>
Thai Institute of Director Association	Director Accreditation Program (DAP) 90/2011

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

Year	Position
August 2021 - present	Chief Financial Officer

**Position in other listed companies:** None

Year	Position	Company	Business Type
November 2011 – February 2019	Director of Accounting and Finance	Hydrotek Public Company Limited	Property & Construction
September 1995 - September 2000	Director of Accounting and Finance	EMC Public Company Limited	Property & Construction

**Position in other non-listed companies:** 1 Company

Year	Position	Company	Business Type
2015 - present	Consultant	Mango Consultant Company Limited	Accounting system installation, bookkeeping, ERP program advisor and provider and computer systems installation and consulting.

Year	Position	Company	Business Type
October 2000 – September 2009	Director of Administration	G.M. Tour & Travel Company Limited	Administration and support provider

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

Criminal offense record during the past 10 years: None



**10. Ms. Rewadee Ardharn**

**Head of Accounting and Finance Division, Senior  
Accounting Manager and Bookkeeping Supervisor**

**Age: 55 years old**

<b>Shareholding in TRC as at 31 December 2023:</b>	0.001% (63,200 shares)
<b>Family Relationship among Executives:</b>	None
<b>Education:</b>	Master of Business Administration-Management, Eastern Asia University

**Training:**

Institution	Program
Federation of Accounting Professions under royal patronage	- advance Certificate of TAX Accountant (ACTA) - Key Audit Matters: KAMs
Dharmniti Training and Seminar Company Limited	Summary of accounting standards and financial reporting standards revised edition 2021
Actuarial Business Solution Company Limited	TAS19 Employee Benefit Calculator and TFRS9 set aside provision for impairment of financial instruments
The Stock Exchange of Thailand (SET)	- Thai Financial Reporting Standards TFRS 2023 and interesting accounting issues for Thai listed companies - Smart FSCOMP 2023 - CFO Refresher Course #1/2020
Thai Listed Companies Association	- Strategic Financial Leadership Program (SFLP) - TLCA CFO Professional Development Program 1/2021

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

Year	Position
2022 - present	Head of Accounting and Finance Division
2000 - present	Senior Accounting Manager and Bookkeeping Supervisor

**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

## Attachment 2

### Details of the directors of subsidiaries

**Details on Tenure of Directors, Executives and Authorized Persons of the Company and subsidiaries as of 31 December 2023**

Directors and Executives of the Company	TRC	Subsidiaries							
		Sahakarn Wisavakorn Co., Ltd.	Sahahydro Pattaya JV	TRC Investment Ltd.	TRC International Ltd.	Olive Technology Co., Ltd.	Mahat Co., Ltd.	Xsense – Olive JV	Express World Tracking JV
1. Mrs. Paichit Rattananon	/, X, ○	/, X, ○		/, ○	/, ○				
2. Mrs. Rachadaporn Rajchataewindra	XX, /								
3. Association. Prof. Kamjorn Tatayakavee, M. D.	A, /								
4. Mrs. Puangthip Silpasart	A, /								
5. Mr. Pasit Leesakul	XXX, /, ○, C, M	/, ○, C, M	○			X, /, ○, M	X, /, ○	X, /, ○	X, /, ○, M
6. Mrs. Podchane Phaosavadi	/, //, ○, M	/, ○, M	○						
7. Ms. Pavita Leesakul	/, //, M, ○	/, ○, M				/, ○, M	/, ○	/, ○	/, ○, M
8. Mr. Loh Eng Kee	//, M								
9. Mrs. Phanalee Norragitt	//, M								
10. Ms. Rewadee Ardham	M								

X	=	Chairman of the Board of Directors
XX	=	Chairman of the Audit Committee
XXX	=	Chairman of the Executive Committee
A	=	Audit Committee
/	=	Director
//	=	Executive Director
○	=	Authorized Director
C	=	Chief Executive Officer
M	=	Executive

Details on Tenure Directors, Executives and Authorized Persons of the Company and subsidiaries as of 31 December 2023 (continued)

Directors and Executives of the Company	Joint Ventures						Associates	
	Sinopec-TRC Joint Venture	SH Crossings Co., Ltd.	Sahakarn Underground Joint Venture	At Energy Solutions Co., Ltd.	At Energy One Co., Ltd.	Vina At Co., Ltd.	Asean Potash Chaiphaphum PLC.	TRC Utility Co., Ltd.
1. Mrs. Paichit Rattananon								
2. Mrs. Rachadaporn Rajchataewindra								
3. Association. Prof. Kamjorn Tatiyakavee, M. D.								
4. Mrs. Puangthip Silpasart				/, ○				
5. Mr. Pasit Leesakul	○	X, /, ○		X, /, ○	/, ○	/, ○		X, /, ○
6. Mrs. Podchanee Phaosavasdi		/, ○	○				/	
7. Ms. Pavita Leesakul								
8. Mr. Loh Eng Kee	/							
9. Mrs. Phanalee Norragitt				/, ○	/, ○			/, ○
10. Ms. Rewadee Ardham								

- X = Chairman of the Board of Directors  
 XX = Chairman of the Audit Committee  
 XXX = Chairman of the Executive Committee  
 A = Audit Committee  
 / = Director  
 // = Executive Director  
 ○ = Authorized Director  
 C = Chief Executive Officer  
 M = Executive



### Attachment 3

## Details of the Heads of the Internal Audit and Compliance Units

### Details on internal audit supervisor

From 2015 to present, the Company and Sahakarn Wisavakorn Company Limited have appointed EL Business Advisory Company Limited to perform their duties as internal auditors. The Audit Committee considered EL Business Advisory Company Limited's qualification and of the opinion that it was suitable and sufficient as it was independent and had proven experiences in internal audit and internal audit report. Management can apply their feedback to improve internal control systems to be more efficient.

A person assigned by EL Business Advisory Company Limited to serve as head of the internal audit team.

<b>Name:</b>	Mr.Suvit Chanamporn	
<b>Education:</b>	Master of Commerce and Accounting	Chulalongkorn University
	Bachelor of Law	Ramkhamhaeng University
	Bachelor of Business Administration in Accounting	Assumption University
	Certificate of Audit	Chulalongkorn University

**Professional Qualifications**      Thailand's Certified Public Accountant

#### Work experience:

##### Current:

Managing Director	EL Business Advisory Company Limited
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##### Past:

Assistant Auditor	Pricewaterhouse Coopers ABAS Company Limited
Internal Audit Manager	IBM (Thailand) Company Limited and IBM Corporation Company Limited, USA
Senior Director of Internal Audit	UTAC Thai Company Limited

#### Training:

- COSO ERM
- Risk Management
- CIA Review Program
- Quality auditing work
- Anti-Corruption Working Paper
- Review the process of preparing and monitoring the implementation of the strategic plan.
- Orientation course for Chief Accountants focusing on financial reporting
- Thailand IFRS Conference
- Accounting in accordance with the financial reporting standards
- Standard of financial report for listed companies
- Quick law for shareholders's right protection

- Sustainability Strategy for Business
- Corporate IT Governance
- Cyber Security

Since 2016, the Audit Committee has appointed Miss Rewadee Ardharn, Senior Accounting Manager, to perform as secretary to the Audit Committee.

Nonetheless, the selection/proposed of appointment, revocation or relocation of the Company's internal auditor must be approved by the Audit Committee.

## Attachment 4

Assets for business undertaking and  
details of asset appraisal

## Assets used in business and details on property appraisal list

### Fixed assets of the Company and its subsidiaries

As at 31 December 2023, fixed assets used by the Company and its subsidiaries have net worth after accumulated depreciation and impairment allowance at the amount of Baht 526.18 million. Details of assets as follows:

Assets	Proprietary Rights	Net Worth* (MB.)	Value of collateral guaranteed (MB.)	Obligations
1.Land	Owner	142.06	111.00	Mortgage to secure credit limit to financial institutions in the amount of Baht 1,100 million
2.Building	Owner	286.00		No
3.Tools & Equipment	Owner	89.66		No
4.Furnishings & Office Supplies	Owner	1,059.00		No
5.Vehicle <sup>1</sup>	Owner/ Leasing	0.58		No
6.Assets under construction	Owner	6,021.00		No

Note: \*Net value is book capitalization less accumulated depreciation and impairment allowance (if any)

### Details on property appraisal list

- None-



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