



# ITALIAN-THAI DEVELOPMENT PUBLIC COMPANY LIMITED



**Form 56-1 One Report 2022**



<b>Message from the President</b>	<b>3</b>
<b>Report of Audit Committee For The Year 2022</b>	<b>4</b>
<b>Report of the Risk Management Committee for the year 2022</b>	<b>5</b>
<b>Organization Chart</b>	<b>6</b>
<b>Section 1: Business operation and Performance</b>	<b>7</b>
<b>1. Business Structure and Operation</b>	<b>7</b>
1.1 Policy and Business Overview	7
1.2 Significant Changes and Developments over the past year	10
1.3 Shareholding Structure of the Company	11
1.4 Nature of Business	12
1.5 Revenue Structure	13
1.6 Review of Construction Operations	15
1.7 On-going Projects as of December 31, 2022	20
1.8 Business Assets	21
<b>2. Risk Management</b>	<b>23</b>
2.1 Risk Factors	23
<b>3. Management' S Discussion and Analysis of Results of Operations and Financial Condition at December 31, 2022</b>	<b>32</b>
3.1 Overview	32
3.2 Operations Results and Profitability	34
3.3 Assets Management Abilities	40
3.4 Liquidity and sufficiency of funds	42
3.5 Contingent liabilities and off-balance sheets	43
3.6 Factors to the future operation	43
<b>4. Corporate Information and Other Information</b>	<b>44</b>
4.1 General Information	44
4.2 Information on Related Companies with Investment Exceeding 10%	45
4.3 Shareholders	48
4.4 Securities Issuance	49
4.5 Dividend Policy	50
4.6 Clarification on Shareholding Structure Exceeding 10% in Subsidiaries or Associated Companies	50
4.7 Litigation	51
<b>Section 2: Corporate Governance</b>	<b>52</b>
<b>5. Management Structure</b>	<b>52</b>
5.1 Management Structure and Remuneration	52
5.2 Personnel	55
<b>6. Corporate Governance Policy</b>	<b>56</b>
6.1 Corporate Governance	56
6.2 Board	60
6.3 Selection and Nomination of Directors and Chief Executives	64
6.4 Corporate Governance of Subsidiaries and Associated Companies	64
6.5. Internal Information Control	64
6.6. Auditor's Remuneration	64

---

<b>7. The Report of Corporate Governance for Listed Companies</b>	<b>65</b>
7.1 Corporate Social Responsibility Report (CSR)	81
<b>8. Internal Control and Related-Party Transactions</b>	<b>94</b>
8.1 Internal Control	94
8.2 Related Party Transactions	95
<b>Section 3: Financial Statement</b>	<b>100</b>
<b>9. Summary of Financial Information and Financial Ration</b>	<b>100</b>
<b>10. The Board of Director's Report on their Responsibilities for Financial Reports for the Year 2022</b>	<b>102</b>
<b>11. Financial Statement</b>	<b>103</b>

With regards to the Annual Report (Form 56-1 One Report), the information referred and displayed on the Company's website shall be considered as part of Form 56-1 One Report. On top of that, the Board of Directors is still responsible for all information accuracy in the information referred to the website as well as in this Form 56-1 One Report.

<b>Attachments:</b>	<b>174</b>
Attachment 1: Board of Directors, Board of Management, Chief Financial Officer, and Company Secretary	174
Attachment 2: Directorship in Subsidiaries	181
Attachment 3: Internal Audit Information	187
Attachment 4: Assets for Business Operation and Assets Evaluation	187
Attachment 5: Corporate Governance 2023	187

## Message from the President

---

It is another year that the Company has generated highest revenue as the key driver of the government sector for the country's economic growth continues to be focus on investing in mega projects namely projects in the Eastern Economic Corridor Zone (EEC), especially the U-Tapao Airport, Map Ta Phut Industrial Port, Phase 3, and Laem Chabang Industrial Port, Phase 3, as well as the High Speed Linking Three Airport Project still in gestation. There are also Thai-Chinese High-Speed Railway, expressway, track doubling, and various railway routes projects.

The Company has infrastructure works that are ongoing including Track Doubling Project, Den Chai-Chiang Rai-Chiang Khong, Contract 1, Den Chai-Ngao Section, Rama 3-Dao Khanong-Western Bangkok Outer Ring Road Expressway, Contract 3 (Civil Works), Map Ta Phut Industrial Port Development, Phase 3 (stage 1), 3 Contracts of MRT Purple Line, Tao Pun-Rat Burana (Kanchanapisek Road), and new projects for example the Chumphon-Ranong Land Bridge, the Muang Mai-Koh Kaew-Kathu Expressway, the Utraphimuk Elevated Tollway Extension Intercity Motorway (Don Muang Tollway), the Elevated Intercity Motorway M9 Bang Khun Thain - Bang Bua Thong Section, the Intercity Highway No. 8, Nakhon Pathom - Cha-am, the bridge across the Songkhla Lake, Koh Lanta Bridge, in addition to projects to increase the potential of various Airports.

Despite the heavy workload, there are still many obstacles that affect the operation of the construction business and although the severity of COVID-19 has greatly reduced recently, it still has an impact, whether it is a labor shortage and/or shortage of construction materials. The cost of most construction materials is at a higher level than before the COVID-19 period, especially the price of steel and steel products, reflecting to a large degree the impact of the conflict between Russia and Ukraine. As a result, oil prices in the world market have risen, which when taken together with the depreciation of the baht, greatly affects the cost of importing construction materials and machinery into Thailand. In association with the above, the cost of electricity has increased in line with oil prices.

Such negative factors are business challenges that every company must face and focus on effective cost management by controlling all costs such as construction materials, labor costs and establishment cost as much as possible, as well as project planning and cost monitoring. Other influencing factors include planning to deal with fluctuations in product prices, working with suppliers to ensure availability of materials on time, keeping our wage structure under review and being aware of other market risks as they occur.

From the current value of the work in hand and new projects that are expected to be added continuously, the Company is confident that this current year will be another year that the Company can generate high income and maintain its position as the largest construction company in the Country. This will require the cooperation of all partners, staff, sub-contractors, and suppliers, as well as clients and sponsors to help deliver all our projects according to the set goals.

I would like to thank each and every one of you for your contribution to the success of the business and trust in your ongoing support throughout this year and the future.



Mr. Thoranis Karnasuta  
Executive Vice President and Acting President

## Report of Audit Committee For The Year 2022

The Audit Committee of Italian Thai Development Public Company Limited was duly appointed by the resolution of the Annual General Meeting of Shareholders on 24<sup>th</sup> July 2020. The three members of the Audit Committee have been appointed for a three - year term, comprising: Assoc. Prof. Dr. Pinyo Meechumna as Chairman, Mr. William Lee Zentgraf and Mr. Sai Wah Simon Suen as Committee Members. In addition, Mr. Pakpoom Sukkasem, the Vice President of Internal Audit Division, served as secretary of the Audit Committee.

In 2022, five Audit Committee Meetings were held, each of which was met by presence of all members. The significant activities undertaken by the Audit Committee assigned by the Company's Board of Directors in the year 2022 were as follows:

1. Review and approval of the Quarterly Financial Statements, Annual Financial Statements for 2022, Certified Public Accountant's Report, Financial Status Report and Company's Performance Report.
2. Review of the Company's Internal Control Systems and the Audit Plan for 2022 of the Internal Audit Division. Also, review of Audit Report for 2022 and Follow Up of Operation Improvement Report.
3. Review of legal compliance, the laws and regulations relating to the Stock Exchange of Thailand and other laws concerning the company business.
4. Consideration of the risk assessment of increasing cost that caused by potential increasing price of main materials in 2022 and the measures against direct impact to the Company.
5. Review of the connected transaction and those of conflicts of interest disclosed by the responsible executives in full and correct compliance with the laws and regulations of the Stock Exchange of Thailand.
6. Selection and recommendation for appointment of the Certified Public Accountant of the Company for 2022, including holding an official meeting with the Certified Public Accountant without the management representative once a year.

The Audit Committee's opinion states that the Financial Report for 2022 (Ended December 31<sup>st</sup>, 2022) is accurate and reliable in its substance in accordance with the Generally Accepted Accounting Principles. Also the disclosure of sufficient information was carried out. The adequate Internal Control Systems were proceeded without substance errors. The Company has been in full compliance with the laws and regulation of the Securities and Exchange Commission, the Stock Exchange of Thailand and other related laws as well. Moreover, the connected transaction are accurate and reliable and fairly priced according to the market price index. Finally, the Audit Committee's opinion states that Mr. Somkid Tiatragul, Certified Public Accountant no. 2785 and/or Miss. Kanyanat Sriratchatchaval Certified Public Accountant no. 6549 and/or Miss Amornjid Baolorpet, Certified Public Accountant no. 10853 and/or Miss Saranya Akharamahaphanit, Certified Public Accountant no. 9919 and/or Miss Luxsamee Deetrakulwattanapol, Certified Public Accountant no. 9056 and/or Miss Kesanee Srathongphool , Certified Public Accountant no.9262 from Grant Thornton Limited are qualified to be the Company's auditor for 2022.



(Assoc. Prof. Dr. Pinyo Meechumna)  
Audit Committee Chairman  
13 March 2023

## Report of the Risk Management Committee for the year 2022

To the Shareholders

The Risk Management Committee was established by resolution of the Board of Directors Meeting No.1/9/2010, held on September 2, 2010. Currently, the Committee comprises of 8 members who are particularly capable of balancing and managing business risks. Assoc. Prof. Dr. Pinyo Meechumna is serving as Chairman of the Risk Management Committee.

The Risk Management Committee takes the primary role to intensively respond to the Company's overall risk management policy and framework covering several major aspects as the financial risk, investment risk, operational risk and corporate reputation risk to keep to these risks at an acceptable level. The Committee considers the risks using a methodical system and supports the Board of Directors' and Board of Management's decisions in the investment activities that may significantly affect the Company's financial status.

In 2022, the Risk Management Committee held the meetings to oversee, review, and monitor some construction projects by inviting the Management and persons concerned to participate the meetings. The Committee thoroughly supervised and reviewed the significant risks of the Company, namely:

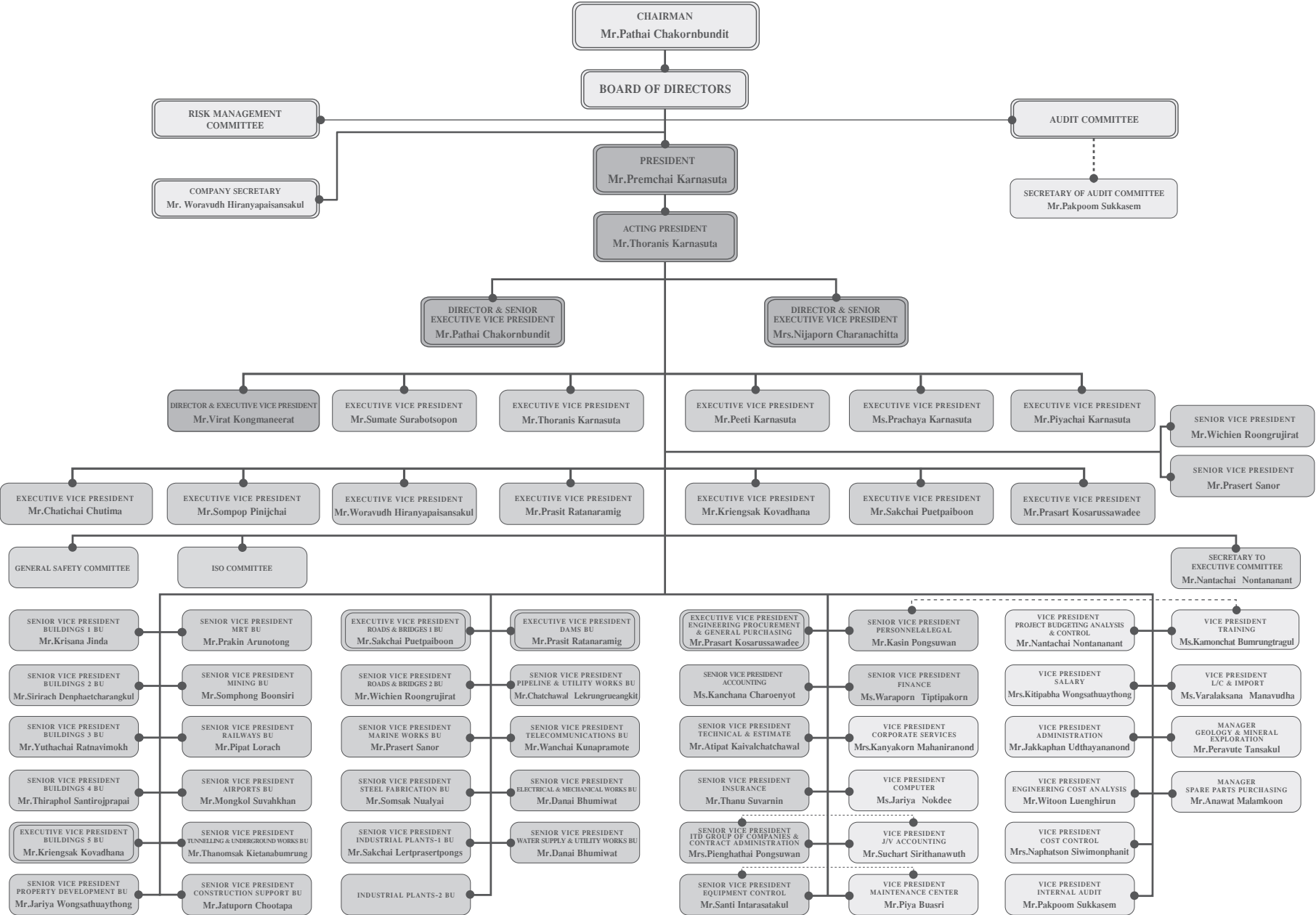
1. High-Speed Rail Linked 3 Airports Project
2. The Cooperation between the Government of the Kingdom of Thailand and the Government of the People's Republic of China on Bangkok - Nong Khai HSR Development for Regional Connectivity
3. Potash Mining Project
4. Project under development in the Republic of Mozambique
5. Bauxite Mining and Alumina Plant Construction Project in Lao PDR

The Risk Management Committee considered and provided beneficial suggestions to all the projects mentioned to maintain the operations for the Company's optimum productivity and profitability.



(Assoc. Prof. Dr.Pinyo Meechumna)  
Chairman of the Risk Management Committee  
March 13, 2023

Organization Chart





## Section 1: Business operation and Performance

### 1. Business Structure and Operation

#### 1.1 Policy and Business Overview

Italian-Thai Development Public Company Limited (“the Company”) is formed on August 15, 1958, with a registered capital of Baht 2,000,000 under the former name Italian-Thai Development Corporation Limited, by Dr. Chaijudh Karnasuta (Thai) and Mr. Giorgio Berlingieri (Italian), the co-founders who both intended to establish the competitive Thai construction company.

In 1985, the Company honorably obtained the Royal Seal of The Garuda awarded by His Majesty King Bhumibol Adulyadej on November 22. It was reckoned as the highest and most honorable achievement under the Royal Patronage of His Majesty the King.

Another milestone reached occurred in 1994, the Company registered as a Public Company Limited on March 24 and was respectively listed on the Stock Exchange of Thailand on August 9.

With over a decade in construction field, the Company has been recognized as one of the largest construction companies in Thailand with excellent performance by high quality of work. The Company’s high-standard construction quality has also been officially certified with ISO 9001:2015, the standard for the Quality Management Systems, ISO 14001:2015, the standard for the Environmental Management Systems, and ISO 45001:2018, the standard for the Occupational Health and Safety Management Systems.

#### **Vision, Mission, Motto, Strategy, Objectives, and Main Goal**

With the strong intention to grow further with best care to all stakeholders, the Company always revises the vision, mission, motto, strategy, objectives, and main goal every year. For 2023, the Board of Directors’ Meeting No. 6/12/2022, held on December 15, 2022, reviewed them all and resolved as follows:

##### **Vision**

To be the leading contractor in Southeast Asia

##### **Mission**

- To be an integrated construction firm with wide experience and expertise in all construction activities
- To have the potential and readiness to undertake the large construction projects utilizing advanced technological construction with competitive tendering
- To be accountable for our construction projects with quality and safety in accordance with international standards
- To maintain the reputation as a leader among construction firms
- To deliver the highest satisfaction to all customers
- To further expand the Company’s construction business and capacity throughout the international market, particularly in Asia

##### **Motto**

Commitment, Reliability, Quality

##### **Strategy**

- To build the Company’s credibility and trust through high quality construction
- To complete our construction works with professional quality and punctuality
- To develop and apply the advanced construction technologies and techniques
- To develop knowledge and extend the construction experiences of all-levels of employees to be skillful and able to work efficiently
- To develop and enhance the potential of the organization and its human resources management

##### **Corporate Objectives**

- To be the leading contractor in building, civil and structural works nationally and internationally
- To operate our construction projects for optimum profit
- To operate the business with Quality (ISO 9001), Environment (ISO 14001) and Occupational Health and Safety (ISO 45001) in line with international standards
- To provide an appropriate profit to the shareholders of the Company

Short Term – Medium Term Period (Within 1-4 years)	Long Term Period (More than 5 years)
<p><b>1. To increase competitiveness for revenue growth</b></p> <ul style="list-style-type: none"> <li>Attend the Government's biddings i.e.</li> <li><b>Railway Construction Project</b> <ol style="list-style-type: none"> <li>High Speed Rail Development               <ol style="list-style-type: none"> <li>the Cooperation between the Government of the Kingdom of Thailand and the Government of the People's Republic of China on Bangkok - Nong Khai HSR Development for Regional Connectivity: Phase 1 Bangkok - Nakhorn Ratchasrima and Phase 2 Nakhorn Ratchasrima - Nong Khai</li> <li>High-speed rail linked 3 airports project: Don Mueang- Suvarnabhumi- U-ta pao Airports</li> </ol> </li> <li>Track Doubling Project Phase 1: Map Kabao - Thanon Chira Junction Contract 2: Khlong Khanan Chit - Thanon Chira Junction</li> <li>Track Doubling Project Phase 2: Paknam Po - Den Chai, Den Chai - Chiang Mai, Khon Kaen - Nong Khai, Thanon Chira Junction - Ubon Ratchathani, Chumphorn - Surat Thani, Surat Thani - Hat Yai - Songkhla, and Hat Yai - Padang Besar</li> <li>SRT Red Line suburban railway project (PPP: Public-Private Partnership)               <ol style="list-style-type: none"> <li>SRT Light Red Line suburban railway project: Bang Sue - Phaya Thai - Makkasan - Hua Mak; and Dark Red Line railway project: Bang Sue - Hua Lamphong (missing link)</li> <li>SRT Dark Red Line railway project: Rangsit - Thammasart University Rangsit campus section</li> <li>SRT Red Line suburban railway project: Taling Chan - Salaya and 3 additional stations: RaMa VI, Bang Kray- EGAT and Chim Plee stations</li> <li>SRT Light Red Line suburban railway project: Taling Chan - Siriraj</li> </ol> </li> </ol> </li> <li><b>MRT Project</b> <ol style="list-style-type: none"> <li>MRT Blue Line project: Bang Khae - Phutthamonthon Sai 4</li> <li>MRT Dark Green Line project: Kukot - Lamlukka</li> <li>MRT Dark Green Line project: Samutprakarn - Bangpu</li> <li>MRT Brown Line project: Khae Rai - Lam Sali (PPP)</li> </ol> </li> <li><b>Airport Project</b> <ol style="list-style-type: none"> <li>The Construction of East Expansion, Suvarnabhumi Airport</li> <li>The Construction of Terminal 2 (North), Suvarnabhumi Airport</li> <li>The Development of Don Mueang airport (Phase 3)</li> <li>The Construction of 2nd runway and taxiway, U-Tapao Airport</li> <li>The Construction of Chiang Mai Airport</li> <li>The renovation of Aircraft surface (Phase 2), Suvarnabhumi Airport</li> <li>The improvement of soil for aircraft parking space for SAT-2, Suvarnabhumi Airport</li> <li>The Construction of Bueng Kan Airport, Department of Airports</li> </ol> </li> <li><b>Drainage and Sewerage Tunnel, Transmission Tunnel, Underground Cable System and Water System Project</b> <ol style="list-style-type: none"> <li>Drainage and Sewerage Tunnel project, Phraya Rajmontri canal, Bangkok</li> <li>Diversion Tunnel project: Yuam - Bhumiphol, Royal Irrigation Department</li> <li>Metropolitan Electricity Authority projects               <ol style="list-style-type: none"> <li>Outgoing Underground Cable System from Lad Phrao station</li> <li>Outgoing Underground Cable System from Bang Phlee station</li> <li>Outgoing Underground Cable System from Erawon station</li> <li>Outgoing Underground Cable System from Bang Sue station</li> </ol> </li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>To maintain the market share and the position of No.1 leader.</li> <li>Expand the overseas market.</li> <li>Improve the revenues from the invested projects so as to generate profits to the Company.</li> </ul>

Short Term – Medium Term Period (Within 1-4 years)	Long Term Period (More than 5 years)
<ul style="list-style-type: none"> <li>4) Metropolitan Waterworks Authority projects               <ul style="list-style-type: none"> <li>4.1 The Construction for water production expansion, Mahasawat water treatment plant (800,000 cubic meter/day)</li> <li>4.2 The Construction of Bang Mod water pumping station and 120,000 cubic meter treated water tank</li> <li>4.3 The Construction of water transmission tunnel into Thonburi water treatment plant and to Pradiphat water gate</li> </ul> </li> <li>• <b>Highways, Roads, and Expressway Project</b> <ul style="list-style-type: none"> <li>1) The Construction of Koh Lan Ta crossing bridge, Krabi, Department of Rural Roads</li> <li>2) The Construction of Expressway Stage 3 North Phase 1 (N2 Prasert Manukit - Outer ring expressway, East Bangkok) and Phase 2 (N1 addition Bang Sue - Prasert Manukit) EXAT</li> <li>3) Elevated expressway: Kathu - Patong, Phuket, EXAT (PPP)</li> <li>4) Elevated expressway: Muang Mai - Koh Kaew, Phuket (PPP)</li> <li>5) The Construction of Motorway Route 5 (Utraphimuk) expansion: Rang Sit - Bang Pa-in, Department of Highway</li> <li>6) The Construction of Motorway Route 9: West Kanchanaphisek ring road, Department of Highway</li> <li>7) The Construction of Motorway Route 8: Nakhon Prathom - Cha Am, Department of Highway (PPP)</li> <li>8) The Construction of Motorway Route 82: Bang Khun Thian - Ban Phaeo Section (O&amp;M), Department of Highway (PPP)</li> </ul> </li> <li>• <b>Wastewater Treatment Systems Project</b> <ul style="list-style-type: none"> <li>1) The Construction of Thonburi centralized system and wastewater treatment system</li> <li>2) The Construction of Samutsakhorn wastewater treatment system, Samutsakhorn (PPP)</li> </ul> </li> <li>• Aim to continuously enhance the efficiency and gain more work value</li> <li>• Each Business Unit (BU) is to be capable to develop with the highest effectiveness simultaneously to create the competitive advantages in bidding, and be able to win the bidding</li> <li>• Maintain the market share and the position of No.1 leader</li> </ul>	
<b>2. To increase capability in making profits</b> <ul style="list-style-type: none"> <li>• Integrate IT system with the budgets and resources management</li> <li>• Support each BU on developing and researching of innovation for upcoming projects which would benefit the construction</li> <li>• Establish the developing and researching center of the Company in a site work that supports the construction</li> </ul>	<ul style="list-style-type: none"> <li>• Be a leader of innovation in construction field</li> <li>• Continually develop and update technologies for optimal competency</li> </ul>
<b>3. To create satisfaction for customers</b> <ul style="list-style-type: none"> <li>• Operate the construction based on the standards and hand over work following the contract work</li> </ul>	
<b>4. To manage the occupational health and safety in accordance with international standards</b> <ul style="list-style-type: none"> <li>• Focus on setting up team conscious of safety in working</li> <li>• Inspect the safety standard of each site work by the General Committee</li> <li>• Decrease the number of accidents to the least from the present</li> </ul>	<ul style="list-style-type: none"> <li>• Achieve zero accident target</li> </ul>

Short Term – Medium Term Period (Within 1-4 years)	Long Term Period (More than 5 years)
<b>5. To improve employees' skills and quality of life of family</b> <ul style="list-style-type: none"> <li>• Hold training courses for improving employees' skills in every level to be knowledgeable and conscious of working among the Management Level (SVP, VP, PM and PE), Supervisory Level, Operational Officer both BUs and work supports with full efficiency</li> <li>• Offer scholarships to the employees' children</li> <li>• Maintain the training center for engineers and technicians in order to expand the knowledge, experience, and construction technology to all employee levels for the best work efficiency</li> </ul>	<ul style="list-style-type: none"> <li>• Decrease the employee turnover rates of each level</li> </ul>
<b>6. Corporate Social Responsibility</b> <ul style="list-style-type: none"> <li>• Attend activities with community nearby working projects</li> <li>• Support every CSR activity of every site work i.e. Pordee Pordee School</li> <li>• Support the good corporate governance following the principles by SEC such as the definition of the objectives and main targets of the company for sustainability, and support the participation and communication with the Shareholders</li> </ul>	<ul style="list-style-type: none"> <li>• Continuously support CSR activities</li> <li>• CG scoring not less than 90 percent</li> </ul>

## 1.2 Significant Changes and Developments over the past year

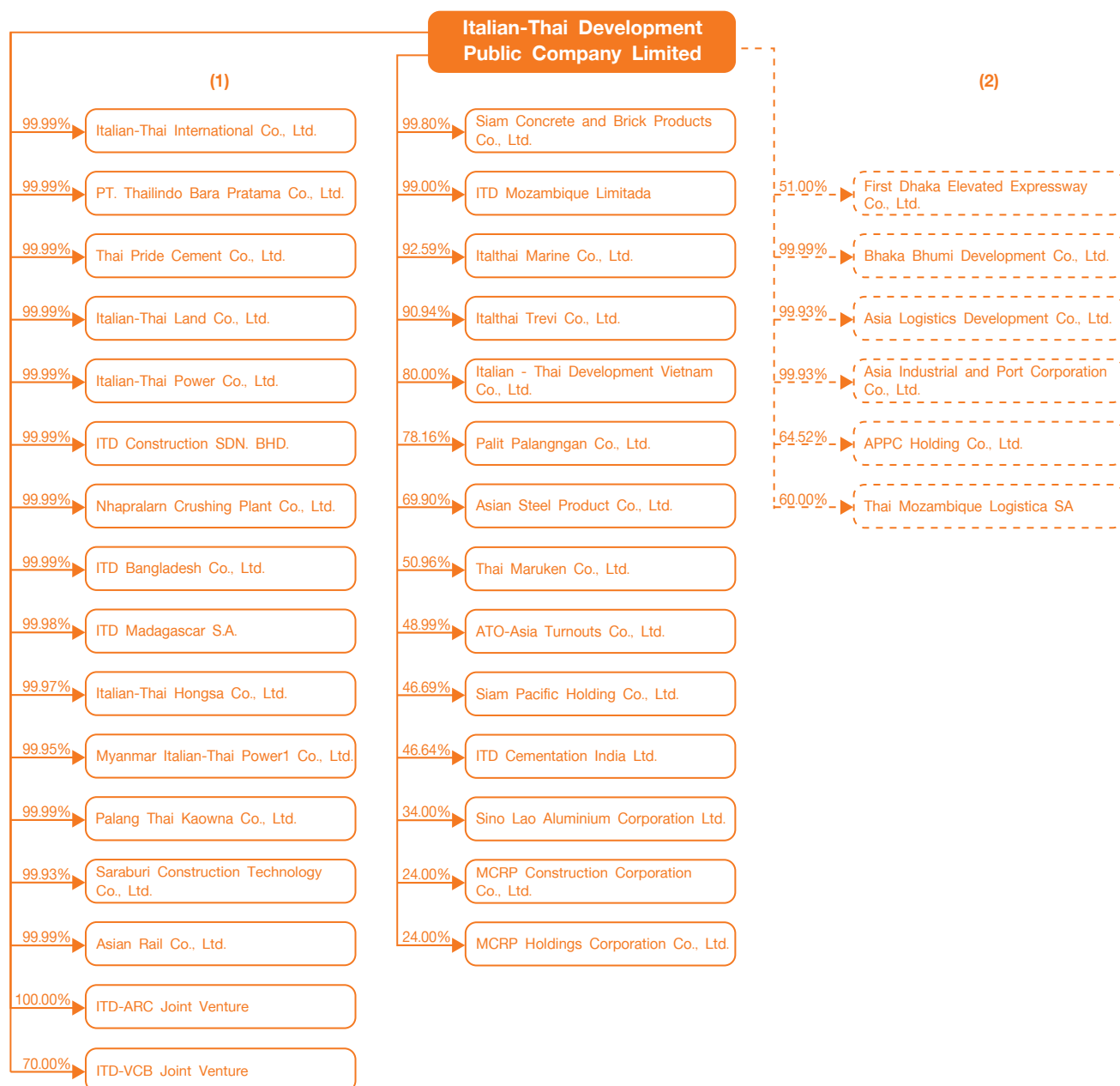
The detail summarized is the significant changes and development from 2019 to the present.

<b>2019</b>	<ul style="list-style-type: none"> <li>- The Company has appointed and formed the ISO Committee to prepare for the quality management system (ISO 9001), environmental management system (ISO 14001) and occupational health and safety management system (ISO 45001) to strengthen the Company's operation with efficiency and effectiveness.</li> <li>- The Company has registered for the change of paid-up capital. The change was from the warrants (ITD-W1) exercising, and the Company's paid-in registered capital is currently Baht 5,279,868,944.</li> <li>- The Company has established the Buildings Service Center (BSC) at the Italian-Thai Industrial Complex, Wihan Daeng, Saraburi province to support facilities to the construction projects especially the building works in terms of production, formwork rental, building construction machinery, and storage warehouses.</li> </ul>
<b>2020</b>	<ul style="list-style-type: none"> <li>- The Company has been assessed and officially certified as complying with the following ISO standards: <ul style="list-style-type: none"> <li>- ISO 9001:2015 (Quality Management System)</li> <li>- ISO 14001:2015 (Environmental Management System)</li> <li>- ISO 45001:2018 (Occupational Health and Safety Management System)</li> </ul> </li> </ul> <p>The certification has made ITD the first Thai construction firm in Thailand to be certified with all the above ISO standards.</p>
<b>2021</b>	<ul style="list-style-type: none"> <li>- Following Dr.Krisorn Jittorntrum passing away, thus ending his directorship and other positions, Assoc. Prof. Dr.Pinyo Meechumna was appointed as an Independent Director, Chairman of Audit Committees and Chairman of Risk Management Committee as a replacement for the remaining of Dr.Krisorn Jittorntrum term, by the resolution of the Board of Directors' meeting No. 5/4/2021 on April 22, 2021.</li> <li>- Mr. Pathai Chakornbundit was appointed to be Chairman of the Board of Directors, replacing Dr.Krisorn Jittorntrum who passed away, by the resolution of the Board of Directors' meeting No. 5/6/2021 on June 14, 2021.</li> <li>- Mr.Thoranis Karnasuta was appointed as Acting President in case that President is unable to perform the duty, by the resolution of the Board of Directors' meeting No. 1/12/2021 on December 1, 2021.</li> <li>- The Company has jointly invested in joint ventures to provide construction services for various projects as follows: <ul style="list-style-type: none"> <li>- ITD-CREC Joint Venture</li> <li>- ITALIAN-THAI-TAKENAKA Joint Venture</li> <li>- ITALIANTHAI-NAWARAT Joint Venture</li> <li>- ITD-NAWARAT Joint Venture</li> <li>- ITD-NWR Joint Venture</li> <li>- ITD-VCB Joint Venture</li> </ul> </li> </ul>
<b>2022</b>	<ul style="list-style-type: none"> <li>- Asia Pacific Potash Corporation Limited (APPC) (a subsidiary in which the Company holds 90% and the Ministry of Finance holds 10% of shares) received a concession for a potash mining project from the Udon Thani Provincial Industrial Office with concession authorization period of 25 years starting from September 23, 2022.</li> </ul>

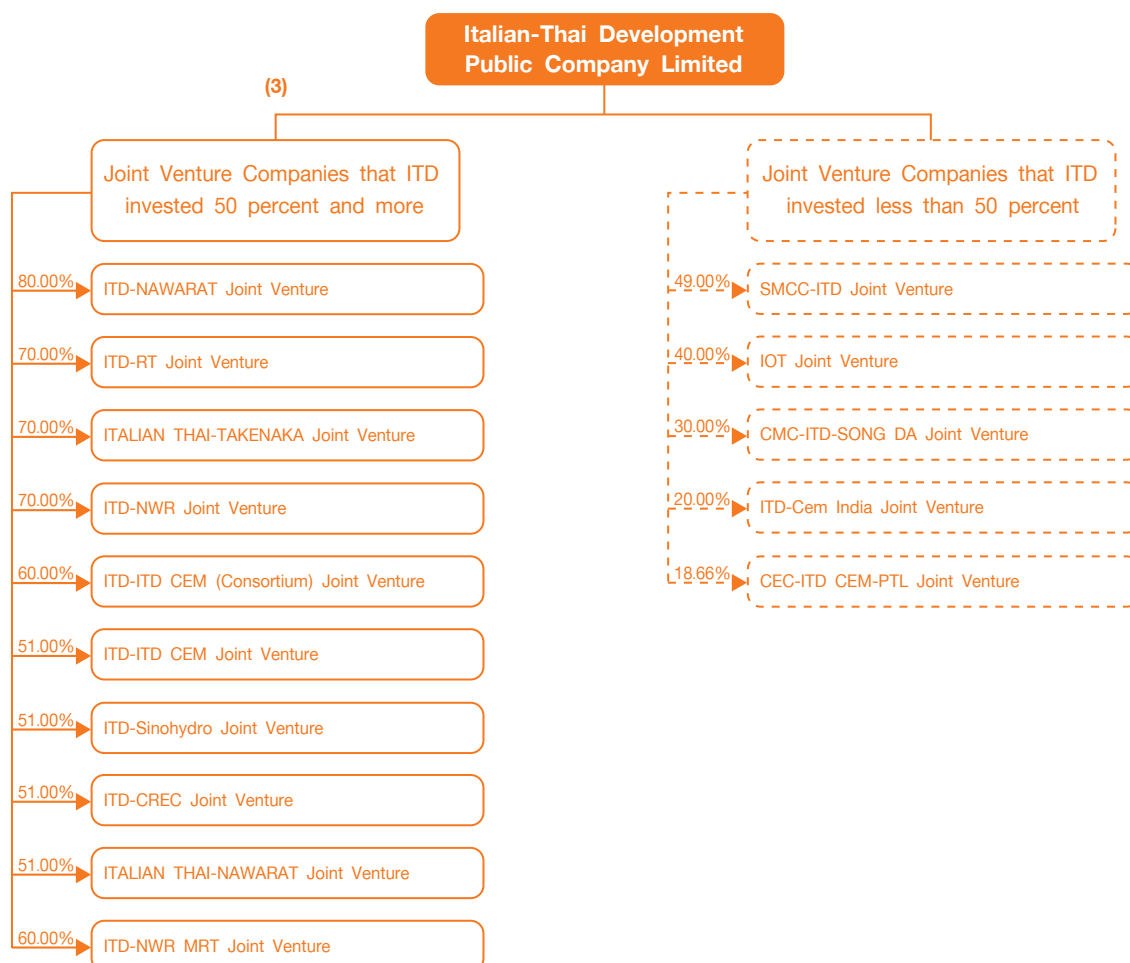
### 1.3 Shareholding Structure of the Company

The business lines of the Company's subsidiary companies, associated companies, and joint venture as of December 31, 2022, can be divided into three lines as below:

1. Lines of construction and public utilities work including a line of construction support and line of overseas investments,
2. Lines of the Company investment in other sectors, e.g., real estate business, construction material and raw material products, and concession businesses,
3. Lines of Joint Venture, which is the cooperation with other experienced companies to gain knowledge in new technologies for the Company's operations especially for public utility work.



The Company's investment in Joint Venture Companies as of December 31, 2022:



## 1.4 Nature of Business

### Business of the Company, Subsidiary Companies, Joint Ventures, and Associated Companies

#### Italian-Thai Development Public Company Limited Only

At present, the business operations of the Company could be divided into 9 major activities:

1. Buildings (office buildings, condominiums, skyscrapers, and hotels)
2. Industrial Plants
3. Pipelines and Utility Works (oil, gas and water transmission pipelines, conduit and manhole systems and storage tanks)
4. Highways, Railways, High Speed Rails, Viaducts, Track works, MRT Systems, Bridges and Expressways
5. Airports, Ports and Marine Works
6. Dams, Tunnels and Power Plants
7. Steel Structures
8. Telecommunications
9. Mining

### Subsidiary Companies, Joint Ventures, and Associated Companies

The business lines of the Company's subsidiary, associated companies and joint ventures as of December 31, 2022, could be divided into three lines as below:

1. Lines of construction and public utilities work including a line of construction support and a line of overseas investments
2. Lines of the Company investment in other sectors, e.g. real estate business, construction material and raw material products and concession businesses
3. Lines of Joint Ventures which is the cooperation with other experienced companies to gain knowledge in new technologies for the Company's operations especially for public utility work

### 1.5 Revenue Structure

Sales Structure	2022		2021		2020	
	(Baht) Million	%	(Baht) Million	%	(Baht) Million	%
1. Large-scale Building Construction	9,946.18	13.98	11,248.59	17.83	11,365.35	18.89
2. Industrial Plants and Facilities	1,795.05	2.52	2,595.25	4.11	3,560.60	5.92
3. Pipelines and Tank Farms	7,731.93	10.87	6,897.64	10.93	5,004.76	8.32
4. Highways, Railways, Bridges and Expressway Systems	20,666.34	29.05	15,953.69	25.28	14,887.49	24.75
5. Airports, Jetties, Deep-sea Ports and Marine Works	13,678.08	19.23	8,208.30	13.01	6,708.04	11.15
6. Multi-purpose Hydro-electric Dams, Tunnels and Power Plants	3,916.29	5.50	3,036.06	4.81	3,111.62	5.17
7. Steel Structures	0.00	0.00	0.05	0.00	6.93	0.01
8. Telecommunications	331.30	0.47	481.74	0.76	441.83	0.73
9. Mining	5,287.51	7.43	6,079.67	9.63	5,638.07	9.37
10. Miscellaneous	6,750.15	9.49	7,004.64	11.11	7,646.54	12.71
11. Others	1,043.91	1.46	1,596.48	2.53	1,788.89	2.98
Total Sales	71,146.74	100.00	63,102.11	100.00	60,160.12	100.00
Sale Growth	12.75%		4.89%		(8.96%)	
Related Party Transactions from Construction	1,678.69		1,247.49		2,555.15	
Related Party Transactions from Miscellaneous	1,350.18		1,515.68		1,847.92	
Others	72.58		111.78		348.99	
Total Net after Provisions	68,045.29		60,227.16		55,408.06	
Growth	12.98%		8.70%		(12.06%)	

### Domestic and International Revenue

(Revenue disaggregated by pattern of revenue recognition)

Revenue Segment	2022		2021		2020	
	(Baht) Million	%	(Baht) Million	%	(Baht) Million	%
Domestic Revenue	41,827	59.66	32,982	53.62	41,083	70.38
International Revenue	28,278	40.34	28,525	46.38	17,288	29.62
Total	70,105	100.00	61,507	100.00	58,371	100.00

## Revenue Structure of Subsidiary Companies, Associated Companies & Joint Ventures

### 1. Lines of construction and public utilities work including a line of construction support and a line of overseas investments

Company Name	% of Holdings	(Unit : Thousand Baht)					
		2022		2021		2020	
		Revenue	%	Revenue	%	Revenue	%
<b>Subsidiary Companies</b>							
1. ITD-ARC Joint Venture	100.00	70,037	0.19	100,900	0.36	118,853	0.54
2. Italian-Thai International Co., Ltd.	99.99	3,704	0.01	2,344	0.01	2,401	0.01
3. PT Thailindo Bara Pratama Co., Ltd.	99.99	-	-	-	-	267,554	1.22
4. Thai Pride Cement Co., Ltd.	99.99	1,566,467	4.29	1,387,972	4.90	1,346,168	6.12
5. Italian-Thai Land Co., Ltd.	99.99	-	-	-	-	-	-
6. Italian-Thai Power Co., Ltd.	99.99	-	-	-	-	-	-
7. ITD Construction SDN.BHD.	99.99	-	-	-	-	-	-
8. Nha Pralan Crushing Plant Co., Ltd.	99.99	25,359	0.07	36,229	0.13	30,063	0.14
9. ITD Bangladesh Company Limited	99.99	1,117,236	3.06	799,383	2.82	1,665,715	7.58
10. Asian Rail Co., Ltd.	99.99	159,727	0.44	160,122	0.57	158,532	0.72
11. Palang Thai Kaowna Co., Ltd.	99.99	-	-	-	-	-	-
12. ITD - Madagascar S.A.	99.98	-	-	-	-	-	-
13. Italian-Thai Hongsa Co., Ltd.	99.97	1,965,112	5.38	1,905,937	6.73	1,886,304	8.58
14. Myanmar Italian-Thai Power 1 Co., Ltd.	99.95	-	-	-	-	-	-
15. Saraburi Construction Technology Co., Ltd.	99.93	14,250	0.04	38,082	0.13	25,071	0.11
16. Siam Concrete Brick&Products Co., Ltd.	99.80	244,992	0.67	308,871	1.09	129,139	0.59
17. ITD Mozambique Limitada	99.00	-	-	-	-	25,807	0.12
18. ItalThai Marine Co., Ltd.	92.59	-	-	25,708	0.09	148,104	0.67
19. ItalThai Trevi Co., Ltd.,	90.94	969,284	2.66	789,041	2.79	777,423	3.54
20. Italian-Thai Development Vietnam Co., Ltd.	80.00	-	-	-	-	-	-
21. Palit Palanguan Co., Ltd.	78.16	-	-	-	-	-	-
22. ITD-VCB Joint Venture	70.00	1,422,577	3.90	61,339	0.22	-	-
23. Asian Steel Products Co., Ltd.	69.90	196,413	0.54	88,733	0.31	178,750	0.81
24. Thai Maruken Co., Ltd.	50.96	770,398	2.11	789,553	2.79	1,093,881	4.97
25. ITD Cementation India Ltd.	46.64	20,826,388	57.07	15,857,243	56.02	10,647,678	48.42
<b>Associated Companies</b>							
1. ATO - Asia Turnout Co., Ltd.	48.99	42,585	0.12	59,311	0.21	20,602	0.09
2. Siam Pacific Holding Co., Ltd.	46.69	-	-	-	-	-	-
3. Sino Lao Aluminum Corporation Co., Ltd.	34.00	-	-	-	-	-	-
4. MCRP Construction Co., Ltd.	24.00	-	-	-	-	-	-
5. MCRP Holding Corporation Co., Ltd.	24.00	-	-	-	-	-	-



**2. Lines of the Company investment in other sectors, e.g. real estate business, construction material and raw material products and concession businesses**

Company Name	(Unit : Thousand Baht)						
	% of Holdings	2022		2021		2020	
		Revenue	%	Revenue	%	Revenue	%
<b>Subsidiary Companies</b>							
1. Bhaka Bhum Development Co., Ltd.	99.99	334,320	0.92	318,780	1.13	460,410	2.10
2. Asia Logistics Development Co., Ltd.	99.93	-	-	-	-	-	-
3. Asia Industrial and Port Corporation Co., Ltd.	99.93	-	-	-	-	-	-
4. APPC Holdings Co., Ltd.	64.52	-	-	-	-	-	-
5. Thai Mozambique Logistica SA	60.00	-	-	-	-	-	-
<b>Associated company</b>							
1. First Dhaka Elevated Expressway Co., Ltd.	51.00	-	-	-	-	-	-
2. Dawei LNG Terminal Co., Ltd.	50.00	-	-	-	-	-	-

**3. Lines of Joint Ventures**

Company Name	(Unit : Thousand Baht)						
	% of Holdings	2022		2021		2020	
		Revenue	%	Revenue	%	Revenue	%
<u>Joint Ventures</u>							
1. ITD-NAWARAT Joint Venture	80.00	989,902	2.71	1,084	0.01	-	-
2. ITD –RT Joint Venture	70.00	1,865,570	5.11	2,186,320	7.72	1,079,585	4.91
3. ITALIAN-THAI-TAKENAKA Joint Venture	70.00	753,842	2.07	43,276	0.15	-	-
4. ITD-NWR Joint Venture	70.00	193,696	0.53	76,101	0.27	-	-
5. ITD – ITD Cem (Consortium) Joint Venture	60.00	-	-	-	-	-	-
6. ITD-NWR MRT Joint Venture	60.00	409,701	1.12	-	-	-	-
7. ITD-ITD Cem Joint Venture	51.00	301,164	0.83	300,998	1.06	330,430	1.50
8. ITD- Sinohydro Joint Venture	51.00	325,231	0.89	743,824	2.63	454,899	2.07
9. ITD-CREC Joint Venture	51.00	147,839	0.41	98,891	0.35	-	-
10. ITALIANTHAI-NAWARAT Joint Venture	51.00	77,965	0.21	46,265	0.17	-	-
11. ITD-SQ Joint Venture	50.00	-	-	-	-	32,910	0.15
12. SMCC- ITD Joint Venture	49.00	1,370,339	3.75	1,707,956	6.03	699,779	3.18
13. IOT Joint Venture	40.00	-	-	-	-	-	-
14. CMC-ITD-SONG DA Joint Venture	30.00	-	-	-	-	-	-
15. ITD CEM India Joint Venture	20.00	83,331	0.23	74,215	0.26	39,573	0.18
16. CEC-ITD CEM-TPL Joint Venture	18.66	248,285	0.67	298,221	1.05	370,390	1.68
		36,495,714	100.00	28,306,699	100.00	21,990,021	100.00

**1.6 Review of Construction Operations**

During the past year, the Thai Government remained focused on pushing forward large-scale projects to offset loss of income from exports and tourism that had not recovered from the COVID-19 pandemic. Although many countries began to ease some restrictions and measures, they were carried out gradually. On the other hand, Thai contractors had to deal with other issues from both at home and abroad, these include the rising domestic material prices, labor shortage, and impact of minimum wage increase.

In addition, the ongoing Russia-Ukraine War has affected global oil prices which in turn have caused an increase in the cost of electricity in Thailand due to higher fuel cost used to generate electricity. The depreciation of the Thai Baht has also affected prices of materials, equipment, tools, and machinery imported from abroad and as a result, the Company has prioritized cost control, whilst maintaining its effectiveness.

---

The work that the Company has been entrusted to carry out by both the public and private sectors in the past year is summarized below:

### **Building Construction**

The completed building projects include:

- Construction of the basement of the expansion development area project of The Government Complex Commemorating His Majesty the King's 80th Birthday Anniversary, Zone C worth Baht 2,222 million;
- Training Centre and Welfare, Immigration Bureau worth Baht 1,669 million;
- Terminal 21, Rama III project worth Baht 1,248 million; and
- The Construction and Renovation of 907 Palace, HM 904 Royal Court Area, Payap Pier worth Baht 597 million.

The projects in progress include:

- One Bangkok Mixed-Use (Substructure) project worth Baht 6,316 million with 98% of work completed;
- One Bangkok Mixed-Use (Architectural Work for Substructure & CUP Building) worth Baht 836 million with 41% of work completed;
- One Bangkok Mixed-Use Superstructure for Retail 1 (R1) & Office 1 B (O1B) in the name of Italian-Thai – Thai Takenaka Joint Venture worth Baht 2,962 million with 34% of work completed;
- 400 Bed Chulabhorn Hospital Building, Medical Service Expansion (Phase 1) project worth Baht 7,005 million with 98% of work completed;
- The Construction of EmSphere/EmLive Project worth Baht 2,632 million with 74% of work completed;
- Bangkok Mall & Bangkok Arena Phase 1 & Phase 2,3,4 (Substructure) worth Baht 3,553 million with 41% of work completed;
- The Medical and Rehabilitation Building for Police Project, Police Hospital worth Baht 1,921 million with 81% of work completed;
- Building Works for Thai Oil Clean Fuel Project (Package 1&2) worth Baht 1,613 million with 73% of work completed;
- Dusit Central Park (Substructure Basement Works) worth Baht 2,798 million with 62% of work completed;
- Relocation of Navaminda Kasatriyadhiraj Royal Thai Air Force Academy worth Baht 1,824 million with 93% of work completed;
- Siam Patumwan House worth Baht 757 million with 64% of work completed;
- Construction of the Office Building, His Majesty's Project worth Baht 934 million with 92% of work completed;
- Construction of Chaloem Phra Kiat Building, His Majesty's Project worth Baht 1,023 million with 22% of work completed;
- IOT Institute Building Construction Project (IOT Innovation Building 2) worth Baht 1,114 million with 24% of work completed; and
- Reinforced Concrete and Shoring Works for New Office Annex and Compound Buildings at U.S. Embassy, Bangkok worth Baht 449 million with 17% of work completed.

Projects that have newly started are:

- The 2<sup>nd</sup> Medical Correctional Hospital project worth Baht 1,613 million;
- Ramathibodi Medical Center, Sri Ayutthaya project worth Baht 1,420 million;
- The Construction of the Office Building for the Privy Council worth Baht 794 million; and
- IOT Institute Building Construction Project (IOT Innovation Building 3 & 4) worth Baht 1,400 million.

### **Highways, Railways, Bridges and Expressway Systems**

The completed projects include:

- Signal system procurement and installation project for East route, Yotaka station (Including the connection system at Khlong Sip Kao Station) to Aranyaprathet Station and Khlong Luek Station in the name of ITD – LSE Consortium Joint worth Baht 623 million; and
- Track Doubling Project: Hua Hin – Prachuab Kirikhun worth Baht 5,427 million.

The domestic projects in progress are:

- Track Doubling Project: Map Kabao-Thanon Chira Junction; Contract 1: Map Kabao-Khlong Khanan Chit project worth Baht 7,065 million with 95% of work completed;
- Track Doubling Project: Map Kabao-Thanon Chira Junction; Contract 3: Tunnel Work in the name of ITD-RT Joint Venture worth Baht 8,505 million with 99% of work completed;

- Track Doubling Project (Den Chai – Chiang Rai – Chiang Khong) ; Contract 1: Den Chai-Ngao Section with Nawarat Patanakarn PCL worth Bath 24,822 million – recently started;
- High-speed railway construction project (Joint Venture between Thai and Chinese governments), Bangkok-Nong Khai route, Phase 1, Contract 3-4, Lam Ta Khong-Sikhiu section and the Kut Chik-Kok Kruat section worth Baht 10,397 million with 38% of work completed;
- Elevated Highway at Highway Route No.35 Project, Rama 2 Road (Section 3) worth Baht 2,328 million with 87% of work completed;
- Surat Thani Interchange at Highway Route No.41 and Highway Route No. 417 project worth Baht 1,300 million with 68% of work completed;
- Expressway: Rama 3 – Daokanong - Western Outer Ring Road, Contract 3 in the name of ITD-VCB Joint Venture worth Baht 6,877 million with 15% of work completed; and
- Elevated Highway Route No. 82: Ekachai - Ban Phaeo, Section 7 worth Bath 1,746 million with 13% of work completed.

The overseas projects that the Company is currently working on is Malolos-Clark railway project for package CP N-03 in the Philippines worth Baht 12,376 million with 9% of work completed.

### **Airports**

The domestic project in progress is the Improvement of Runway Strip, Runway End Safety (RESA) and Parallel Taxiway at Phuket International Airport, worth Baht 543 million with 29% of work completed.

The Company has recently signed an agreement with AOT for the taxiways repair work project at Suvarnabhumi Airport, Phase 1, worth Baht 1,458 million.

The Government sector has planned to develop the central and regional airports to meet the increase of passengers after the outbreak of COVID-19 has eased. The expansion plan includes Suvarnabhumi International Airport, Don Mueang International Airport, Chiang Mai International Airport, Bueng Kan Airport, and Betong International Airport.

### **Industrial Plants and Facilities**

The construction of industrial units that were completed in the past year includes:

- Bang Pakong Combined Cycle Power Plant Project, (Unit 1-2 Replacement) project in cooperation of Sumitomo, and Black & Veatch (Thailand) worth Baht 22,000 million. The structural work the Company is responsible for is worth Baht 5,306 million;
- Civil and Concrete Works for Harmony Project, Rayong worth Baht 598 million;
- Goodyear – Sapphire Project Phase 2, Pathum Thani worth Bath 406 million; and
- Flood protection wall construction project, Rojana Industrial Park, Phase 10 worth Baht 194 million.

The projects currently in progress are:

- Civil Works for Thai oil Clean Fuel Project (Package 1-7) worth Baht 4,349 million with 67% of work completed; and
- Goodyear – Sapphire 2 Aircraft Tire Factory project worth Baht 327 million with 39% of work completed.

Project that have newly started are:

- Samut Prakan 4.0 Project – Infrastructure work, Part 2 worth Baht 1,299 million;
- Vinythai Sakura Project, Map Ta Phut (Civil Work) worth Baht 709 million; and
- Renovation work for the 4th water storage pond, Wang Noi Power Plant project worth Baht 709 million.

### **Mining**

The significant domestic projects in progress are the Overburden Excavation-Removal, and Coal Extraction at Mae Moh Mine Contract 9 worth Baht 30,504 million with progress at 36%, and the Relocation of Conveyor Line in the Vicinity of Waste Disposal Pit and Reclamation of Waste Disposal Pit, worth Baht 150 million with progress at 52%.

The overseas projects in progress are the Excavation-removal of 383 million cubic metres for Hong Sa Mining Project, Lao PDR worth Baht 25,985 million with 58% of work completed and the Coal Mining consulting service for Kalimantan Island, Indonesia project worth Baht 92 million with 24% of work completed.

---

## **Tunnels, Pipelines, and other Utilities**

The completed projects are:

- Construction of Seawater Intake and Seawater Outfall (SWI&SWO Tunnelling Works) for PTTLNG Nong Fab Rayong LNG Receiving Terminal Project, Map Ta Phut, Rayong, worth Baht 1,371 million; and
- The Construction of Manholes and Underground Ductbank in Conjunction with the Construction of Gold Line Mass Transit system, worth Baht 175 million.

The projects in progress are:

- Conversion of Overhead line to Underground system (Rama III Project: Thanon Tok Terminal Station-Rama IX Bridge) project, worth Baht 1,988 million with 47% of work completed;
- PTTLNG Interconnecting Pipeline Project in Map Ta Phut Industrial Estate worth Baht 1,257 million with 71% of work completed;
- Construction of Manhole and Underground Duct Banks in Conjunction with the Construction of Orange Line Mass Transit System, Contract No.3 of MRTA, worth Baht 692 million with 53% of work completed;
- Underground Piping Works of Package 1-2 Project; Thai Oil Clean Fuel Project worth Baht 547 million with 74% of work completed;
- Construction of Klong Premprachakorn Drainage Tunnel (Klong Bang Bua to Chao Phraya River) worth Baht 7,700 million with 7% of work completed;
- Construction of Water Transmission Tunnel Along Ratchapruek Road, from Klong Mahasawat to Petchkasem Road; Contract No.G-TN-9B, worth Baht 3,752 million with 12% of work completed; and
- The Bang Ban - Bang Sai Flood Drainage Canal Project, Contract 2, Phra Nakhon Si Ayutthaya, worth Baht 2,612 million with 61% of work completed.

The ongoing overseas project is the Second Ho Chi Minh City Environment Sanitation Project, Package XL-01: Construction of the Interceptor, Vietnam, worth Baht 2,422 million where only inspection and handover of the project remains.

## **Jetties, Deep-sea Ports and Marine Works**

The completed project is:

- PTTLNG Nong Fab, LNG Receiving Terminal project, Rayong worth Baht 6,470 million.

The projects in progress are:

- Sand Filling for Jomtien Beach Rehabilitation, Phase 1, Bang Lamung, Chonburi, worth Baht 548 million with 98% of work completed;
- Lamai Community Flood Prevention System, Koh Samui, Surat Thani, worth Baht 287 million with 83% of work completed; and
- Infrastructure Works of the Map Ta Phut Industrial Port Development, Phase 3 (Stage 1), worth Baht 9,832 million with 35% of work completed.

For the area of Laem Chabang Phase 3 and Map Ta Phut Phase 3, there are still various construction projects being brought to market which include utility systems to attract investors to use the service. In addition, coastal erosion prevention projects have proven effective in terms of both scenic beauty and erosion damage prevention which has led to other areas that had been affected by erosion to call for the implementation of many more such projects.

## **Hydro-electric Dams, and Power Plants**

The ongoing project is Tunnelling and Associated Works, Mae Ngad-Mae Kuang Water Transmission Tunnel Contract 1: Water Augmentation Project for Mae Kuang Udom Tara Dam in Chiang Mai. The project worth Baht 2,182 million, the need arising from the expansion of the community and the expansion of the industrial sector in Chiang Mai and Lamphun provinces. This has led to higher demand for water than can currently be made available from the reservoir of the Mae Kuang Udom Thara Dam. Currently there is a problem of water shortage and people and farmers have suffered. The government has therefore pushed for the construction of a giant tunnel for the Mae Taeng water diversion - Mae Ngat Somboon Chon Dam - Mae Kuang Udom Thara Dam. The giant tunnel will divert 160 million cubic metres of excess water down to the Mae Kuang Udom Thara Dam and will become the longest water diversion tunnel in Thailand. Other benefits include solving the problems of flooding that has occurred over several years.

As for the part that the Company is taking, this includes a tunnel length of 12.5 kilometres, worth Baht 2,182 million with 57% of work completed. The government is also pushing for a large project in a similar way to increase the amount of water to the Chao Phraya River, which would

---

be a water diversion project from the Yuam River to Bhumibol Dam worth over Baht 70 billion, which is an important target of the Company. In addition, there are several government water management and projects that the Company is closely following.

### **Mass Rapid Transit Systems**

The project that the Company is currently working on is the MRT Orange Line Project Contract 3 from Thailand Cultural Center - Min Buri over a total distance of 23 km. It is a design and build underground section of the project, between Hua Mak and Khlong Ban Ma, worth Baht 17,384 million. The main work according to the contract has been completed and is in the process of handing over to the Mass Rapid Transit Authority of Thailand.

The project in progress include:

- The Purple Line Project Tao Pun - Rat Burana Section (Kanchanapisek Road) in 3 packages: In the third phase with Nawarat Patanakarn PCL for design, tunnel and stations building between Phan Fa - Phra Phuttha Yodfa Bridge worth Baht 14,120 million with 7% of work completed; in the fifth phase for railway structure and elevated station at Dao Khanong – Khru Nai, electric parking, park and ride building worth Baht 12,238 million with 2% of work completed; and lastly, the sixth phase this mainly concerns the railway signalling system along the entire project worth Baht 3,354 million with 5% of work completed.

The overseas projects in progress are:

- Construction of Integrated Passenger Terminal Building at NSCBI (Netaji Subhash Chandra Bose International) Airport, Kolkata, India contract UG-2 worth Rupee 18,722 million with 97% of work completed;
- Dhaka Mass Rapid Transit Development Project, Contract No.CP-03 & CP-04 in Bangladesh which is the construction of an elevated railway and 9 stations worth Baht 14,505 million with 94% of work completed; and
- Dhaka Mass Rapid Transit Development Project, Contract No.CP-06 in Bangladesh which is the construction of an elevated railway and 4 stations under the SMCC-ITD joint venture worth Baht 6,582 million with 78% of work completed.

### **Steel Structures**

The Company has established a formwork center and steel structure factory in Wihan Dang, Saraburi province to support many of the construction projects by producing steel frames and trusses to be installed or used at job site, including the production of Launching Trusses, which is a device used to install bridge girders of bridge segments for elevated railway and MRT structures.

Projects the steel structures section are supporting and are currently in progress are:

- The Malolos-Clark railway project package CP N-03 in the Philippines;
- One Bangkok Mixed-Use (Sub Structure);
- PTT LNG Nong Fab, LNG Receiving Terminal Project; and
- High Speed Railway Development for Regional Connectivity, Contract 3-4: Lumtakong-Sikhui-Kut Chik-Khok Kruat Section.

Production of steel is specifically made to order, the quality of the product is precise, and the workpiece can be delivered easily and in a timely way when it is required on site. This way, we can control the production efficiency, the structure quality, and the cost, including the project finishing time. In the past year the factory has produced steel work of 6,077 tons.

### **Telecommunications**

The project ongoing in this sector is:

- Underground Distribution System, The Electrical System Development Project in Large Cities, Phase 1 (Lot2) for Chiang Mai Municipality, Chiang Mai Province worth Baht 193 million.

The projects that the company are following in this sector are:

- Koh Samui Circuit 4 worth Baht 1,800 million; and
- Submarine Cable, Koh Si Chang worth Baht 800 million.

Submarine cable laying works requires experience, expertise, and specialized machinery. The Company has installed new submarine cable routes as well as locating and repairing submarine cables that have been damaged. The installation of these submarine cables will reduce the environmental impact of providing utilities to the island by removing above sea level infrastructure and thereby reducing visual impact in an important centre for tourism.

## 1.7 On-going Projects as of December 31, 2022

The Company's on-going projects that are worth more than 10% of the Company's revenues from construction works, sales and services are listed below:

Project Name	Revenues Recognition (%)	Duration	Expected Completion Date	Project Value (THB million)
1) Overburden Excavation-Removal and Coal Extraction at Mae Moh Mine Contract 9	36.6	10 y 1 m	Dec 2028	29,614.1
2) Hongsa Mine, Laos (1)	59.7	17 y 3 m	Dec 2029	25,281.8
3) Track Doubling Project, Den Chai - Chiang Rai - Chiang Khong : Contract 1 : Den Chai - Ngao Section (2)	4.5	6 y	Jan 2028	22,228.5
4) MRT Orange Line (East Section) Project : Contract 3 Underground Civil Work (Hua Mak - Khlong Ban Ma Section)	99.3	5 y 11 m	Mar 2023	17,028.6
5) Dhaka Mass Rapid Transit Development Project, Contract No.CP03&CP04 (3)	99.7	5 y 5 m	Nov 2022	14,365.2
6) Purple Line Project Section; Contract 5 : Elevated Civil Work (Dao Khanong to Khru Nai Section)	9.7	5 y 6 m	Oct 2027	12,238.1
7) The Malolos-Clark Railway Project for Package CP N-03, the Philippines	10.6	4 y	Dec 2024	12,152.6
8) High Speed Railway Development for Regional Connectivity Section1:Bangkok-Nakhon Ratchasima Contract 3-4	54.3	3 y	Jan 2024	10,912.4
9) Map Ta Phut Industrial PortDevelopment Phase 3 (Stage1)	43.3	2 y 10 m	Oct 2024	9,831.7
10) Purple Line Project: Contract 3: Underground Civil Works (Phan Fa-Memorial Bridge Section) (2)	5.7	5 y 6 m	Oct 2027	8,472.3
11) Track Doubling Project : Map Kabao-Thanon Chira Junction; Contract 1 : Map Kabao-Khlong Khanan Chit (4)	98.3	6 y 11 m	Dec 2024	7,065.4
12) 400 Bed Chulabhorn Hospital Building, Medical Service Expansion (Phase 1) (5)	98.1	5 y	Dec 2022	7,004.7
13) Rama III - Dao Khanong - Western Bangkok Outer Ring Road Expressway (Contract 3) (6)	21.6	2 y 10 m	Oct 2024	6,877.9

### Remarks:

- (1) The project is operated by the Company's subsidiary
- (2) The project is operated in the name of Joint Venture with Nawarat Patanakarn PCL.
- (3) The project got taking-over of the section on November 30, 2022 and got additional works Baht 1,772 million which expected to complete in April 2025
- (4) The project is entitled to a zero percent penalty rate by plan to assist entrepreneurs during the COVID-19 pandemic of the Comptroller General's Department for 827 days, effective until March 11, 2025, which has been approved by the State Railway of Thailand (SRT) and the Company reserves the right to extend the period or refrain or reduce fines due to area delivery issues by asking for the right to refrain or reduce the fine when SRT hand over all the rest of the area. (end of event)
- (5) The project is in the process of extending the construction period. The construction will be completed around April 2023.
- (6) The project is operated in the name of Joint Venture with Vichitbhan Construction Co., Ltd.

## 1.8 Business Assets

1.8.1 The permanent assets of a business as of December 31, 2022 are listed as follows:

Type of Assets	Type of ownership	Principle Amount (Thousand THB)	Net worth* (Thousand THB)	Net Collateral Requirement from accumulated depreciation and impairment with guarantee of subsidiaries** (Thousand THB)	Obligation
1. Land	Owned	2,608,590	2,593,371	644,775	- Long-term loans: 1,871 Million THB - Credit line increasing in bank overdrafts from financial institutions : 70 Million THB - Promissory note : 385 Million THB - Letter of Guarantee (L/G) : 303 million THB - Futures contract credit line : 40 million THB - Letter of Credit (L/C): 326 Million THB
2. Building and Factory	Owned	8,622,938	2,406,696	-none-	-none-
3. Machineries, Equipment and Vehicles	Owned	46,128,707	20,551,864	3,807,056	- Long-term loans: 542 million THB - Long-term loans: 1,492 million THB - Credit line increasing in bank overdrafts from financial institutions : 20 Million THB - Promissory note : 300 Million THB - Letter of Guarantee (L/G) : 10 million THB - Futures contract credit line : 40 million THB - Letter of Credit (L/C): 260 Million THB
4. Office building and Temporary worker camp	Owned	1,144,932	128,098	69,086	- Long-term loans: 1,492 million THB
5. Machineries during installation	Owned	1,674,964	1,674,964	-none-	-none-
Total		60,180,131	27,354,993		

### Remark

\*The book value calculated from net principle deducted with accumulated depreciation.

\*\*Calculated from net principle deducted with accumulated depreciation and impairment of each asset.

Type of Assets	Type of ownership	Principle Amount (Thousand THB)	Net worth* (Thousand THB)	Net Collateral Requirement from accumulated depreciation and impairment with guarantee of subsidiaries** (Thousand THB)	Obligation
1. Land awaiting development	Owned	316,855	316,855	-none-	-none-

### Remark

\*The book value calculated from net principle deducted with accumulated depreciation.

\*\*Calculated from net principle deducted with accumulated depreciation and impairment of each asset.

---

### **1.8.2 Investment in Subsidiaries and Associates**

The Investment in subsidiaries and associates shall be made in the business that engages in the Company's core operation: construction. The beneficial earning and support in cost, technology usage and work amount to the Company shall be importantly considered for any investment made.

The Subsidiaries and Associates can be parted as follows:

1. Construction and utility work that mainly supported the Company operation.
2. Other investments as real estate development, construction product, prime product, and concession
3. Joint Venture



---

## 2. Risk Management

### 2.1 Risk Factors

#### 1. Risks related to business

##### **1.1 Our revenues and our potential revenue growth are highly dependent on Thai public sector contracts, Government policy and the Thai economy.**

We conduct a substantial portion of our operations in Thailand. In 2022, we generated 59.7% of our construction service revenues in Thailand. The Thai economy had been expanded in 2022. Real GDP in Thailand grew 2.6% in 2022, 1.5% in 2021 and -6.1% in 2020. Real GDP of the construction industry increased -2.7% in 2022, 2.2% in 2021 and 1.3% in 2020 (Source: NESDC). We cannot predict how long the current economic expansion will continue, if at all, or whether another financial or economic crisis will occur in the future. Factors that may adversely affect the Thai economy include:

- Decreases in business, industrial, manufacturing or industrial activity in Thailand or in the region or in global;
- Discontinue of pushing economic system by the government's monetary and fiscal policy in local or in global;
- Scarcity of credit or other financing, resulting in lower demand for products and services provided by companies in the region;
- Exchange rate and oil price fluctuations;
- A shorted or prolonged period of inflation or increase in regional interest rates;
- Changes in taxation;
- An outbreak or pandemic such as Coronavirus Disease 2019 (commonly known as COVID-19), Severe Acute Respiratory Syndrome (commonly known as SARS), avian influenza (commonly known as the bird flu), or the emergence of another highly infectious disease in Thailand or in other countries in the region;
- Political instability, coup d'état, terrorism or military conflict in Thailand and other countries in the region or globally;
- A continuation of or increases in the level of unrest in southern Thailand and Other regulatory, political or economic developments in or affecting Thailand
- Natural calamity and other calamities

Any economic recession or other deterioration in Thailand's economy, or decline in business, industrial, manufacturing or financial activity in Thailand, could adversely affect our business financial condition, financial covenants in the loan agreements and the terms and condition of bonds, results of operations and prospects. In addition to our business concentration in Thailand, our business is also highly dependent on Thai public sector spending. Our major customers are the government and its state-owned enterprises, such as the State Railway of Thailand, the Mass Rapid Transit Authority of Thailand, the Electricity Generating Authority of Thailand, the Dhaka Mass Transit Company Limited and the Chulabhorn Royal Academy. Our Thai public sector customers accounted for 72.4% and 72.1% of our construction revenues in 2022 and 2021, respectively, and 80.5% and 82.1% of the Company, the subsidiaries with the Company's construction role and portion of the Company backlog as of December 31, 2022 and 2021, respectively.

For risk mitigation, the Company also provided construction services to the high potential and reliable customer in private sector. While published government plans for Thailand provide for increased government expenditure on capital infrastructure projects, any significant budgetary reductions by the Thai government would adversely impact the amount of new public sector construction contracts awarded and either this or any disruption of our relationship with the Government for any reason, would materially and our business, financial condition, financial condition, financial covenants in the loan agreements and the terms and condition of bonds, financial covenants in the loan agreements and the terms and condition of bonds, results of operations, prospects and returns of investors.

##### **1.2 The infrastructure projects that we undertake involve significant risks that could adversely affect our business, financial condition, financial covenants in the loan agreements and the terms and condition of bonds, results of operations and prospects.**

A significant portion of our revenues, particularly those relating to large infrastructure projects, are derived from contracts with governments, government-related entities or private companies holding concessions from government agencies within and outside Thailand. This exposes us to certain risks not associated with other types of construction projects. For example, many of these large infrastructure projects are high profile, which can result in increased political and public scrutiny of our work. In addition, these projects tend to be relatively complex, which requires us to commit a significant amount of resources and working capital to these projects. Such types of projects are also subject to delay or modification due to environmental considerations.

---

Because these projects are publicly funded, changes in government budget and policy considerations could result in delays or changes to these projects. Payments to construction companies providing services to these projects, including us, may also be delayed as a result of disputes with government agency or lenders to the projects. Delays in payments to us would adversely affect our cash flows and any disputes and changes in budget and policy considerations could affect our reputation and the availability of financing for future projects, all of which would adversely affect our business, financial condition, financial covenants in the loan agreements and the terms and condition of bonds, results of operations, prospects and returns of investors.

**1.3 If we are unable to accurately estimate the overall risks, revenues or costs on our contracts, or fail to agree to the pricing of work done pursuant to unapproved change orders, we may incur lower than anticipated profit or incur a loss on the contracts.**

Substantially of our construction contracts are either fixed price or fixed unit price contracts. The terms of these contracts require us to guarantee the price of our services on a fixed price or a fixed unit price basis and assume the risk that the costs associated with our performance will not be greater than we anticipated. As a result, we will only realize a profit on these contracts if we have successfully estimates or other factors, costs and avoid cost overruns. Cost overruns, whether due to inefficiency, inaccurate estimates or other factors, result in a lower profit or a loss on a project. Our project cost estimates are subject to a number of assumptions. Although we anticipate increased labor costs and materials costs in our bids, the revenue, cost and gross profit realized on a fixed price or fixed unit price contract may vary from the estimated amounts because of many factors, including changes in job condition, variations in labor and equipment productivity over the term of the contract and unexpected increases in costs of materials and labor.

Some of our construction contracts contain an escalation formula to accommodate unexpected increases in materials and labor costs. However, we are typically required to bear some portion of the increase before we can make a claim under the escalation formula. In any event, the escalation formula may not cover the full increase in cost for our materials or labor. If our estimates of the overall risk, revenues or costs prove inaccurate, or circumstances change, or if the escalation formula in our contracts does not cover the full increase in costs, we may incur a lower profit or a loss on our contracts, which could materially and adversely affect our business, financial condition, financial covenants in the loan agreements and the terms and condition of bonds, results of operations, prospects and returns of investors.

We are frequently required to perform extra or “change order” work as directly by the customer even if the customer has not agreed in advance on the scope or price of the work to be performed. This process may result in disputes over whether the work performed is beyond the scope of the work included in the original project plans and specifications or, if the customer agrees that the work qualifies as extra work, the price the customer is willing to pay for the extra work. Even when the customer agrees to pay for the extra work, we may be required to fund the cost of such work for a lengthy period of time until the change order is approved and funded by the customer. Also, these unapproved change orders, contract disputes or claims result in costs to us that cannot be billed for a period of time and, therefore, are reflected as “unbilled receivables” in our balance sheet. To mitigate the said risk, the Company set up business units to have business plan and follow up each construction contract for delivering to customers under agreed terms and conditions; however, we cannot assure you that we will be able to amend contracts, invoice or recover the cost and profit margin for the extra or change order work in full or at all, which may lead to business disputes or may otherwise adversely affect our business, financial condition, financial covenants in the loan agreements and the terms and condition of bonds, results of operations, prospects and returns of investors.

**1.4 We are reliant on a small number of clients.**

We generally target large government entities as clients. As a result, at any point in time a small number of clients may account for a substantial portion of our revenues and backlog such as the State Railway of Thailand, the Mass Rapid Transit Authority of Thailand, the Electricity Generating Authority of Thailand, the Dhaka Mass Transit Company Limited and the Chulabhorn Royal Academy accounted for 27.9% and 32.9% of our construction revenues in 2022 and 2021, respectively, and 55.0% and 48.3% of the Company, the subsidiaries with the Company’s construction role and portion of the Company backlog as of December 31, 2022 and 2021, respectively. To prevent these risks, we participated in bidding both of public and private sector with more vary group of clients. If any of these clients ceases to provide us with new work or if there are any significant disputes relating to any of our contracts with any of these clients, this could temporarily disrupt our business, which could materially and adversely affect our business, financial condition, financial covenants in the loan agreements and the terms and condition of bonds, results of operations, prospects and returns of investors.

**1.5 We may face intense competition, which could reduce our market share and profits.**

The construction business in Thailand and throughout Asia is highly competitive. New project awards are typically determined through a competitive bidding process, and after potential bidders pre-qualify to bid on a project, the principal competitive consideration is the price of the bid. There is increasing competition for construction projects in Thailand and other parts of Asia from both Thai and foreign construction companies,

---

particular from China, Japan and Korea, some of whom have financial and operational resources greater than ours. As a result, we may need to accept lower profit margins or make other concessions in order for us to be able to successfully compete. If we are unable to compete successfully, our relative market share and profits would be reduced, which would materially and adversely affect our business, financial condition, financial covenants in the loan agreements and the terms and condition of bonds, results of operations, prospects and returns of investors.

#### **1.6 Our participation in joint ventures exposes us to liability for failures of our joint venture partners.**

We sometimes enter into joint venture arrangements with outside partners on a joint and several basis so that we can jointly bid on and execute a particular project when we require specialized experience or technology, when we want to upgrade our bidding eligibility or when we want to reduce our financial or operational risk with respect to such projects. Success on these joint venture projects depends in large part on our ability to operate effectively with our joint venture partners and on whether our joint venture partners perform their contractual obligations. We mitigate risks by analyzing backgrounds, qualifications and other information of those who willing to join in joint ventures. If one of our joint venture partner fails to perform or is financially unable to bear its portion of required capital contributions, we could be required to make additional investments and provide additional services to make up for our partner's shortfall. In addition, if the owner of a project is entitled to damages or penalties under a joint venture contract for any reason, we could be required to bear our joint ventures' shares of the damages or penalties if our joint venture partner fails to pay its share. Furthermore, if we or joint ventures are unable to adequately address [our partner's] performance issues, the project owner may terminate the project, which could result in legal liability to us, harm our reputation and reduce our profit on a project, which could materially and adversely affect our business, financial condition, financial covenants in the loan agreements and the terms and condition of bonds, results of operations, prospects and returns of investors.

#### **1.7 Our construction projects outside Thailand exposes us to political and economic risks in those countries.**

We are seeking to increase the portion of our business that we undertake in countries outside Thailand even though our work outside Thailand accounted for 40.3% and 38.8% of our construction revenues in 2022 and the 2021, respectively and 17.9% and 22.8% of the Company, the subsidiaries with the Company's construction role and portion of the Company backlog as of December 31, 2022 and 2021, respectively including projects in India, Bangladesh, Lao PDR, the Philippines and Vietnam. We also expect to bid and be awarded for new construction contracts in these and other countries.

The political, economic and security situations in some of these countries has been unstable from time to time in the past, and the governments of some of these countries have occasionally intervened in the economies, and made significant changes in policies, of these countries. An example of an act of intervention is an imposition of currency controls by a country in which we have a project, which could affect our ability to repatriate our earnings arising from the project out of that country. Any future political instability or economic slowdown or recession in these countries could affect our existing contracts and/or result in slower growth in the number and size of larger infrastructure and construction projects, which could materially and adversely affect our business, financial condition, financial covenants in the loan agreements and the terms and condition of bonds, results of operations, prospects and returns of investors.

#### **1.8 Our results of operations depend on the timing of new contract awards and the timing of the performance of these contracts.**

At any point in time, we may derive a substantial portion of our revenues directly or indirectly from a limited number of large construction contracts. The amount of work to be done under a contract, and therefore the timing and amount of revenue that we recognize, varies depending on the project duration and on the stage of the construction that is being performed at any particular time. There is typically less constructions work at the beginning and at the end of a construction project, resulting in our recognizing less revenues at these stages, compared with the amount of work that we perform in the middle of a construction project, when we recognize more revenues. Therefore, our results of operations tend to fluctuate depending on the duration and stage of our contracts at any particular time and the composition of contracts within our portfolio at any one time. We cannot predict whether or when we will receive awards of new contracts frequently involve a lengthy and complex bidding and selection process, which is affected by a number of factors, including market conditions, financing arrangements and governmental approvals. The timing of the revenues and cash flows from our projects can be delayed by a number of factors, including availability of labor, weather conditions, delays in receiving material and equipment from suppliers and changes in the scope of work to be performed. These delays, if they occur, could have an adverse effect on our operating results for a particular period. As a result of the foregoing, our results of operations and cash flows can fluctuate significantly from period to period.

#### **1.9 Risk on Dawei project**

On 5<sup>th</sup> of August 2015, Italian-Thai Development Public Company Limited ("ITD") along with its Consortium Partners, through the registered companies in Myanmar ("Project Companies"), signed the Concession Agreements with the Dawei Special Economic Zone Management Committee ("DSEZ MC") of the Republic of the Union of Myanmar to develop the Initial Phase of the Dawei Special Economic Zone which includes the Initial

---

Industrial Estate area of 27 square kilometers and its related infrastructures and utilities. The details of the Concession Agreements are as follow:

- 1) The Initial Industrial Estate (including power and water distribution network) and Two-lane Road connecting the DSEZ area and Thailand Border at Ban Phu Nam Ron, Kanchanaburi Province
- 2) Small Port
- 3) Initial Township
- 4) Small Water Reservoir
- 5) Boil-off Gas and Temporary Power Plants
- 6) Initial Phase Power Plant
- 7) Telecommunications Landline
- 8) LNG Terminal\*

\*(Concession Agreement signed on 29<sup>th</sup> March 2016)

The progress and details of projects are in the note to financial statements no. 24. The risks from the project may cause an adverse effect on the Company's business, financial condition, financial covenants in the loan agreements and the terms and condition of bonds, results of operations, prospects and returns of investors.

#### **1.10 Risk on granting potash mining license**

On 23 September 2022, the subsidiary was granted the third type mining concession, underground mining Potash type, for 25 years. The progress and details of project are in the note to financial statements no. 25. The risks from the project may cause an adverse effect on the Company's business, financial condition, financial covenants in the loan agreements and the terms and condition of bonds, results of operations, prospects and returns of investors.

#### **1.11 Risk on the other investments**

In addition to the Dawei project and Potash mining project, the Company invested in subsidiaries, associated and joint control companies and joint ventures, the other long-term investments, the land awaiting development, the investment properties and the deferred concession costs and cost of project under development as of December 31, 2022 totaling Baht 8,677 million detailed in the note to financial statement no. 16, 17, 19, 20 and 26. The investment's objective to increase revenues and decrease expenses according to the policy of vertical integration and economy of scale to reduce risks from uncertainty of future turnovers; however, the limitations, conditions and delaying possibility of each entity might not be accomplished those objectives and might be set up provision on impairment which could have an adverse effect on the Company's business, financial condition, financial covenants in the loan agreements and the terms and condition of bonds, results of operations, prospects and returns of investors.

#### **1.12 Risk on any serious disease pandemic**

At the end of 2019 to 2022, there had been globally COVID-19 pandemic, including Thailand. The Company's revenues from India and Bangladesh accounted for 35.9% and 34.0% in 2022 and 2021, respectively. The Company and its affiliates were impacted by government measures from the Lock Down order and related measures to cease the pandemic which affected the procurement, the movement of materials and labor as well as the increase of related costs and also including the extension of time for the construction projects which resulted in lower income and higher cost. The spread of disease could have an adverse effect on the Company's business, business development, financial condition, financial covenants in the loan agreements and the terms and condition of bonds, results of operations, prospects and returns of investors.

#### **1.13 Risk on relying on specialist**

In 2022, the Company's major revenues was from the Highways, Railways, Bridges and Expressway Systems Baht 20,666 million or approximately 29.05 of total sales which required staffs with knowledge and expertise. At December 31, 2022 the Company had 2,044 engineers, decreasingly 13.28% from the previous year. Lack of specialists could have an adverse effect on the Company's business, business development, financial condition, financial covenants in the loan agreements and the terms and condition of bonds, results of operations, prospects and returns of investors.

#### **1.14 Risk on renew rental agreements**

As of December 31, 2022, the Company's cost of right-of-use in land and buildings Baht 628 million and Baht 41 million, respectively which mainly were land rental agreement for operating in a subsidiary Baht 310 million maturity in 2040 and were land rental for construction business of the Company Baht 262 million by engaging agreements with relevant and appropriate to each construction project. In case the rental agreements

---

were canceled before maturity or could not be extended, it could have an adverse effect on the Company's business, business development, financial condition, financial covenants in the loan agreements and the terms and condition of bonds, results of operations, prospects and returns of investors.

#### **1.15 Risk on inventories obsolete**

As of December 31, 2022, and 2021, the Company's inventories and work in progress on consolidated financial statement basis were Baht 5,011 million and Baht 4,504 million, respectively. They were valued at the lower of weighted average cost and net realizable value. The allowance for obsolete inventories as of December 31, 2022 and 2021 were Baht 146 million and Baht 142 million, respectively or approximately 2.82% and 3.05% of total work in progress and inventories, respectively. The detail was in the note to financial statement no. 13.

Having a large number of inventories may result in not being able to deploy them in time, obsolete and higher operating costs. It could have an adverse effect on the Company's business, business development, financial condition, financial covenants in the loan agreements and the terms and condition of bonds, results of operations, prospects and returns of investors.

#### **1.16 Risk on free trade could impact to sale and cost of production**

Free trade area will create opportunities to participate those developing countries who have any projects to develop economic, infrastructure or receiving financial support for developing country from international organization such as ADB, World Bank or UNDP. The decrease of tax on construction material will create opportunities to reduce costs. If the world economic is slow down, it could disrupt any investments in construction, disrupt integration among sectors or missing targets. It could have an adverse effect on the Company's business, business development, financial condition, financial covenants in the loan agreements and the terms and condition of bonds, results of operations, prospects and returns of investors.

#### **1.17 Risk on environment impacts**

The Company's construction works may have an environmental impact on surrounding communities or society, as well as limited natural resources. Therefore, the Company has established guidelines to deal with these issues including raising awareness of the environment and organizing campaign activities to create understanding between the community and the organization, with the goals of preserving the environment and using natural resources wisely, thus complying with relevant legal requirements. The Company recognizes the importance of environmental management, hence the Zero Waste Project was established to reduce waste from business operations by converting it into value that creates benefits in the future. For example, the Company has encouraged the J2429 Unit (One Bangkok Mixed-Use Project), to convert food waste into Bio-fermented water to sprinkle on vegetables in the workers' camp through the Bioconversion process.

In addition, the Company participated in the signing ceremony of a cooperation contract on the Circular Economy which is one of the ways that can help managing wastes in the construction industry, by using resources effectively and focusing on environmental-friendly construction or Green Construction for a better quality of life, under the cooperation network of Thai construction industry organizations in the Circular Economy in Construction Industry (CECI). The Company has joined and supported environmental conservation activities with other agencies such as releasing aquatic animals, planting trees, building Crab condos, collecting garbage, and cleaning the beach.

In terms of the impact from construction work on surrounding communities or society, the Company has set up control equipment such as dust particle measure device and a dust net, a canvas to prevent material from falling, as well as organised various cleaning activities, in order to show responsibility for the environment of the community and society.

The Company is confident that it can assess and control the environmental impact in accordance with international standards as it has always done since the beginning of the construction business, as well as other businesses. However, the environmental impacts could have an adverse effect on the Company's business, business development, financial condition, financial covenants in the loan agreements and the terms and condition of bonds, results of operations, prospects and returns of investors.

#### **1.18 Risk on corporate governance**

The Company's corporate governance policy detailed in the section 2 no.6 of 56-1 One Report 2022. Since the Chairman of the Board of Directors is not an independent director, the Company has prepared a charter which specifies the responsibilities of the Chairman of the Board, the Committee, and the Sub-Committees, resulting in clearer responsibilities and balance between the Board and the Management. The Company has appointed an Independent Director to jointly determine the agenda of the Board of Directors' meeting to comply with the good corporate governance principles of the SEC Office.

#### **1.19 Risk on cyber threats**

The number of cyber threats from January to November 2022 was 2,279 threats, mainly from Malicious Code 1,187 threats, Vulnerability 637 threats or approximately 52.08% and 27.95% of total threats, respectively (Source: RDPB). The Company had pushed effort to prevent every

---

cyber threat; however, it could not guarantee to prevent all potential damage. These could have an adverse effect on the Company's business, business development, financial condition, financial covenants in the loan agreements and the terms and condition of bonds, results of operations, prospects and returns of investors.

## **2. Risks related to production**

### **2.1. Our failure to meet schedule requirements of our contracts could require us to pay liquidated damages.**

Our substantial contracts are subject to specific completion schedule requirements with liquidated damages charged to us if we do not achieve the construction schedules. Liquidated damages are typically levied at the rate of 0.05%-0.1% of the contract value for each day of delay that is deemed to be our responsibility, subject to a maximum liability of 10%-15% of the contract value. We cooperate and report the progress of project to clients and related parties to finalize the scope of works and time schedule; however, any failure to meet our schedule requirements of our contracts or any contracts with untypical rate could cause us to pay significant liquidated damages, which could adversely affect our liquidity and cash flows and have a material adverse effect on our business, financial condition, financial covenants in the loan agreements and the terms and condition of bonds, results of operations, prospects and returns of investors.

### **2.2 Our projects expose us to potential liability claims.**

We construct many projects where design, construction or systems failures can result in substantial hazards or property damages to third parties. The mistakes of such projects subsequent to their completion can result in similar hazards and damages or environmental impacts and pollution in noise, dust, smoke spreading, collapse or crack of nearby buildings during construction or after construction. Litigation arising from any of these occurrences may take us to be defendant in lawsuits asserting large claims or subject us to significant regulatory penalties. Although we maintain insurance policies with coverage to the extent and in amounts we believe prudent to protect us from these potential claims, we cannot assure if our insurance coverage will be sufficient or the conditions in the insurance policy cover all circumstances or against all damages to which we may be liable. A successful claim against us or any of our subsidiaries, associated companies or joint ventures could result in significant liabilities for us and could have a material adverse effect on our business, financial condition, financial covenants in the loan agreements and the terms and condition of bonds, results of operations, prospects and returns of investors.

### **2.3 We may not be able to fully realize the contracts value of our projects or the value of our backlog.**

We use our backlog as a general indicator of our level of work to be completed. Backlog represents our estimate of the contract value of work that remains to be completed at any given time under our executed project contracts. The contract value of a project represents the amount that we expect to receive under the terms of the contract if the contract is performed in accordance with its terms. The Company and portion of the Company backlog amounted to Baht 140,863 million and Baht 146,855 million as of December 31, 2022 and December 31, 2021, respectively. We may not realize the contract value of our projects or the revenue we expect to receive from our backlog or, if we realize revenue, it may not result in profits. For example, if a project reflected in our backlog is terminated, suspended or reduced in scope, it would result in a reduction to our backlog, which would reduce, potentially to material extent, the revenue, cash flows and operating profit we actually receive from the contracts we include in backlog. If a customer cancels a project, we may be reimbursed for certain costs, but we typically would have no contractual right to the total revenues reflected in our backlog. Significant cancellations or delays of projects in our backlog could have a material adverse effect on our business, financial condition, financial covenants in the loan agreements and the terms and condition of bonds, results of operations, prospects and returns of investors.

### **2.4 We are dependent upon the availability and cost of materials, labor and sub-contractors.**

Materials used in our construction projects typically represent approximately 20% to 30% of our total project costs. These materials are global commodities, and their availability and prices depend on local and global market conditions. We have made Fixed Unit Price in some projects for substantial materials to control construction costs. If there is a shortage of these materials, particularly cement and steel, we may find it difficult to obtain the amounts of these materials that we require at a price which we believe is commercially acceptable or at all, which may materially and adversely affect our business, financial condition, financial covenants in the loan agreements and the terms and condition of bonds, results of operations, prospects and returns of investors.

Our ability to control labor costs and to manage large infrastructure projects is dependent upon our ability to attract and retain qualified engineers, architects and technicians with sufficient experience in the engineering, design and construction of such projects. We have employed, and we expect to continue to employ, sub-contractors to perform some of our construction activities. For a description of the circumstances under which we employ subcontractors to provide services. We and our sub-contractors are dependent upon the availability of workers, particularly when the level of activity in the construction industry is high. If there is a shortage of trained engineers, architects, technicians and other workers in Thailand,



---

we may have difficulty hiring adequate numbers of skilled personnel and other workers, directly or through sub-contractors, in the future. We also cannot assure you that the costs of retaining or employing skilled personnel or other workers will not exceed our estimates, which may materially and adversely affect our business, financial condition, financial covenants in the loan agreements and the terms and condition of bonds, results of operations, prospects and returns of investors.

### **2.5 Risk on cost of production of the Company higher than competitors/obsolete machinery**

The Company used various type of machinery in each group. Some of them required specific machine or modern machine. Especially, the mining business unit used specific machine and was in the scheme of capital intensive.

Generally, the Company used new machine and refurbished ones which provided well and efficient outcome. In case they were out of date, disrupt, high maintenance cost or underperform, it could have a material adverse effect on our business, financial condition, financial covenants in the loan agreements and the terms and condition of bonds, results of operations, prospects and returns of investors.

## **3. Risks related to finance**

### **3.1 Our inability to obtain bonds and other financing could limit the number of projects we are able to pursue.**

It is customary in the construction industry, and we are typically required, to provide surety bonds to bid for and to secure our performance under construction contracts. Our ability to obtain surety bonds primarily depends upon our capitalization, working capital, past performance, management expertise and other external factors, including the overall financial capacity of the surety companies and banks. Surety companies and banks consider these factors in relation to their risk management policies and underwriting standards, which may change from time to time. During the Asian financial crisis and our reorganization, some providers of surety bonds required us to pledge cash deposits or provide other forms of security with them to secure our contingent obligations under the bonds. The pledges of cash affected our liquidity and working capital resources. Since the completion of our business reorganization, providers of surety bonds have generally not required us to pledge cash deposits. While we have not had a material difficulties in obtaining surety bonds after our business reorganization, we cannot assure you that we will continue to be able to obtain the bonds required for us to operate our business either on a secured or unsecured basis, on commercially reasonable terms or at all, which would materially and adversely affect our business, financial condition results of operations, prospects and returns of investors.

We may also require additional financing to provide needed additional working capital to finance start-up costs of projects (including the purchase of materials and equipment) before we receive payment under a contract. Our ability to arrange for financing will depend, in part, upon factors outside our control, such as a financial institution's lending policy and prevailing market conditions, as well as upon our business, financial condition, financial covenants in the loan agreements and the terms and condition of bonds, results of operations and prospects. Our inability to obtain adequate financing to fund our working capital requirements could adversely affect our ability to perform our obligations under existing contracts and our ability to obtain new contracts, which could have a material adverse effect on our business, financial condition, financial covenants in the loan agreements and the terms and condition of bonds, prospects and returns of investors.

### **3.2 We have significant contingent liabilities that could materialize, which, if they materialize, could materially and adversely affect our business, financial condition, financial covenants in the loan agreements and the terms and condition of bonds, results of operations and prospects.**

We have significant contingent liabilities that could arise under the terms of our business reorganization plan, under the surety bonds that we procure for our construction projects and under the terms of our guarantees of our subsidiaries and under the terms of certain of our construction projects.

#### *Surety Bonds and Guarantees*

Our contingent liabilities under surety bonds amounted to Baht 84,374 million Baht 85,976 million as of December 31, 2022, and December 31, 2021, respectively, and our contingent liabilities under guarantees that we issued to financial institution to secure credit facilities granted by those financial institutions to our subsidiaries, associated companies and joint ventures amounted to Baht 8,307 million and Baht 5,475 million as of December 31, 2022 and December 31, 2021, respectively. A call on some of these bonds by a project owner would result in the financial institutions providing the bonds claiming the amounts paid under the bonds from us. In addition, a claim on some of these guarantees by a financial institution could subject us to liabilities under the guarantees. These factors may adversely affect our liquidity, which could materially and adversely affect our business, financial condition, financial covenants in the loan agreements and the terms and condition of bonds, results of operations, prospects and returns of investors.

---

### *Litigation*

The Company had received notices from various customers claiming for compensation for breaches of contracts totaling Baht 7,062 million (the separated Company Baht 6,221 million). Currently, these claims are under consideration of Civil Court of Baht 6,813 million and Arbitration Tribunal of Baht 249 million. The Company is unable to estimate the timings of cash outflows (if any) in respect of such claims since the results of the claims are depending on the decisions of the Court and Arbitration Tribunal which outcome cannot presently be concluded. Because some cases are brought without proper justifiable grounds, the Company does not make any provision for liabilities in the accounts.

However, if the legal disputes terminate with the Company's indemnify materially, they could materially and adversely affect our business, financial condition, financial covenants in the loan agreements and the terms and condition of bonds, results of operations, prospects and returns of investors.

**3.3 We may need to establish additional provisions for doubtful receivables and recognize additional losses on the diminution in value of our investments which, if they materialize, could materially and adversely affect our business, financial condition, ability to pay debts, financial covenants in the loan agreements and the terms and condition of bonds, results of operations and prospects.**

Historically, we incurred significant amounts of trade receivables from related and non-related parties and loan receivables from related parties. In addition, we also had significant amounts of investments in related and other parties.

As of December 31, 2022 and December 31, 2021, we had the net trade account receivable, the current portion of financial lease receivable and the retentions receivable due within one year amounting to Baht 17,728 million and Baht 16,453 million, respectively. The Company recognized the impairment of receivables by forward-looking "expected credit loss" model, except some receivables details as in the note to financial statements no. 9.

In addition, future non-payments of our trade and loan receivables and a diminution in the value of our investments may result in our having to establish provisions equal to the amount of such non-payment or the amount of such diminution in the future, which could materially and adversely affect our business, financial condition, ability to pay debts, financial covenants in the loan agreements and the terms and condition of bonds, results of operations, prospects and returns of investors.

### **3.4 Risk on credit rating**

On September 29, 2022, the Company Rating and Issue Ratings on the senior unsecured debenture was "BBB-" with Outlook "Stable" reflected the Company's leading position in the domestic engineering and construction industry and its large and diverse project backlogs. However, these strengths were weighted down by its relatively weak operating performance and high financial leverage resulting from investments in several non-productive assets and high working capital funding needs. The ratings were also constrained by intense competition and increasing construction materials and labor costs which continue to pressure the Company's profit margins in the short to medium term. The credit rating's change could adversely affect our business, financial condition, results of operations, prospects and returns of investors

### **3.5 Risk on financial instruments**

In accordance with the TFRS 9 Financial Instruments defined new requirements on the classification and measurement of financial assets and financial liabilities, impairment methodology and hedge accounting. The company had several types of risks on financial instruments mainly including credit risk, liquidity risk and market risk details in Note 7 to the financial statements which the Company prevent these risks to financial statements without speculation purpose. However, preventing or not preventing these risks could materially and adversely affect our business, financial condition, ability to pay debts, financial covenants in the loan agreements and the terms and condition of bonds, results of operations, prospects and returns of investors.

### **3.6 Risk on changing in free trade laws**

Free trade and the entry into the ASEAN Economic Community of CLMV countries provide an opportunity for Thai and ASEAN contractors to participate in infrastructure development to support the upcoming growth. The changes in the free trade law may directly and indirectly affect the entire construction industry or only the Company if unable to adapt in time. They could be materially and adversely affect our business, financial condition, ability to pay debts, financial covenants in the loan agreements and the terms and condition of bonds, results of operations, prospects and returns of investors.



---

#### **4. Risks related to the impact of rights or investment of security holders**

##### **4.1 Risks from the Company had major shareholders over than 25%.**

As of January 31, 2023, the Thailand Securities Depository Co., Ltd. reported the shares distribution of major shareholders including the directors, the managements and related persons totally 1,300,755,703 shares or 24.64% of the paid-up capital (common share only). If these major shareholders hold shares more than 25%, they might be able to have the right to objection or to disapprove the vote in the shareholders' meeting in whatever the articles of association or related regulation to take approval not less than 3 out of 4 of the whole existing shareholders in such meeting and had right to vote.

##### **4.2 Risks from the covenant of the Company's debentures and financial institutions**

The Company committed to maintain the debt to equity ratio not excess than 3.0 times under the conditions of debentures and some banks on each consecutive half year and ended year on its consolidated financial statements. As at December 31, 2022 and 2021, the debt to equity ratio from the Company's consolidated financial statement for debentures were 2.97 times and 2.34 times, respectively and for bank were 3.50 times and 2.62 times, respectively. On February 22, 2023, the bank had already provided the consent of breaching agreement in according with the Interest Bearing Debt to Equity ratio of the consolidate financial statements for the year ended 2022 more than 3 times, incompatible to the covenant of not more than 3.0 times at each year ended. Besides, the Company and some companies in the group shall maintain ratio, outcome or financial positions under terms and conditions of financial institutes. In case the said covenants could not be maintained, the related facilities might be payable immediately and financial institutes might sue and force the collateral to be sold by auction and discontinued the operation of the Company and affiliates.

##### **4.3 Risks from reinvestment in debenture**

In case the debenture issuer exercises the call option or the ordinary mature of debentures, the bondholders might not be able to reinvest the receipt from early redemption in other equal or higher return instruments.

##### **4.4 Risks from major shareholders or executives having conflicts of interest from competing businesses with the Company**

As of January 31, 2023, the Company has Mr. Premchai Karnasuta and Mrs. Nijaporn Charanachitta as major shareholders holding 11.90% and 6.64% of the paid-up capital respectively and are directors with authority to sign on behalf of the Company according to the Company's affidavit dated March 1, 2023.

In addition, Mrs. Nijaporn is also a shareholder in TTCL Public Company Limited in the proportion of 0.85% of the paid-up capital of such juristic person (information as of March 14, 2023) and is a director who is authorized to sign a binding document. The said juristic person conducts a construction service business which is the same business as the Company.

However, Mrs. Nijaporn is not a major shareholder and/or does not have a controlling authority in such juristic person, besides TTCL Public Company Limited has a more specific target group, including engineering design, procurement of machinery and equipment, and factory construction, thus not affecting the operations of the Company.

##### **4.5 Risk from loan agreement conditions that restrict on dividend payment**

Due to the terms of the loan agreement from a financial institution required the Company to pay dividends to the shareholders of the borrower company not exceeding 50% of the net profit as specified in the financial statements. The final maturity of the loan is around January 2027. Therefore, the shareholders may be at risk of not receiving dividends in excess of the terms mentioned during the period those agreements are still in effect.

##### **4.6 Risks of the Company having a large retained loss, may not be able to pay dividends in the near future**

In the fiscal year 2022, the Company was operating results (according to the Company's separate financial statements) net loss of Baht 3,623 million, which was the third consecutive year of net loss of the Company and resulted in the retained loss at the end of 2022 Baht 5,311 million, causing the Company unable to pay dividends to shareholders under law. And the shareholders were at risk of not receiving dividends according to the dividend payment policy stated that dividends will be paid at the rate relevant to the performance of not less than 40% of net profit after tax there is no other necessary event and if the dividend payment will not significantly affect the normal operation of the Company.

##### **4.7 Risks that shareholders' equity may fall below zero (negative), resulting in the securities cannot be traded on the SET.**

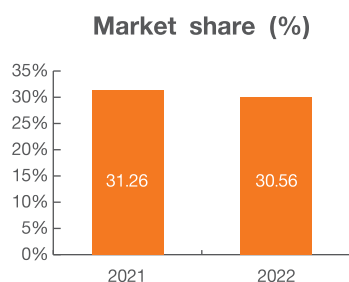
As of December 31, 2022 (according to the Company's separate financial statements), the Company had shareholders' equity of Baht 8,517 million and in the past year, the Company had net loss of Baht 3,623 million. If the Company still has operating losses until the shareholders' equity is negative, the Company's securities may be delisted from the stock market.

### 3. Management's Discussion and Analysis of Results of Operations and Financial Condition at December 31, 2022

#### 3.1 Overview

##### 1) Results of operation and factors of major changes

Market share 30.56% in 2022



*As of December 31, 2022, backlog for construction and concession Baht 288,605 million, the backlog for construction Baht 140,863 million was in public sector 80.54% and in Thailand 82.10%*

ITD is considered to be a large civil engineering and construction firm on the Stock Exchange of Thailand as measured by total revenues of construction companies listed on the Stock Exchange of Thailand (SET). The Company's market share of the total construction industry revenues was 30.56% and 31.26% in 2022 and 2021, respectively. In 2022, the total revenue of the Company was Baht 68,045 million which was mainly the revenue from construction services and the allocation of loss under the portion of the Company's shareholders in the amount of Baht 4,759 million.

As at December 31, 2022, the Company's backlog for construction and concession was Baht 288,605 million, compared to Baht 294,638 million in December 31, 2021. In addition to the Company's backlog at December 31, 2022, as at February 3, 2023, the Company has signed new contracts valued at Baht 5,715 million. The Company's current backlog, therefore, has an accumulated value of Baht 294,320 million.

As at December 31, 2022, the backlog for construction (by Italian-Thai Development Public Company Limited, joint ventures, consortium and subsidiaries with the Company's role) was Baht 140,863 million, of which over 80.54% comprised public sector infrastructure development and 82.10% comprised work in Thailand.

In 2022, the Company got new large construction projects which they would increase the future revenue such as:

- The MRT Purple Line, Contract 5: Elevated Civil Work (Dao Khanong - Khru Nai Section) project Baht 12,238 million
- The MRT Purple Line, Contract 3: Underground Civil (Phan Fa - Memorial Bridge Section) project Baht 8,472\* million
- The MRT Purple Line, Contract 6: Trackwork (Tao Pun - Khru Nai Section) project Baht 3,354 million
- The Elevated Highway Route No. 82: (Ekachai – Bangphaeo), Section 7 project Baht 1,746 million
- The 2<sup>nd</sup> Medical Correctional Hospital project Baht 1,613 million

(Remark: \* ITD portion only)

##### 2) Economic and industry conditions to operation

The GDP's growth in Thai economy in 2022 was 2.6% and the GDP's growth in the construction industry was -2.7%. The Company had turnover more than Baht 60,000 million and expected the up-coming large projects for bidding such as the track railway projects, the mass rapid transit projects, the airport projects, the drainage system projects, the underground cable projects, the water pipeline projects, the urban and rural road work projects, the express way projects and the water treatment projects would lift up the Company's turnover in case winning these projects.

##### 3) Policy, strategy or option to business decisions

Vision: "To be the leading contractor in Southeast Asia"

Strategy:

- To build the Company's credibility and trust through high quality construction
- To complete our construction works with professional quality and punctuality
- To develop and apply the advanced construction technologies and techniques
- To develop knowledge and extend the construction experiences of all-levels of employees to be skillful and able to work efficiently

- To develop and enhance the potential of the organization and its human resources management the Company also has 6 operating targets for 2023 including,
  1. increase competitiveness for revenue growth
  2. increase capability in making profits
  3. create satisfaction for customers
  4. manage the occupational health and safety in accordance with international standards
  5. improve employees' skills and quality of life of family
  6. conduct Corporate Social Responsibility.

#### 4) Explanation by business segments

The operations of the Company and subsidiaries for the years ended 31 December 2022 and 2021 were mainly engaged in a single industry segment, construction services, and were conducted in the following geographical segments.

Revenues	(Unit: Million Baht)													
	Consolidated F/S													
	For the years ended 31 December													
	Thailand		India		Bangladesh		Other countries		Total		Eliminate		Grand total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
From construction work	35,118	25,901	21,211	16,232	3,974	4,701	1,128	5,386	61,431	52,220	(2,137)	(1,634)	59,294	50,586
From sale and service	6,709	7,081	-	-	-	-	1,965	2,206	8,674	9,287	(894)	(1,130)	7,780	8,157
Total	41,827	32,982	21,211	16,232	3,974	4,701	3,093	7,592	70,105	61,507	(3,031)	(2,764)	67,074	58,743

In 2022, the Company had the revenues from construction work and revenues from sale and service totally Baht 67,074 million. The major revenues were the revenues from construction work Baht 59,294 million and the revenues from sale and service Baht 7,780 million mainly from the increase of revenues from the subsidiaries and joint ventures and the increase of revenues from new large projects.

#### 5) Summary of auditor's opinion

The Auditor provided the auditor's opinion as follow.

- In note to financial statements no. 24, the consolidated and separate financial statements as at 31 December 2022 include the development costs for concession right - Dawei project of Baht 7,851 million and Baht 5,206 million, respectively.
- In the note to financial statements no. 16.3, the consolidated statement of financial position as at 31 December 2022 included an investment in joint venture accounted for by the equity method of Baht 179 million.
- In the note to financial statements no. 9, the consolidated and separate statement of financial position as at 31 December 2022 included trade accounts receivable from a state enterprise for a construction project totaling Baht 1,126 million

The auditor drew attention to the following information

- (1) As discussed in note to the financial statements no. 16.2, 25 and 26, the Group has significant investments in projects with Thailand and overseas government agencies, including the construction of alumina production plant project, the potash mining project and the project under development in the Republic of Mozambique, which required significant amount of investment for the development such projects.
- (2) In the note to financial statements no. 11.1, the consolidated financial statements as at 31 December 2022 include the Company's portion of earned revenues not yet billed of Baht 247 million for a construction project with a state enterprise of an overseas joint venture.

#### 6) Extraordinary items

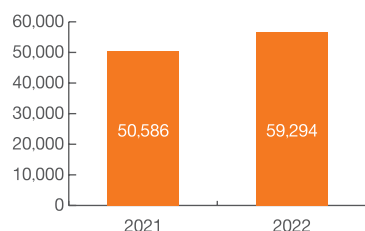
In 2022, the significant extraordinary items were the share of loss from investments in associated and joint control companies and joint ventures Baht 1,127 million which mainly from the unrealized loss on exchange rate of a joint control company, the payments for deferred mining exploration and development costs Baht 689 million, the loss from disposal of investment properties Baht 235 million and the gain on revaluation of investment property Baht 184 million.

For more information of conducting business, please find under topic of the policy and business overview and topic of the nature of business.

### 3.2 Operations Results and Profitability

Revenues from construction work Baht 59,294 million in 2022 increased 17.21% YoY

#### Revenues from construction work

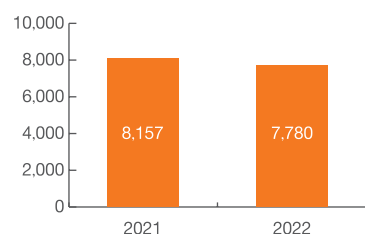


#### Revenues from construction work

In 2022 the Company's revenues from construction work were Baht 59,294 million, an increase of Baht 8,708 million from the same period of previous year mainly from the increase of revenues from subsidiaries and joint ventures and the increase of revenues from new large projects.

Revenues from sales and services Baht 7,780 million in 2022 decreased 4.61 YoY

#### Revenues from sales and services

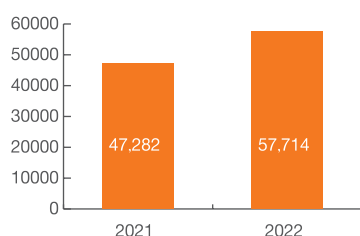


#### Revenues from sales and services

In 2022 the Company's revenues from sales and services were Baht 7,780 million, a decrease of Baht 376 million from the same period of previous year according to the decrease of revenues in a mining project.

Costs of construction work Baht 57,714 million in 2022 increased 22.06% YoY

#### Costs of construction work

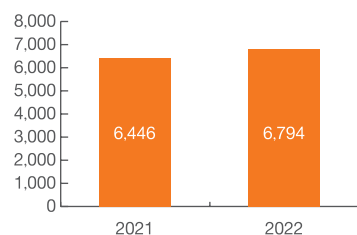


#### Costs of construction work

In 2022 the Company's costs of construction work were Baht 57,714 million, an increase of Baht 10,432 million from the same period of previous year according to the increase of the revenues from construction work, the increase of costs in raw materials, labor as well as the acceleration of work.

Costs of sales and services Baht 6,794 million in 2022 increased 5.40% YoY

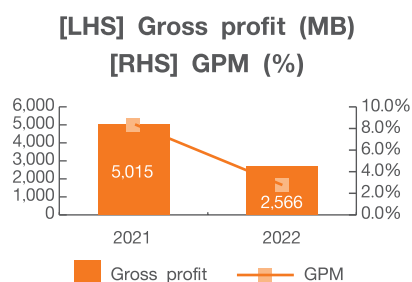
#### Costs of sales and services



#### Costs of sales and services

In 2022 the Company's costs of sales and services were Baht 6,794 million, an increase of Baht 348 million from the same period of previous year according to the increase of cost of services in a mining project.

Gross profit Baht 2,566 million and gross profit margin 3.83% in 2022

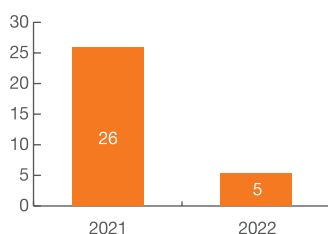


## Gross profit

In 2022 the Company's gross profit was Baht 2,566 million, a decrease from the same period of previous year for which the gross profit was Baht 5,015 million. While the Company's gross profit margin in 2022 was 3.83%, a decrease from the same period of previous year for which the gross profit margin was 8.54% partially from the increase of fuel, raw material and labor costs in some projects, the loss incurred from recovering works of previous contractors, the rescope and acceleration of works, as well as the increase of cost of services in a mining.

Dividend income and share profit from joint ventures Baht 5 million in 2022 decreased 79.38% YoY

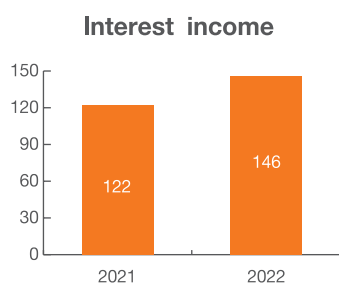
## Dividend income and share profit from joint ventures



## Dividend income and share profit from joint ventures

In 2022 the Company's dividend income and share profit from joint venture were Baht 5 million, a decrease of Baht 20 million from the same period of previous year according to the decrease of dividend income from a listed company.

Interest income Baht 146 million in 2022 increased 19.56% YoY

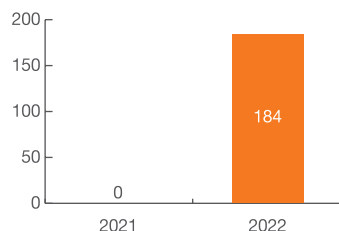


## Interest income

In 2022 the Company's interest income was Baht 146 million, an increase of Baht 24 million from the same period of previous year. The major interest income was from oversea subsidiaries and joint ventures.

Gain on revaluation of investment property Baht 184 million in 2022 increased 100% YoY

## Gain on revaluation of investment property

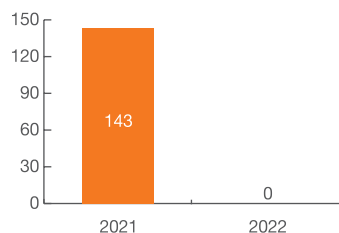


## Gain on revaluation of investment property

In 2022 the Company's gain on revaluation of investment was Baht 184 million, an increase as a whole from the same period of previous year from the revaluation of investment property in the Company's subsidiaries.

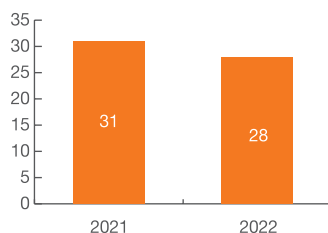
*Gain on fair value measurement of investments  
Baht 0 million in 2022 decreased 100% YoY*

#### Gain on fair value measurement of investments



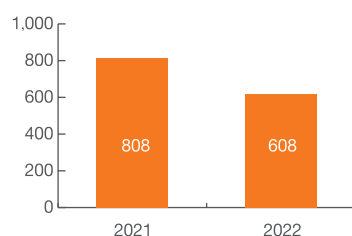
*Gain on hedging instruments Baht 28 million in  
2022 decreased 10.47% YoY*

#### Gain on hedging instruments



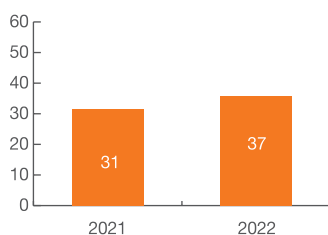
*Other income Baht 608 million in 2022 decreased  
24.76% YoY*

#### Other income



*Selling expenses Baht 37 million in 2022 increased  
21.68% YoY*

#### Selling expenses



#### Gain on fair value measurement of investments

In 2022 the Company had no gain on fair value measurement of investments while the same period of previous year had gain Baht 143 million.

#### Gain on hedging instruments

In 2022 the Company's gain on hedging instruments was Baht 28 million, a decrease of Baht 3 million from the same period of previous.

#### Other income

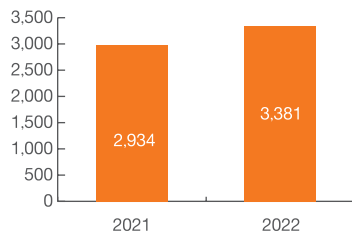
In 2022 the Company's other income was Baht 608 million, a decrease of Baht 200 million from the same period of previous year from the decrease of other income of subsidiaries.

#### Selling expenses

In 2022 the Company's selling expenses were Baht 37 million, an increase of Baht 7 million from the same period of previous year partially from the increase of selling expenses of a subsidiary in a property development sector.

*Administrative expenses Baht 3,381 million in 2022 increased 15.23% YoY*

#### Administrative expenses

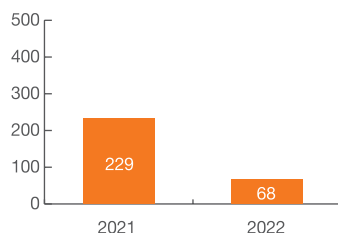


#### Administrative expenses

In 2022 the Company's administrative expenses were Baht 3,381 million, an increase of Baht 447 million from the same period of previous year partially from the increase of administrative expenses in the overseas subsidiaries and the accounting loss on sale of disposal assets.

*Allowance for impairment losses Baht 68 million in 2022 loss decreased 70.52% YoY*

#### Allowance for impairment losses

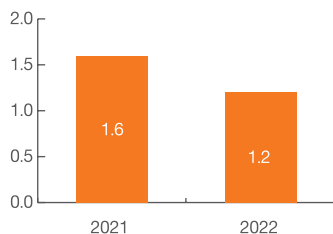


#### Allowance for impairment losses

In 2022 the Company's allowance for impairment losses was Baht 68 million, a decrease of loss Baht 162 million from the same period of previous year partially from the impairment loss of a large project in previous year.

*Loss from disposal of investment Baht 1.2 million in 2022 loss decreased 27.13% YoY*

#### Loss from disposal of investment

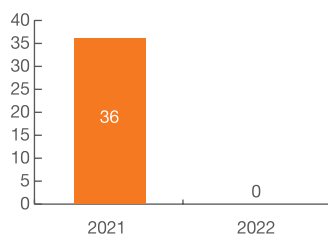


#### Loss from disposal of investment

In 2022 the Company's loss from disposal of investment was Baht 1.2 million, a decrease of Baht 0.4 million from the same period of the previous year which from the loss in an overseas subsidiary.

*Impairment loss on fixed assets Baht 0 million in 2022 decreased 100% YoY*

#### Impairment loss on fixed assets

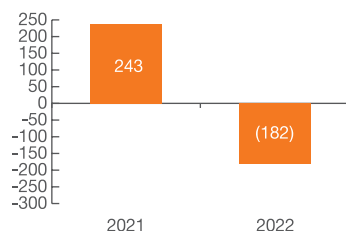


#### Impairment loss on fixed assets

In 2022 the Company had no impairment loss on fixed assets while the same period of previous year had loss Baht 36 million.

Gain (loss) on exchange rate Baht (182) million in 2022 loss increased 175.10% YoY

#### Gain (loss) on exchange rate

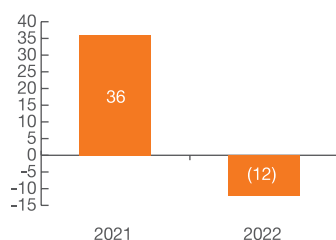


#### Gain (loss) on exchange rate

In 2022 the Company's loss on exchange rate was Baht 182 million, an increase of loss Baht 425 million from the same period of previous year partially from the loss on exchange rate of subsidiaries, joint ventures and on foreign exchange hedging instruments which mainly from the currency exchange fluctuation of the Company's foreign assets and the subsidiaries' foreign liabilities.

Gain (loss) on fair value measurement of derivatives Baht (12) million in 2022 loss increased 133.96% YoY

#### Gain (loss) on fair value measurement of derivatives

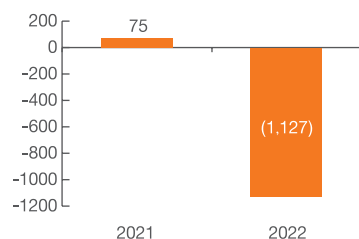


#### Gain (loss) on fair value measurement of derivatives

In 2022 the Company's loss on fair value measurement of derivatives was Baht 12 million, an increase of loss Baht 49 million from the same period of previous mainly from loss on buying transactions of derivatives for hedging.

Share of profit (loss) from investments in associated and joint control companies and joint ventures Baht (1,127) million in 2022 loss increased 1,593.74% YoY

#### Share of profit (loss) from investments in associated and joint control companies and joint ventures

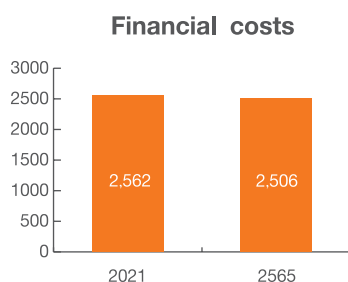


#### Share of profit (loss) from investments in associated and joint control companies and joint ventures

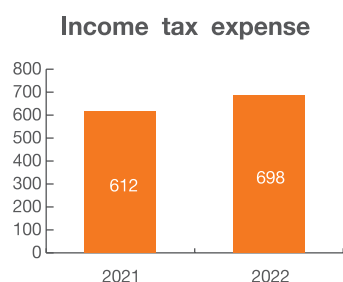
In 2022 the Company's share of loss from investments in associated and joint control companies and joint ventures was Baht 1,127 million, an increase in share of loss Baht 1,203 million from the same period of previous year mainly from the increase on share of loss in a joint control company and joint ventures according to the unrealized loss on exchange rate of its foreign liabilities.



*Financial costs Baht 2,506 million in 2022 decreased 2.18% YoY*

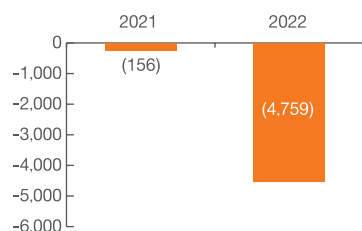


*Income tax expense Baht 698 million in 2022 increased 14.06% YoY*



*Profit (loss) for the year attributable to shareholders of the company Baht (4,759) million in 2022 loss increased 2,957.86% YoY*

**Loss for the year attributable to shareholders of the Company**



**Financial costs**

In 2022 the Company's financial costs were Baht 2,506 million, a decrease of Baht 56 million from the same period of previous year partially from the reimbursement of interest in a project.

**Income tax expense**

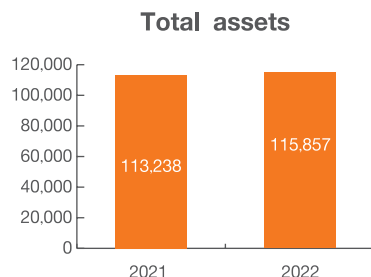
In 2022 the Company's income tax expense was Baht 698 million, an increase of Baht 86 million from the same period of previous year partially from the increase of income tax expense from overseas subsidiaries

**Loss for the year attributable to shareholders of the Company**

As a result of the foregoing, in 2022 the Company's loss for the year attributable to shareholders of the company was Baht 4,759 million, an increase of loss Baht 4,603 million from the same period of previous year.

### 3.3 Assets Management Abilities

Total assets Baht 115,857 million at the year ended 2022 increased 2.31% y-o-y



#### Total assets

The Company's total assets were Baht 115,857 million in 2022, an increase of Baht 2,619 million from the previous year, or by approximately 2.31% because in 2022 the Company's current assets was Baht 59,587 million, an increase of Baht 3,596 million from the previous year, or by approximately 6.42%. It was mainly from the increase of the trade and other receivable - related parties, the contract assets – current and the inventories and work in process as well as the increase of the non-current assets such as the deferred exploration and development costs.

#### 1) Quality of trade accounts receivable, aging analysis, provision and sufficiency of allowance for impairment losses

The gross trade accounts receivable-unrelated parties, which the given credit terms to clients or customers as normal, as at December 31, 2022 was Baht 11,360 million. The Company already set up the allowance for impairment losses Baht 1,092 million and the net trade accounts receivable-unrelated parties was Baht 10,267 million, a decrease of Baht 785 million from the previous year, or approximately 7.10% regarding to the payment received from track works.

For the receivable ages more than 12 months as at December 31, 2022 was Baht 2,458 million, a decrease of Baht 636 million, or approximately 20.55% regarding to the payment received from state enterprises and a private company which the project owner was a state enterprise.

Outstanding ages	(Unit : Thousand Baht)			
	Consolidated F/S			
	2022		2021	
	Carrying amounts	Allowance for impairment losses	Carrying amounts	Allowance for impairment losses
Less than 3 months	8,167,016	(218)	8,709,297	(1,374)
3 – 6 months	219,830	(9)	234,684	(3)
6 – 12 months	514,348	(4,502)	159,064	(1,980)
More than 12 months	2,458,471	(1,087,723)	3,094,385	(1,142,158)
Total	11,359,665	(1,092,452)	12,197,430	(1,145,515)

Outstanding ages	(Unit : Thousand Baht)			
	Separate F/S			
	2022		2021	
	Carrying amounts	Allowance for impairment losses	Carrying amounts	Allowance for impairment losses
Less than 3 months	6,485,168	(218)	7,313,173	(1,374)
3 – 6 months	146,558	(9)	18,396	(3)
6 – 12 months	156,244	(4,502)	83,799	(1,980)
More than 12 months	1,557,990	(276,696)	2,103,972	(277,922)
Total	8,345,960	(281,425)	9,519,340	(281,279)

The Company recognized the impairment of receivables by forward-looking “expected credit loss” (ECL) model, except for the following receivables: (Details in the note to financial statements no.9)

- As at 31 December 2022, the consolidated and separate financial statements include trade accounts receivable from a state enterprise in respect of a construction project totaling Baht 1,126 million.
- As at 31 December 2022, the consolidated financial statements included trade account receivables from the government sectors Baht 303 million and receivables from the private sectors Baht 27 million which were under the negotiation process for the debt collection. Such projects had been certified by the project consultants and employers.

---

Trade and other accounts receivable - related parties as at 31 December 2022 were Baht 3,554 million, an increase of Baht 2,087 million from the previous year or approximately 142.25% mainly from invoicing to a large related company which the payment will be due in mid of 2023.

## **2) Inventories and depletion or obsolete**

As of December 31, 2022 the inventories and work in progress were Baht 5,011 million, an increase of Baht 507 million from the previous year or approximately 11.26% partially from the increase of inventories in an overseas subsidiary according to increase of revenue. The Company's allowance for obsolete inventories were Baht 146 million, an increase of loss Baht 4 million from the previous year or approximately 2.61%.

## **3) Investment, goodwill and impairment (If any)**

The investments in subsidiaries, associated and joint control companies and joint ventures as of December 31, 2022 were Baht 2,420 million, a decrease of Baht 582 million from the previous year or approximately 19.38% partially from the decrease of investment in a joint control company which lost on exchange rate. The other long-term investments as of December 31, 2022 were Baht 1,112 million, a decrease of Baht 145 million from the previous year or approximately 11.56% mainly from the loss on changes in fair value of investments. The details were in the note to financial statement no. 16 and 17.

The goodwill as of December 31, 2022 was Baht 855 million, a decrease of Baht 6 million from the previous year or approximately 0.64% according to the translation adjustments. Based on impairment test for goodwill by increasing discount rate for 0.5 percent, the Company does not have to recognize an impairment of goodwill in the consolidated financial statements. The details were in the note to financial statements no. 23.

## **4) Other component of other assets and reasons of change**

As of December 31, 2022 the restricted deposits with banks were Baht 967 million, an increase of Baht 88 million from the previous year or approximately 10.05% mainly from an increase of restricted deposit of an overseas subsidiary. The details were in the note to financial statements no. 15.

The fixed deposits less than one year as of December 31, 2022 were Baht 605 million, a decrease of Baht 206 million from the previous year or approximately 25.38% according to the decrease of the fixed deposits of the overseas subsidiaries and joint ventures.

The total of current and non-current contract assets as of December 31, 2022 was Baht 31,497 million, an increase of Baht 1,081 million from the previous year or approximately 3.55% partially from the increase of the earned revenues not yet billed of joint ventures and subsidiaries.

The short-term loans and advances to related parties as of December 31, 2022 were Baht 507 million, an increase of Baht 147 million from the previous year or approximately 40.90% because an overseas subsidiary provided short-term loans and advances to joint ventures.

The costs of property development projects as of December 31, 2022 were Baht 361 million, an increase of Baht 62 million from the previous year or approximately 20.88% mainly from the increase of costs of property development projects from the subsidiaries by conducting land acquisition and developing a new 156-unit project which proceeded 45% progress and earned 19%.

The income tax withheld at sources as of December 31, 2022 were Baht 1,832 million, an increase of Baht 331 million from the previous year or approximately 22.07% mainly from the increase of the income tax withheld at source of an overseas subsidiary.

The advances for purchases of construction materials and to sub-contractors as of December 31, 2022 were Baht 1,680 million, an increase of Baht 297 million from the previous year or approximately 21.46% mainly from the increase of the advances for purchases of construction materials in an overseas subsidiary.

The advances for purchases of machinery as of December 31, 2022 were Baht 94 million, an increase of Baht 27 million from the previous year or approximately 41.18% mainly from the increase of the advances for purchases fixed assets for using in construction works.

The right-of-use assets as of December 31, 2022 were Baht 1,730 million, a decrease of Baht 725 million from the previous year or approximately 29.53% mainly from transferring to the property, plant and equipment account. The detail was in the note to financial statements no. 22.1.

The deferred exploration and development costs as of December 31, 2022 were Baht 2,760 million, an increase of Baht 1,804 million from previous year or approximately 188.81% from the payments for mining license and exploration costs. The detail was in the note to financial statements no. 25.

The deferred tax assets as of December 31, 2022 were Baht 105 million, a decrease of Baht 35 million from the previous year or approximately 25.08% mainly from the decrease of the deferred tax assets of the overseas subsidiaries.

The other non-current assets as of December 31, 2022 were Baht 974 million, an increase of Baht 186 million from the previous year or approximately 23.58% mainly from the increase of the other non-current assets of an overseas subsidiary.

### 3.4 Liquidity and sufficiency of funds

#### 1) Source and use of funds, and liquidity

##### Summary of cash flow statement

Activities	(Expressed in thousand Baht)		
	2022	2021	2020
Net cash provided from (used in) operating activities	7,571,277	5,702,027	8,792,955
Net cash provided from (used in) investing activities	(2,827,079)	(3,728,443)	(2,789,303)
Net cash provided from (used in) financing activities	(4,547,934)	(2,502,252)	(3,951,964)
Translation adjustment on foreign currency financial statement	(296,768)	26,661	13,227
Cash and cash equivalents at beginning of year	3,553,615	4,055,622	1,990,707
Cash and cash equivalents at end of year	3,453,111	3,553,615	4,055,622

As shown in the table above, in 2022 the cash flow provided from operating activities was at Baht 7,571 million from the adjustments of cash flow including the depreciation and amortization, the share of loss from investments in associated and joint control companies and joint ventures as well as the increase of operating liabilities such as the contract liabilities and trade and other accounts payable.

In 2022, cash flow used in investing activities amounted to Baht 2,827 million mainly from the purchase of assets for construction, the investments in subsidiaries, associated and joint control companies and joint ventures and the payments for deferred mining exploration and development costs.

The Company's net cash used in financing activities mainly for the interest payment, debenture redemption and repayment of long-term loans.

The Company's current ratios were unchanged 0.81 times at year ended 2021 and 2020, and quick ratios were also unchanged 0.25 times at year ended 2021 and 2020.

#### 2) Capital expenditure, financial resource, repayment ability and capability to provide additional source of funds

##### 2.1) Capital expenditure

The Company intends to invest in other business related to construction services i.e. manufacturing and providing construction materials, real estate development, power business, mining business, port business and logistic business.

##### 2.2) Financial resources and commitments

###### ■ Short-term debt: The Company's short-term debt consists of

- 1) general working capital; and
- 2) project specific loans in Thailand and Internationally.

It was the Company's practice to advance funds to its joint ventures for working capital. The Company's short-term debt was incurred at the parent Company level and branch levels in other countries.

At December 31, 2022 and 2021 the Company, on a consolidated basis, had Baht 6,419 million and Baht 7,256 million, respectively, outstanding in bank overdrafts and loans from financial institutions. On a stand-alone basis, the Company's corresponding amounts were Baht 4,093 million and Baht 4,561 million, respectively. This kind of project tied debt will normally be repaid as the projects progress, with full repayment being achieved at project completion.

Besides, the Company's Liabilities under trust receipt at December 31, 2022 and 2021, on a consolidated basis, were Baht 3,128 million and Baht 2,750 million respectively to import machines for construction project.

###### ■ Long-term debt: The Company's long-term debt consists of

- 1) long-term foreign loans for investing in assets, project finance and working capital; and
- 2) long-term Thai Baht loans for purchasing equipment and project financing and working capital.

The Company had used long-term loans for supporting the Company's long term projects. As of December 31, 2022 and 2021 the Company had outstanding long-term loans and debentures of Baht 33,740 million and Baht 35,361 million respectively.

---

■ **Lease liabilities and other financial liabilities:**

The lease liabilities and other financial liabilities were source of fund to purchase vehicles, equipment to support projects. At December 31, 2022 and 2021, the Company's total of lease liabilities and other financial liabilities were Baht 3,169 million and Baht 3,540 million, respectively.

■ **Share capital:**

At December 31, 2021, the Company's common shares were Baht 6,338 million while the share issued and fully paid-up were Baht 5,280 million.

**3) Major Covenants**

The Company committed to maintain the debt to equity ratio not excess than 3.0 times under the conditions of debentures and some banks on each consecutive half year and ended year on its consolidated financial statements. As at December 31, 2022 and 2021, the debt to equity ratio from the Company's consolidated financial statement for debentures were 2.97 times and 2.34 times, respectively and for bank were 3.50 times and 2.62 times, respectively. On February 22, 2023, the bank had already provided the consent of breaching agreement in according with the Interest Bearing Debt to Equity ratio of the consolidate financial statements for the year ended 2022 more than 3 times, incompatible to the covenant of not more than 3.0 times at each year ended. Besides, the Company and some companies in the group shall maintain ratio, outcome or financial positions under terms and conditions of financial institutes.

The details of the factors on the ability to pay debts and to comply with the financial covenants are in the Risk Factors no. 3 and 4.

**3.5 Contingent liabilities and off-balance sheets**

**Guarantees**

As at December 31, 2022 and 2021, there were outstanding guarantees of approximately Baht 84,374 million and Baht 85,976 million, respectively, issued by financial institutions on behalf of the Company, subsidiaries and its joint ventures in respect of certain performance bonds required in the normal course of business.

As at December 31, 2022 and 2021, there were guarantees of approximately Baht 8,307 million and Baht 5,475 million, respectively, issued by the Company to financial institutions and its ventures to secure credit facilities granted by those financial institutions and ventures to subsidiaries, associated and related companies and joint ventures. The Company had issued guarantees in proportion to its shareholding, except for ItalThai Trevi Co., Ltd. ItalThai Marine Co., Ltd., ITD-ITD Cem Joint Venture, ITD-Cemindia Joint Venture for which the Company issued full guarantees for the credit facilities. Such guarantees were necessary for regular operation of the Company, its subsidiaries and its joint ventures.

**3.6 Factors to the future operation**

The increase of interest rate will cause additional burden to entrepreneur. The adverse effects from the pandemic of COVID-19, the world economic difficulties and other relevant problems might pressure the construction industry's outcome and costs. In 2023, the Election of a new House of Representatives will be incurred and might cause any uncertainty on new government's policies which might affect the new coming infrastructure development plan in construction business. By the way, the Company beliefs that the policies of public sector will push continuing the construction business's growth.

---

## 4. Corporate Information and Other Information

### 4.1 General Information

#### (1) Corporate Information

Company Name	Italian-Thai Development Public Company Limited
Type of Business	Contractor : Civil and Infrastructure Construction and Development
Head Office	2034/132-161 ItalThai Tower, New Petchburi Road, Bangkapi, Huaykwang, Bangkok 10310, Thailand
Registration No.	0107537000939
Telephone	+66(0)2716-1600
Facsimile	+66(0)2716-1488
Homepage	www.itd.co.th
Email	cccs@itd.co.th
Registered Capital	Baht 6,337,920,861 (Six Thousand Three Hundred and Thirty seven Million, Nine Hundred And Twenty Thousand, Eight Hundred and Sixty One Baht)
Paid-up Capital	Baht 5,279,868,944 (Five Thousand Two Hundred and Seventy-Nine Million, Eight Hundred Sixty Eight Thousand, Nine Hundred and Forty Four Baht)
Ordinary Shares	Shares 6,337,920,861 (Six Thousand Three Hundred and Thirty seven Million, Nine Hundred and Twenty Thousand, Eight Hundred and Sixty One Baht)
Par Value	Baht 1.00 (One Baht)

#### (2) References

##### ■ Register of Common Stock

Thailand Securities Depository Co., Ltd.  
93 The Stock Exchange of Thailand Building, Rachadapisek Road, Bangkok 10400, Thailand  
Telephone +66 (0) 2009-9000 or Facsimile +66 (0) 2009-999-1

##### ■ Auditor

1. Mr. Somckid Tiatragul	Certified Public Accountant (Thailand) No. 2785 or
2. Ms. Kanyanat Sriratchachaval	Certified Public Accountant (Thailand) No. 6549 or
3. Ms. Lakshmi Deetrakulwattanaphol	Certified Public Accountant (Thailand) No. 9056 or
4. Ms. Kesanee Srathongphool	Certified Public Accountant (Thailand) No. 9262 or
5. Ms. Saranya Akharamahaphanit	Certified Public Accountant (Thailand) No. 9919 or
6. Ms. Amornjid Baolorpet	Certified Public Accountant (Thailand) No. 10853 or

Grant Thornton Limited

11<sup>th</sup> floor Capital Tower, All Seasons Place, 87/1 Wireless Road, Lumpini, Phatumwan, Bangkok 10330, Thailand  
Telephone +66 (0) 2205-8222 or Facsimile +66 (0) 2654-3339

##### ■ Legal Advisor

-None-

##### ■ Financial Advisor

-None-

##### ■ Management Advisor

-None-

#### (3) Other Significant Information

-None-

## 4.2 Information on Related Companies with Investment Exceeding 10%

ITD's investment in Related Companies, more than 10% of the paid-up capital as of December 31, 2022, is as reported below:

### 1. Lines of construction and public utilities work including a line of construction support and a line of overseas investments

Company Name	(Thousand THB)					
	Head Office	Tel./ Fax	Nature of Business	Paid-up Capital		% of Holding
				Amount	%	
Subsidiary Companies						
1. Italian-Thai International Co., Ltd.	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1418	Holding company	4,710,000	100	99.99
2. PT. Thailindo Bara Pratama	Indonesia	Tel. 001-628-522-3158 Fax 001-625-4177-1166	Coal digestion services	1,038,674 (Million IDR)	100	99.99
3. Thai Pride Cement Co., Ltd	Bangkok	Tel. 0-2716-0750 Fax 0-2716-0750	Manufacture and distribution of cement	1,300,000	100	99.99
4. Italian-Thai Land Co., Ltd.	Bangkok	Tel. 0-2716-1600 ext. 4201	Not yet operational	422,000	100	99.99
5. Italian-Thai Power Co., Ltd.	Bangkok	Tel. 0-2716-1160-4 Fax. 0-2716-1169	Production and distribution of electricity	650,000	100	99.99
6. ITD Construction SDN.BHD.	Malaysia	Tel. 603-2284-1370 Tel. 603-2284-1370	Construction Service in Malaysia	0.75 (Million MYR)	75	99.99
7. Nha Phralan Crushing Plant Co., Ltd.	Saraburi	Tel. 0-3635-1155 Fax 0-3635-1155	Rock quarrying, processing and distribution	31,000	100	99.99
8. ITD Bangladesh Co., Ltd.	Bangladesh	Tel. 009-88-02-988-6543 Fax 009-88-02-988-6543	Construction services in Bangladesh	4 (Million BDT)	100	99.99
9. ITD-Madagascar SA Co., Ltd.	Madagascar	Tel. (261) 20 22 019 61 Fax (261) 20 22 019 60	Mining business	20 (Million MGA)	100	99.98
10. Italian-Thai Hongsa Co., Ltd.	Bangkok	Tel. 0-2716-1600 ext. 1800 Fax 0-2716-1556	Coal digestion services	250	25	99.97
11. Myanmar Italian-Thai Power 1 Co., Ltd.	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1418	Not yet operational	250	25	99.95
12. Palang Thai Kaowna Co., Ltd.	Bangkok	Tel. 0-2716-1600 ext. 4201	Not yet operational	459,000	100	99.99
13. Saraburi Construction Technology Co., Ltd.	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1418	Manufacturing, distribution and installation of concrete panels	250	25	99.93
14. Siam Concrete and Brick Products Co., Ltd.	Pathum Thani	Tel. 0-2501-2281-2 Fax 0-2501-2280	Manufacturing, distribution and installation of concrete products for real estate	126,000	100	99.80
15. ITD Mozambique Limitada	Mozambique	Tel. 258-849000719	Construction Service in Mozambique	1,373,615 (USD)	100	99.00
16. ItalThai Marine Co., Ltd.	Samutprakarn	Tel. 0-2387-1056 Fax 0-2387-1056	Production and sale of vessels and equipment	810,000	100	92.59
17. ItalThai Trevi Co., Ltd.	Bangkok	Tel. 0-2716-1600 ext. 6076	Foundation and piling work services	80,000	100	90.94
18. Italian-Thai Development Vietnam Co., Ltd.	Vietnam	Tel. 84-8-382-79182 Fax 84-8-382-79184	Not yet operational	6,000 (Million VND)	100	80.00
19. Palit Palang Ngan Co., Ltd.	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1418	Not yet operational	123,000	100	78.16
20. Asian Steel Product Co., Ltd.	Rayong	Tel. 0-3860-6024, Fax 0-3860-6114	Manufacture and distribution of steel pipes for civil construction	20,000	50	69.90

Company Name	(Thousand THB)					
	Head Office	Tel./ Fax	Nature of Business	Paid-up Capital		% of Holding
				Amount	%	
21. ITD Cementation India Ltd.	India	Tel. 001-91-226-768-0600 Fax 001-91-226-768-0841	Construction services in India	172 (Million Rupee)	100	46.64
22. Thai Maruken Co., Ltd.	Bangkok	Tel. 0-2231-2226-9 Fax 0-2231-2230	Foundation construction products rental/selling service	20,000	100	50.96
23. Asian Rail Co., Ltd.	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1556	Construction services in Thailand	100,000	100	99.99
24. ITD-ARC Joint Venture	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1556	Construction services with State Railway of Thailand	-	-	100.00
25. ITD-VCB Joint Venture	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1556	Construction services in Thailand	-	-	70.00
<b>Associated Companies</b>						
1. ATO Asia Turnouts Co., Ltd.	Bangkok	Tel. 0-3636-5311-20 Fax 0-3636-5311-20	Production and distribution of turnouts for railway projects	5,000	100	48.99
2. Siam Pacific Holdings Co., Ltd.	Bangkok	Tel. 0-2745-6118 Fax 0-2745-6118	Holding company	58,625	100	46.69
3. Sino Lao Aluminum Corporation Limited	Lao PDR	Tel. 001-85-620-680-8288	Bauxite mine business	32 (Million USD)	100	34.00
4. MCRP Construction Corporation Co., Ltd.	Philippines	Tel. 001-632-788-0770 Fax 001-632-788-0141	Construction Service in the Philippines	25 (Million PHP)	25	24.00
5. MCRP Holding Corporation Co., Ltd.	Philippines	Tel. 001-632-788-0770 Fax 001-632-788-0141	Holding company in the Philippines	5 (Million PHP)	100	24.00

**2. Lines of the Company investment in other sectors, e.g., real estate business, construction material and raw material products, and concession businesses**

Company Name	(Thousand THB)					
	Head Office	Tel. / Fax	Nature of Business	Paid-up Capital		% of Holding
				Amount	%	
<b>Subsidiary Companies</b>						
1. Bhaka Bhumii Development Co., Ltd.	Bangkok	Tel. 0-2716-1600 ext. 5057 Fax 0-2716-1464	Real Estate development	20,000	100	99.99
2. Asia Logistics Development Co., Ltd.	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1418	Not yet operational	1,000	100	99.93
3. Asia Industrial and Port Corporation Co., Ltd.	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1418	Not yet operational	1,000	100	99.93
4. APPC Holding Co., Ltd	Bangkok	Tel. 0-2716-1600 ext. 4202 Fax 0-2716-1418	Holding company	4,279,987	100	64.52
5. Thai Mozambique Logistica SA	Mozambique	Tel. 258-849000719	Concession for the construction of deep sea port and railway in Mozambique	364,999 (USD)	100	60.00
<b>Associated Companies</b>						
1. First Dhaka Elevated Expressway Co., Ltd.	Bangladesh	Tel. 009-88-02-988-6543 Fax 009-88-02-988-6543	Concession for constructing elevated expressway in Bangladesh	17,995 (Million BDT)	100	51.00
2. Bangkok Steel Wire Co., Ltd.	Bangkok	Tel. 0-2716-1600 ext. 5808	Production and distribution of P.C. Wire and P.C. Strand	313,000	100	19.98



Company Name	(Thousand THB)					
	Head Office	Tel. / Fax	Nature of Business	Paid-up Capital		% of Holding
				Amount	%	
3. Dawei LNG Terminal Company Limited	Republic of the Union of Myanmar	Tel. 09-5502877	Dawei concession in Republic of the Union of Myanmar	75,000 (USD)	100	50.00
<b>Related Companies</b>						
1. NISHIO Rent All Co., Ltd. (Thailand) (Former name: Thai Rent All Co., Ltd.)	Bangkok	Tel. 0-2740-2680-7 Fax 0-2740-2688	Construction Machinery Rental service	25,000	100	15.00
2. Charoong Thai Wire and Cable Plc.	Bangkok	Tel. 0-2745-6118 Fax 0-2745-6118	Manufacture and distribution of enamel	1,989,531	100	12.71

**3. Lines of Joint Venture which is the cooperation with other experienced companies to gain knowledge in new technologies for the Company's operations especially for public utility work**

Company Name	(Thousand THB)					
	Head Office	Tel. / Fax	Nature of Business	Paid-up Capital		% of Holding
				Amount	%	
1. ITD-NAWARAT Joint Venture	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1418	Construction of Track Doubling Project: Den Chai - Chiang Rai - Chiang Khong Section, Contract 1: Den Chai to Ngao Section	-	-	80.00
2. ITD- RT Joint Venture	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1418	Construction of Track Doubling Project	-	-	70.00
3. ITALIAN-THAI-TAKENAKA Joint Venture	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1418	Construction of One Bangkok Mixed-use	-	-	70.00
4. ITD-NWR Joint Venture	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1418	Construction of Drainage Tunnel for Khlong Prem Prachakorn from Khlong Bang Bua to the Chao Phraya River	-	-	70.00
5. ITD-ITD CEM Joint Venture (Consortium)	India	Tel. 001-91-332-511-2866 Fax 001-91-332-511-2866	Construction of an airport terminal in India	-	-	60.00
6. ITD-ITD CEM Joint Venture	India	Tel. 001-91-226-768-0600 Fax 001-91-226-768-0841	Construction Service in India	-	-	51.00
7. ITD-SINOHYDRO Joint Venture	Bangladesh	Tel. +881791412432	Construction Service in Bangladesh	-	-	51.00
8. ITD-CREC Joint Venture	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1418	Construction services in Thailand	-	-	51.00
9. ITALIANTHAI-NAWARAT Joint Venture	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1418	Construction of Water Transmission Tunnel along Ratchapruet Road, from Klong Mahasawat to Petchkasem Road	-	-	51.00
10. ITD-NWR MRT Joint Venture	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1418	Construction of Purple Line's extension from Tao-Poon to Ratchburana	-	-	60.00

Company Name	(Thousand THB)					
	Head Office	Tel. / Fax	Nature of Business	Paid-up Capital		% of Holding
				Amount	%	
11. SMCC-ITD Joint Venture	Bangladesh	Tel. +880-1713-429355	Construction service in Bangladesh	-	-	49.00
12. IOT Joint Venture	Bangkok	Tel. 0-2716-1600 ext. 4201 Fax 0-2716-1418	Airfield Pavement Construction for Suvarnabhumi Airport	-	-	40.00
13. CMC-ITD-Song Da Joint Venture	Lao PDR	Tel. 001-848-120-446-3258 Fax 001-848-120-446-3259	Contractor Nam Theun 1 Hydropower Project, Lao PDR	-	-	30.00
14. ITD Cementation India Joint Venture	India	Tel. 001-91-226-768-0600 Fax 001-91-226-768-0841	Construction Service in India	-	-	20.00
15. CEC-ITD Cem-TPL Joint Venture	India	Tel. 001-91-226-768-0600 Fax 001-91-226-768-0841	Construction Service in India	-	-	18.66

#### 4.3 Shareholders

1) 10 Major Shareholders as of January 31, 2023:

Name of Major Shareholders	Number of Shares	Percent of Shares (%)
<b>1. Karnasuta Family</b>	1,296,546,862	24.56
1.1 Mr. Premchai Karnasuta	628,213,626	11.90
1.2 Mrs. Nijaporn Charanachitta	350,815,140	6.64
1.3 Mr. Peeti Karnasuta	1,000,463	0.02
1.4 Ms. Prachaya Karnasuta	38,839,766	0.74
1.5 Mr. Thoranis Karnasuta	28,210,960	0.53
1.6 Ms. Jittraphan Charanachitta	50,614,391	0.96
1.7 Mrs. Valaithip Priyawarasakul	50,414,391	0.95
1.8 Mr. Piyachai Karnasuta	23,303,438	0.44
1.9 Mrs. Preeya Karnasuta	2,313,274	0.04
1.10 Ms. Chamaimas Karnasuta	32,594,681	0.62
1.11 Mrs. Bhilaichit Roengpithya	11,000,000	0.21
1.12 Ms. Chayaporn Roengpithya	15,246,732	0.29
1.13 Mrs. Orn-ame Karnasuta	29,300,000	0.55
1.14 C.P.K. International Co., Ltd.*	34,680,000	0.66
<b>2. Thai NVDR Company Limited</b>	184,664,081	3.50
<b>3. SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED</b>	108,242,449	2.05
<b>4. N.C.B. TRUST LIMITED – POLUNIN DEVELOPING COUNTRIES FUND, LLC</b>	58,185,600	1.10
<b>5. Mr. Chaiya Sakulchaivanich</b>	47,006,750	0.89
<b>6. Mr. Punnakul Wattana-udom</b>	42,110,000	0.80
<b>7. EAST FOURTEEN LIMITED-DFA EMERG MARKET CORE EQ PORT</b>	38,584,219	0.73
<b>8. Mr. Jasbir Singh Gulati</b>	34,788,600	0.66
<b>9. N.C.B. TRUST LIMITED-POLUNIN DEVELOPING COUNTRIES FUND, LLC</b>	30,511,308	0.58
<b>10. Mr. Thanapon Lertnuntapunya</b>	28,500,000	0.54

Note \* C.P.K. International Co., Ltd. consists of the shareholders as follows:

Name of Major Shareholders	Number of Shares	Percent of Shares (%)
1. Mr. Premchai Karnasuta	14,360	2.87
2. Mrs. Kanitta Karnasuta	12,500	2.50
3. Mr. Peeti Karnasuta	75,000	15.00
4. Ms. Prachaya Karnasuta	75,000	15.00
5. Mr. Thoranis Karnasuta	75,000	15.00
6. Mrs. Nijaporn Charanachitta	1,860	0.37
7. Mr. Yuthachai Charanachitta	25,000	5.00
8. Mrs. Valaithip Piriyawarasakul	25,000	5.00
9. Ms. Jittrapan Charanachitta	25,000	5.00
10. Mrs. Bhilaichit Roengpithya	1,860	0.37
11. Mr. Pansa Roengpittaya	25,000	5.00
12. Ms. Chayaporn Roengpittaya	25,000	5.00
13. Mrs. Orn-ame Karnasuta	1,860	0.37
14. Mr. Atthaphong Terdpravat	35,500	7.10
15. Mr. Jittraphong Terdpravat	35,500	7.10
16. Mr. Piyachai Karnasuta	22,430	4.49
17. Ms. Chamaimas Karnasuta	22,430	4.49
Total	498,300	99.66

2) Major shareholders who have significant influence on the Company's policy

- None -

#### 4.4 Securities Issuance

Other securities, except ordinary shares, issued as of December 31, 2022.

1. Bill of Exchange

The Company has no outstanding due from the bill of exchange issuance.

2. Long-term Debentures

Symbol	Outstanding Size (Million THB)	Maturity Date	Collateralization	Issue Term	Issuer Rating as of September 29, 2022
ITD236B	1,545.00	7 June 2023	-	2 Years 3 Days	-
ITD236A	2,465.20	23 June 2023	-	2 Years 9 Months	-
ITD242A	2,000.00	15 February 2024	-	5 Years	-
ITD24DA	2,455.00	4 December 2024	-	3 Years 6 Months	-
ITD254A	6,000.00	29 April 2025	-	3 Years	BBB-

3. Short-term Debentures

The Company has no outstanding due from short-term debentures issuance.

---

## 4.5 Dividend Policy

### The Company's dividend policy

The Board of Directors has the policy to propose the Shareholders' Meeting to pay dividends to each shareholder, with expected rates to be paid based on performance, of not less than 40% of net profit after tax in regular cases that there are no other incidents, and no significant effects on the operation of the Company.

### Subsidiary's dividend policy

Regarding the dividend policy of subsidiaries, the Board of Directors shall consider the subsidiaries' operation result and cash flow compared to their investment, without determining the exact payout ratio. If there is sufficient cash flow which has legally been reserved, the Board of Directors shall consider the dividend on a case-by-case basis, except Thai Maruken Company Limited that has already set a dividend policy of not less than 30% of net profit before tax.

## 4.6 Clarification on Shareholding Structure Exceeding 10% in Subsidiaries or Associated Companies

The Stock Exchange of Thailand has inquired about the shareholding structure regarding Bangkok Steel Wire Co., Ltd. ("BSW"), an associated company of ITD according to the financial statement. It is concerned that there may be a Conflict of Interest as defined by Thai Capital Market Supervisory Board License No. Kor Jor 17/2551 BE in License No. Thor Jor 39/2559 BE item 13(2) since a person involved may lead to a contradictory against listed company regulations stating that listed company and its subsidiary must not have conflict of interest as indicated by Thai Capital Market Supervisory Board License.

The shareholding structure, both direct and indirect, regarding BSW of the person who might have a conflict of interest (Mr. Premchai Karnasuta) is accumulated over 10 percent. In this regard, the Company would like to illustrate that said involvement best benefits the Company and BSW as business partners:

1. BSW can supply the Company with equipment and material like wire and cable continuously and in adequate quantity to support the construction operation uninterrupted.
2. BSW can secure the Company as the main customer since the quantity and value of equipment and material like wire and cable in transaction are considerable and it will be without bad debt concern.
3. The Company and BSW are operating normal transaction upon market value and condition as other customers. The transactions between the Company and BSW have been approved by the Company Board of Directors as to be in accordance with related party transaction regulation.

---

## 4.7 Litigation

Litigation that the Company is a litigant concerned and is yet to be concluded specifically ones which may have an impact on the company assets worth more than 5 percent of shareholder's sections as of December 31, 2022, is listed hereafter:

**Civil suit Black case Number Tor Por** 74/2011 The Central Intellectual Property and International Trade Court

**Red case Number** –

**Date** August 16, 2011

**Between** Mr. Ponthichok Phumcharoen **plaintiff**

**And** Italian-Thai Development Public Company Limited **defendant**

**Charge** Patent Violation

**Monetary Claim** 500,000,000 Baht

**Case progress** The Central Intellectual Property and International Trade Court ordered the investigation to be discontinued and dismissed the case since this civil suit was concerning with criminal case red number Or.3489/2013 and hold a verdict accordingly. Later, the plaintiff appealed, however the Court did not accept the request. The plaintiff proceeded to the Supreme Court.

On November 28, 2016, the Supreme Court granted the previous appeal due to the appeal stating the plaintiff was not given opportunity to present additional evidence and the appeal court was only brought a verdict on the notion of the conflict of the civil and criminal case. On February 4, 2019, the Supreme Court granted the Central Intellectual Property and International Trade Court a renewal of the investigation.

After hearing process, on March 24, 2020, the Supreme Court granted the Central Intellectual Property and International Trade Court dismissed the case. The plaintiff filed to the Court of Appeal for Specialized Cases.

On March 18, 2021, the Court of Appeal for Specialized Cases upheld to dismiss the case and further the plaintiff's patent.

The plaintiff proceed to the Supreme Court and the case is currently under consideration.

**Executives Opinion** -

Legal case that significantly affect the business operation, yet unable to assess the worth.

-none-

Legal case that is a result from normal business operation

-none-

### 5. Management Structure

#### 5.1 Management Structure and Remuneration

The Board of Directors and the Board of Management conscientiously carry out their duties for the maximum benefit of the Company and shareholders through a clearly a defined management structure as follows:

1. The members of the Board of Directors recognize their roles and responsibilities toward the shareholders, and they ensure that they can perform their duties.
2. The Board of Directors and the Board of Management must be properly instituted and counterbalanced as follows:
  - a). Audit Committee, consisting of an Independent Audit Committee functioning in accordance with the stipulations of the Stock Exchange of Thailand, and having the expertise to review the reliability of financial statements as well as other duties as an audit committee.
  - b). Clear separation of duties between the Chairman of the Board of Directors and the Chairman of the Board of Management according to the information disclosed in the corporate governance of the Company.

##### 5.1.1 Board of Directors

As of December 31, 2022, the Board of Directors consists of 9 persons as listed below:

Name-Surname	Position	Directors Meetings Number of Attendance / Total Number of Meetings
1. Mr. Pathai Chakornbundit	Chairman of the Board of Directors	5/5
2. Mr. Premchai Karnasuta	Director	-
3. Mrs. Nijaporn Charanachitta	Director	5/5
4. Assoc. Prof. Dr. Pinyo Meechumna	Independent Director	5/5
5. Mr. William Lee Zentgraf	Independent Director	5/5
6. Mr. Peeti Karnasuta	Director	5/5
7. Mr. Thoranis Karnasuta	Director	5/5
8. Mr. Sai Wah Simon Suen	Independent Director	5/5
9. Mr. Virat Kongmaneerat	Director	5/5

##### 5.1.2 Management

###### ■ Board of Management

As of March 1, 2023, the Board of Management of the Company consists of 18 persons as listed below:

Name-Surname	Position
1. Mr. Premchai Karnasuta	President
2. Mrs. Nijaporn Charanachitta	Director and Senior Executive Vice President
3. Mr. Pathai Chakornbundit	Director and Senior Executive Vice President
4. Mr. Virat Kongmaneerat	Executive Vice President
5. Mr. Sumate Surabotsopon	Executive Vice President
6. Mr. Thoranis Karnasuta	Executive Vice President and Acting President
7. Mr. Peeti Karnasuta	Executive Vice President
8. Ms. Prachaya Karnasuta	Executive Vice President And Assistant to Director and Senior Executive Vice President
9. Mr. Piyachai Karnasuta	Executive Vice President
10. Mr. Chatichai Chutima	Executive Vice President And Chief Financial Officer (CFO)
11. Mr. Sompop Pinijchai	Executive Vice President
12. Mr. Woravudh Hiranyapaisansakul	Executive Vice President and Company Secretary
13. Mr. Prasit Ratanaramig	Executive Vice President
14. Mr. Kriengsak Kovadchana	Executive Vice President

Name-Surname	Position
15. Mr. Sakchai Puetpaiboon	Executive Vice President
16. Mr. Prasart Kosarussawadee	Executive Vice President
17. Mr. Wichien Roongrujirat	Senior Vice President
18. Mr. Prasert Sanor	Senior Vice President

- The Management announced by the Securities and Exchange Commission

As of March 1, 2023, the Management of the Company consists of 19 persons as listed below:

Name-Surname	Position
1. Mr. Premchai Karnasuta	President
2. Mrs. Nijaporn Charanachitta	Director and Senior Executive Vice President
3. Mr. Pathai Chakornbundit	Director and Senior Executive Vice President
4. Mr. Virat Kongmaneerat	Executive Vice President
5. Mr. Sumate Surabotsopon	Executive Vice President
6. Mr. Thoranis Karnasuta	Executive Vice President and Acting President
7. Mr. Peeti Karnasuta	Executive Vice President
8. Ms. Prachaya Karnasuta	Executive Vice President And Assistant to Director and Senior Executive Vice President
9. Mr. Piyachai Karnasuta	Executive Vice President
10. Mr. Chatichai Chutima	Executive Vice President And Chief Financial Officer (CFO)
11. Mr. Sompop Pinijchai	Executive Vice President
12. Mr. Woravudh Hiranyapaisansakul	Executive Vice President and Company Secretary
13. Mr. Prasit Ratanaramig	Executive Vice President
14. Mr. Kriengsak Kovadchana	Executive Vice President
15. Mr. Sakchai Puetpaiboon	Executive Vice President
16. Mr. Prasart Kosarussawadee	Executive Vice President
17. Mr. Wichien Roongrujirat	Senior Vice President
18. Mr. Prasert Sanor	Senior Vice President
19. Ms. Kanchana Charoenyot	Senior Vice President (Accounting) and Chief Accountant

The Company's Organization Chart is disclosed in Page 6. The Biography of Company's Directors including with educational qualification, professional experience and curriculum vitae are depicted in the attachment.

### 5.1.3 The Company Secretary

The resolution of the Board of Director's Meeting No.5/6/2008 dated June 9, 2008, appointed Mr. Woravudh Hiranyapaisansakul to be the Company Secretary according to Securities and Exchange Act (No. 4) B.E. 2551. He is responsible for establishing the meetings of the Board of Directors and the meetings of the shareholders, coordinating with other parties to comply with the resolutions of these meetings, advising the Directors on laws and regulations, supporting the Director's activities and other duties according to the notification of the Capital Market Supervisory Board.

The educational qualification, professional experience and curriculum vitae of the Company Secretary is given in Form 56-1 One Report.

### 5.1.4 Remuneration of Directors and Management

The policies and structures of the remuneration of Directors and the Management are clearly and transparently determined as follows:

#### 5.1.4.1 Remuneration of Directors

The Company has determined the Remuneration of Directors clearly and transparently based on comparable industry and the performance required of the Directors. The Directors assigned to be on the Audit Committee receive additional remuneration for full discharge of their Audit Committee duties. In any case, the amount of remuneration to be paid to Directors must be finally approved by a meeting of the shareholders.

#### 5.1.4.2 Remuneration of the Board of Management

The remuneration of the Board of Management members follows the principles and policy determined by the Board of Directors and depends on the corporate and individual achievement.

##### (1) Financial Remuneration

(A) Remuneration of Directors, Audit Committee, and Risk Management Committee as of December 31, 2022.

Directors	Remuneration (Baht/Year)		
	Directors	Audit Committee (Bonus Included)	Risk Management Committee**
1. Mr. Pathai Chakornbundit	750,000	-	10,000
2. Mr. Premchai Karnasuta	-	-	-
3. Mrs. Nijaporn Charanachitta	580,000	-	-
4. Assoc. Prof. Dr. Pinyo Meechumna	580,000	385,000	15,000
5. Mr. William Lee Zentgraf	580,000	315,000	-
6. Mr. Peeti Karnasuta	580,000	-	10,000
7. Mr. Thoranis Karnasuta	580,000	-	10,000
8. Mr. Sai Wah Simon Suen	580,000	315,000	-
9. Mr. Virat Kongmaneerat	580,000	-	-
Total	4,810,000	1,015,000	45,000

(B) Total Remuneration and Number of Directors and Board of Management\*

The remuneration of the Board of Management members follows the principles and policy determined by the Board of Directors and depends on the corporate and individual achievement.

- The 20 members of the Board of Management received, in total, remuneration amounting to Baht 136,475,484 for the full discharge of their respective duties.
- The 18 members of the Board of Directors (excluding Executive Vice President (Finance) and Vice President (Account)) received remuneration amounting to Baht 127,483,484 in total for their respective duties.

\*Remark: The Remuneration and Number of Directors and Board of Management shown was updated as of December 31, 2022. It included the number of Mr. Thawatchai Sutthiprapa, Senior Executive Vice President. However, he retired from the position on March 1, 2023.

##### (2) Other remuneration (If any)

###### Other Remuneration of Board of Management

###### ■ Provident Fund

The Company has provided a provident fund at the rate of 2 percent of the salary. In 2022 (as of December 31, 2022), the 18 members of the Board of Management's contribution to provident fund was amounting to Baht 992,760 in total.



## 5.2 Personnel

### Human Resources

- Total Number of Employees as of January 5, 2023, was 27,137 persons.

- Number of Employees by Major Categories

Categorized by job classification:

- Engineers	=	2,044	Persons
- Accountants	=	244	Persons
- Administrators	=	351	Persons
- General Employees	=	24,498	Persons
<b>Total</b>	<b>=</b>	<b>27,137</b>	<b>Persons</b>

Categorized by the Company's nine business categories as listed below:

1) Buildings	=	7,413	Persons
2) Industrial Plants	=	6,313	Persons
3) Pipelines and Utility Works	=	1,840	Persons
4) Highways, Railways, High Speed Rails, Viaducts, Track Works, MRT Systems, Bridges and Expressways	=	6,565	Persons
5) Airports, Ports, Jetties, River Protection, Dredging & Reclamation, Marine Works	=	2,039	Persons
6) Dams, Tunnels, and Power Plants	=	412	Persons
7) Steel Structures	=	414	Persons
8) Telecommunications	=	226	Persons
9) Mining and Miscellaneous	=	1,247	Persons
	=	44	Persons
10) Head Office and Foreigner	=	624	Persons
<b>Total</b>	<b>=</b>	<b>27,137</b>	<b>Persons</b>

- Changes in employee numbers in the last three years

- Total number of employees as of 2020	=	29,391	Persons
- Total number of employees as of 2021	=	25,768	Persons
- Total number of employees as of 2022	=	27,137	Persons

- Major labor disputes during the past three years

- None

- Employee benefits for the year 2022

- Baht 7,056,690,101 (Salary and Compensation)

- Number of Employees who join the Provident Funds for the year 2022

- 7,755 persons

- The amount paid for the Provident Funds by company for the year 2022

- Baht 26,911,175 (Management included)

---

## 6. Corporate Governance Policy

### 6.1 Corporate Governance

With experiences over half century in construction industry, the key perception that drives us to operate the business efficiently and sustainably is not only to gain financial profit, but also ‘trust’ from stakeholders. By this recognition, in 2004 the Board of Directors then agreed to approve the very first ITD Corporate Governance Handbook, considered as guideline carrying the philosophy, policy and proper manners that the Company’s staff in all levels shall hold and strictly follow.

The Company applies the core principles of good corporate governance, indicated by The Securities and Exchange Commission, Thailand as listed:

**1. Fairness**

The equality of treatment to stakeholders.

**2. Transparency**

The accuracy and clearness of the information the Company discloses.

**3. Integrity**

The morality and integrity that the Company sets and literally applies on operation.

**4. Responsibility**

The full acceptance of authorities the Board of Directors are given to act on behalf of the Company.

**5. Accountability**

The obligation and responsibility to clarify the corporate action and decision with reason.

The handbook shall be annually reviewed by the Board of Directors in accordance with current situations. The latest review in 2022 was catered in line with the Securities and Exchange Commission (SEC) and social and economic situation and was approved by the Board of Directors. It was disclosed in the Annual Report and on the Company website ([www.itd.co.th](http://www.itd.co.th)).

For the latest review in 2022, it is assessed by the relevant organization and regulator as follows:

- The Thai Investor Association rated “95 Percent” of the Quality Evaluation of the Company’s 2022 Annual General Meeting of Shareholders.
- The results of Thai Institute of Directors (IOD) rated “Very Good” on the Corporate Governance of the year 2022

### Good Corporate Governance Policy

The Board of Directors determines the Corporate Governance Policy by outlining the Principle of Good Corporate Governance for Listed Companies from the Securities and Exchange Commission (SEC) to be 5 principles as prominently listed:

**1. Rights of shareholders**

The shareholders rightfully are the corporate owner, and reserve the rights to operate the Company by means of director nominations. The Company, hence, encourages the shareholders to fully exercise their rights in areas including:

- 1.1 The rights to sell, buy, or transfer shares, to receive the corporate profit, and importantly to receive the corporate information with accuracy and well-rounded detail in time via accessible channel.
- 1.2 The rights to attend the meeting of shareholders and to fully express their rights to vote in any relevant concerns.
- 1.3 The rights to appoint or relieve directors and auditors, and to be a part of any significant corporate decisions as dividend allocation, corporate regulations amendment and connected transactions approval.

---

## **2. Equitable treatment of shareholders**

Every shareholder, major or minor, including foreign shareholder shall be treated justly and equally. The company has set the guideline as follows:

- 2.1 The Company shall give the shareholders the opportunity to express their opinions, complaints, or make inquiries, and to propose the annual shareholder meeting's agenda to the meeting of shareholders as applied regulations.
- 2.2 The Company shall ensure that the meeting invitation is distributed with complete information in details of meeting location, date and time, meeting agenda, proxy, simplified guidelines in case of E-Meeting, and other supporting documents both in Thai and English.
- 2.3 The Company shall ensure that the shareholders get the opportunity to raise their inquiries regarding the meeting agenda prior to the date of meeting with accessible channel provided.
- 2.4 The Company shall hold the meeting in the proper method, place and time aiming to facilitate all shareholders and for easiest attending.
- 2.5 The Company shall ensure that the meeting arrangement is run with equality for all shareholders.
- 2.6 The Company shall ensure that the Chairman, the Board of Directors, the Chairman of the Audit Committee, the President, and the Director attend the meeting to respond inquiries raised by the shareholders.
- 2.7 The Company shall disclose the voting result of each agenda proposed to the meeting.
- 2.8 The meeting resolution together with voting result in each agenda in the meeting shall be disclosed in next business day after the meeting date via SET disclosure system and the company's website.
- 2.9 The minutes of the meeting of shareholders must be disclosed with complete information on the Company's website within 14 days after the meeting date.
- 2.10 One share shall have one vote in vote-casting.

## **3. Role of stakeholders**

The stakeholders must be treated and reserve their rights under the law and regulations related. The Board of Directors shall ensure incorporation with stakeholders to secure financial and business gain including the business' sustainability. There are 6 major stakeholders that the board of directors mainly concerned.

### **3.1 Shareholders**

The Company shall hold the common interest of all shareholders as the main concern to operate the business. Also, the Company shall disclose the corporate information with completeness, accuracy, and punctuality.

### **3.2 Staffs**

The Company shall treat the staffs with fairness, respect, and honor in terms of payment, welfare, human resources development, occupational health and safety under law and regulations as well as human rights. Moreover, complaints channel and procedure shall be provided appropriately.

### **3.3 Clients**

The Company shall deliver the clients with best quality product and service in reasonable price. The company shall also strictly hold the clients' confidential and follow the condition agreed.

### **3.4 Partners and Creditors**

The Company shall not take any corrupted actions with partners and creditors. The Company shall also strictly follow the conditions agreed with the creditors relevant to any financial concerns; expense spending, capital management, repayment, quality control, security guarantees, due payment and other matters agreed.

### **3.5 Competitors**

The Company shall operate the business with transparency, and neither seek the competitors' confidential information nor ruin their reputation by any chances.

### **3.6 Public**

The Company shall seek the opportunity to contribute the public by making Corporate Social Responsibility (CSR) activities in several dimensions, and support any activities that can engram a CSR value. Moreover, the Board of Directors properly decided to disclose all CSR activities the Company joined all the year round on Form 56-1 One Report, and other Company channel as well.

---

#### 4. Disclosure and transparency

The Board of Directors shall ensure to disclose the corporate information with transparency, accuracy, completeness, and punctuality in accordance with SET and SEC regulations by the guideline set as follows:

- 4.1 The Company shall disclose the accurate and complete corporate information on time through accessible and creditable channels.
- 4.2 The Company shall clarify any news or rumors that might impact on security investment decision.
- 4.3 In case there is any irregular actions on security transacted, the Company shall consider whether any business operations shall be involved with.
- 4.4 The Company shall not disclose any corporate information with misleading overstating contents that might be consequently impacted on investment decision and prices.

The Company then assigns Corporate Services Division to be the center of Investor Relation to provide, publicize and disclose the corporate information to investors, shareholders, analysts and interested people via accessible channels as SET disclosure system and company's website ([www.itd.co.th](http://www.itd.co.th)) under guidelines on disclosure of information of listed companies of SET.

#### 5. Responsibilities of the Board

The Board gives precedence to the Corporate Governance Policy, guideline the Board's responsibilities, as they aim for transparency and just. The Corporate Governance Policy is stipulated in accordance with the Corporate Governance Code by Securities and Exchange Commission, and divided into 8 significant parts as follows:

##### 5.1 Role and Responsibilities of the Board in Leadership Awareness

- 5.1.1 The Board demonstrates a thorough understanding of its leadership role, assumes its responsibilities in overseeing the Company, and strengthens good governance, including defining objectives, determining means to attain objectives, together with monitoring, evaluating, and reporting on performance.
- 5.1.2 To achieve sustainable value creation, the Board exercises its leadership role and pursues the following governance outcomes: competitiveness and performance with a long-term perspective, ethical and responsible business, good corporate citizenship, and corporate resilience.
- 5.1.3 The Board ensures that all directors and executives perform their responsibilities in compliance with their fiduciary duties and that the Company operates in accordance with applicable law, standards, and the resolutions of the shareholders' meetings.
- 5.1.4 The Board demonstrates a thorough understanding of the division of Board and Management responsibilities. The Board clearly defines the roles and responsibilities of sub-committees and managements, also monitors their proper performance of their duties.

##### 5.2 Define Objectives that Promote Sustainable Value Creation

- 5.2.1 The Board shall define objectives to promote sustainable value creation, and governance outcomes with primary concerns on corporate sustainability of company, stakeholders, and the public.
- 5.2.2 The Board shall ensure that the Company's objectives, goals, strategies, annual plans are consistent with the main corporate objectives, while utilizing innovation and technology effectively.

##### 5.3 Strengthen Board Effectiveness

- 5.3.1 The Board is responsible for determining and reviewing the Board structure in terms of composition, and the proportion of independent directors mainly for accelerating the Company's objectives achievement.
- 5.3.2 The Board is responsible for holding the Board of Directors' meeting at least once a quarter to review the operational result and other matters may concern. In each, the Company shall regularly send all attendees an invitation letter attached with meeting handbook in seven days prior to the day scheduled for the meeting to begin, making sure they shall be able to prepare themselves before each meeting begins.

In addition, a quorum shall be constituted by half of total directors. The unanimous approval must be passed by the majority vote. For voting, one director shall have one vote. However, the vote right shall be disallowed in case that the particular director may have the conflict of interest in any agenda proposed. The frequency of the Board of Directors who attended the meeting shall be disclosed on Form 56-1 One Report.

- 
- 5.3.3 The Board shall recruit and appoint the qualified person as the Chairman and ensure that the Board composition and operation must enable the Board to exercise its independent decisions on any corporate affairs. However, in case that the Chairman is not an independent director, the Company shall appoint an independent director to co-consider the meeting agenda to balance the power between Board of Directors, and the Management in accordance with SEC's good corporate governance principle.
- 5.3.4 The Board shall ensure that the director selection and nomination procedure shall be made through clear and transparent processes aiming to obtain the ideal and qualified directors.
- 5.3.5 When proposing director remuneration to the shareholders' meeting for approval, the Board shall consider whether the remuneration structure is appropriate for the directors' respective roles and responsibilities, linked to their individual and Company performance, and provide incentives for the Board to lead the Company in meeting its objectives in the short term, and long term.
- 5.3.6 The Board shall ensure that all directors, and CEO are properly accountable for their duties, responsibilities, and actions, and also allocate sufficient time to respond their duties with effectiveness by not holding an office in more than five (5) listed companies.
- 5.3.7 The Board shall ensure that the Company's governance frameworks and policies extend to and are accepted by subsidiaries and other businesses in which it has a significant investment, as appropriate.
- 5.3.8 The Board shall conduct an annual self-assessment for the Board and committees as a whole and individual assessment. The assessment results shall be used to strengthen the effectiveness of the Board.
- 5.3.9 The Board shall ensure that the Board in whole and each director understand their roles and responsibilities, the nature of the business and relevant law and standards. The Board should promote all directors in developing their capabilities and refreshing their skills necessary to carry out their roles properly assisting by qualified company secretary.
- 5.4 Ensure Effective CEO and Human Resources Management
- 5.4.1 The Board shall ensure that a proper mechanism is in place for the nomination and skill development of both Chief Executive Officer and key executives to ensure that they possess the qualified knowledge, skills, experience, and characteristics necessary to productively achieve the corporate objectives.
- 5.4.2 The Board shall ensure that an appropriate remuneration structure and equitable performance evaluation are in place including an appropriate benefit or welfare provided to employees.
- 5.4.3 The Board shall consider their responsibilities in the context of the Company's shareholder structure and relationships, which may impact on corporate management and operation.
- 5.4.4 The Board shall ensure that the company will have the effective procedures on human resources training and development to keep the staffs appropriately knowledgeable, skilled, and experienced.
- 5.5 Nurture Innovation and Responsible Business
- 5.5.1 The Board shall prioritize and promote innovation that creates value for the Company and its shareholders together with benefits for its clients, stakeholders as well as the environment, in support of corporate sustainable growth.
- 5.5.2 The Board shall encourage the management to operate the business with responsibility towards society and environment in accordance with the Company's operations plan. This is to ensure that every division and function in the Company shall adopt and carry out the Company's objectives, goals, and strategies.
- 5.5.3 The Board shall ensure that management will allocate and manage concerned resources efficiently and effectively throughout all aspects of the value chain to enable the Company to meet its objectives
- 5.5.4 The Board shall establish a framework of IT management that shall align with the corporate requirement to stimulate business opportunities and performance, strengthen risk management, and support the Company's objectives.
- 5.6 Strengthen Effective Risk Management and Internal Control
- 5.6.1 The Board shall ensure that the Company has effective and appropriate risk management, and internal control systems that are aligned with the Company's objectives, goals and strategies and complied with applicable law and standards.
- 5.6.2 The Board shall establish an audit committee that can act effectively and independently.
- 5.6.3 The Board shall empower as well as facilitate the audit committee with proper facility to perform its responsibility.

- 5.6.4 The Board shall manage and monitor the conflicts of interest that might occur between the Company and directors, management, and shareholders. The Board should also prevent the inappropriate use of corporate assets, information, and opportunities, including with inappropriate transactions made with related parties.
- 5.6.5 The Board shall establish a clear anti-corruption policy and practices, including set up the effective procedure to handle with complaints and the proper whistle-blowing channel.
- 5.6.6 The Board shall define the board of directors, and executive management to report to the Board the changes in securities and derivatives holding 1 day in prior of the date the transaction will be made.
- 5.6.7 The Board assigns the Board of directors, and the executive management to report to SEC regarding the changes in securities and derivatives holding report (Form 59) within 3 business days after the transaction is made.
- 5.7 Ensure Disclosure and Financial Integrity
- 5.7.1 The Board must ensure that the disclosure of corporate financial report and other necessary information shall be processed consistent with completeness, accuracy, punctuality, and applicable requirements.
- 5.7.2 The Board shall monitor the corporate financial liquidity and solvency.
- 5.7.3 The Board ensures that risks to the financial position of the Company or financial difficulties are promptly identified, managed and mitigated with consideration of stakeholder rights.
- 5.7.4 The Board shall ensure that the corporate social responsibility (CSR), and sustainability report will be made appropriately.
- 5.7.5 The Board shall ensure that the Company will possess a dedicated center responsible for Investor Relations function to provide the regular, effective, and fair communication with shareholders and other stakeholders as analysts, or potential investors.
- 5.7.6 The Board ensures that the company shall disseminate corporate information through effective use of information technology.
- 5.8 Ensure Engagement and Communication with Shareholders
- 5.8.1 The Board shall ensure that shareholders will have the adequate opportunity to participate in a significant corporate decision-making and be facilitated for corporate activity as the shareholders' meeting.
- 5.8.2 The Board shall ensure that the shareholders' meetings are held as scheduled and conducted properly, with transparency and efficiency, and ensure that all shareholders shall be treated by inclusive and equitable manner to be capable to exercise their rights.
- 5.8.3 The Board shall ensure that the disclosure of Shareholder Resolutions and preparation of the Minutes of the Shareholders' Meetings shall be disclosed with accurate information, and timely manner.

## 6.2 Board

Board of the Company was made up with the Board of Directors, with another three boards as the Board of Management, the Audit Committee, and the Risk Management Committee. The name list, authorities, and responsibilities of each are depicted as follows:

### a) Board of Directors

On December 31, 2022, the Board of Directors consisted of 9 directors as listed below:

Name – Surname	Position
1. Mr. Pathai Chakornbundit	Chairman
2. Mr. Premchai Karnasuta	Director
3. Mrs. Nijaporn Charanachitta	Director
4. Assoc. Prof. Dr. Pinyo Meechumna	Independent Director
5. Mr. William Lee Zentgraf	Independent Director
6. Mr. Peeti Karnasuta	Director
7. Mr. Thoranis Karnasuta	Director
8. Mr. Sai Wah Simon Suen	Independent Director
9. Mr. Virat Kongmaneerat	Director

#### Authority and Responsibility

1. To set the Company's vision, mission, strategy, policy and conduct the Company's business execution in an efficient and effective manner for preserving the Company's interest.
2. To direct, manage and supervise the operations of the Company, all in accordance with the Law, the Company objectives, the regulations of the Company and the resolutions of the Shareholders of the Company.
3. To strictly follow the rules and regulations of Stock Exchange of Thailand, The Securities and Exchange Commission regarding the information disclosure and any Acts of a Listed Company in order to make any significant investing information publicly available.
4. To monitor the operations of the Board of Management in compliance with the Company's policies and regulations.
5. To appoint the Executive Directors, the Audit Committee, the Risk Management Committee and other suitable committees to take charge of Company business and management system for the maximum benefit according to the Company policy.
6. To undertake the Company's financial and income status/statement is up-to-date with any necessary corrections and is examined by the Company's financial auditors, in order to get the consideration and approval by shareholders in the Annual General Meeting.
7. To consider and make decisions for any significant projects or investments.
8. To set the scope of responsibilities for any subcommittees and to cope with any changes which may significantly impact on any subcommittees' operations
9. Pursuant to the Company's regulations, the Board of Directors has the authority to decide upon and oversee the operations of the Company, except for the following assignments that would only be executed with the consent of a meeting of the Shareholders of the Company:
  - 9.1 Matters relating to the Law would only be performed upon the resolution of the Shareholders of the Company;
  - 9.2 Certain business matters as stipulated by the Stock Exchange of Thailand; and
  - 9.3 Buying or selling of assets having a value equal to or greater than fifty percent (50%) of the total value of the assets of the Company, as stipulated by the Stock Exchange of Thailand.

#### **b) Board of Management**

As of March 1, 2023, the Board of Management of the Company consists of 18 persons as listed below:

Name-Surname	Position
1. Mr. Premchai Karnasuta	President
2. Mrs. Nijaporn Charanachitta	Director and Senior Executive Vice President
3. Mr. Pathai Chakornbundit	Director and Senior Executive Vice President
4. Mr. Virat Kongmaneerat	Executive Vice President
5. Mr. Sumate Surabotsopon	Executive Vice President
6. Mr. Thoranis Karnasuta	Executive Vice President and Acting President
7. Mr. Peeti Karnasuta	Executive Vice President
8. Ms. Prachaya Karnasuta	Executive Vice President and Assistant to Director and Senior Executive Vice President
9. Mr. Piyachai Karnasuta	Executive Vice President
10. Mr. Chatichai Chutima	Executive Vice President and Chief Financial Officer (CFO)
11. Mr. Sompop Pinijchai	Executive Vice President
12. Mr. Woravudh Hiranyapaisansakul	Executive Vice President and Company Secretary
13. Mr. Prasit Ratanaramig	Executive Vice President
14. Mr. Kriengsak Kovadchana	Executive Vice President
15. Mr. Sakchai Puetpaiboon	Executive Vice President
16. Mr. Prasart Kosarussawadee	Executive Vice President
17. Mr. Wichien Roongrujirat	Senior Vice President
18. Mr. Prasert Sanor	Senior Vice President

#### Authority and Responsibility

1. To determine ultimate goals and operational direction of the Company to accordance with the current and forecast economic and market conditions.
2. To determine policies and procedures for the Company's operational procedures.
3. To determine the policy, consider and decide on the selection of relevant projects in which the Company could participate, tender and execute.
4. To consider and approve the appointment, transfer and discharge of staff at division head level and above.
5. To consider and approve the adjustment of salaries, wages and remuneration, including consideration and recognition of employee meritorious service.
6. To appoint a person or persons to act on behalf of the Board of Management for any assignment.
7. To consider and approve expenses on Company's purchasing of assets and other expenses.
8. To review, consider and comment on all matters related to Company operations.
9. To review, consider and comment on all matters involving the performance of the Company's various operating segments and to direct and control their management to ensure efficient, economical, and well-timed operations, including compliance with all contractual obligations to clients.
10. To consider and approve the Company's expenses, under THB 1,000 million in matters of daily costs, investment cost, fixed assets, loans, financial instruments and insurances and no limit with for bids and making contract.
11. To undertake all other matters as directed by the Board of Directors.

#### **c) Audit Committee**

As of December 31, 2022, the Audit Committee consisted of 3 persons as listed below (the position carries a 3-year term from 2020-2023 according to the resolution of 2020 Annual General Meeting of shareholders held on July 24, 2020):

Name – Surname	Position
1. Assoc. Prof. Dr. Pinyo Meechumna*	Chairman of the Audit Committee
2. Mr. William Lee Zentgraf**	Audit Committee Member
3. Mr. Sai Wah Simon Suen***	Audit Committee Member

#### Remarks:

Mr. Pakpoom Sukkasem, Vice President of Internal Auditor Division, is the Secretary of the Audit Committee.

\*Assoc. Prof. Dr. Pinyo Meechumna is accredited by Audit Committee Program (ACP) 35/2011.

\*\*Mr. William Lee Zentgraf has experience and background in Company's financial reviews.

\*\*\*Mr. Sai Wah Simon Suen is experienced in finance and was posted as the Chief Financial Officer (CFO) in a company.

#### Authority and Responsibility

1. To review the Company's financial reporting process to ensure that it is accurate and adequate.
2. To review the Company's internal control systems and internal audit system to ensure that they were suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer, and dismissal of the chief of an internal audit unit or any other units in charge of an internal audit.
3. To review the Company's compliance with the law on securities and exchange, the Stock Exchange of Thailand's regulations and the laws relating to the Company's business.
4. To consider, select and nominate an independent person to be the Company's auditor and to propose such person's remuneration, as well as to attend a non-management meeting with the auditor at least once a year.
5. To review the Connected Transactions, or the transactions that might lead to conflicts of interests, to ensure that they followed the laws and the Stock Exchange of Thailand's regulations, were reasonable and for the highest benefit of the Company.



6. To review the efficiency and sufficiency of the risk management and to discuss with the Internal Audit Division and the Independent Auditor.
7. To prepare, and to disclose in the Company's Annual Report, the Audit Committee's reports which must be signed by the Audit Committee's chairman and consist of at least the following information:
  - 7.1 An opinion on the accuracy, completeness and creditability of the Company's financial report,
  - 7.2 An opinion on the adequacy of the Company's internal control system,
  - 7.3 An opinion on the compliance with the law on securities and the Stock Exchange of Thailand, the Exchange's regulations and the laws relating to the Company's business,
  - 7.4 An opinion on the appropriateness of the Independent Auditor,
  - 7.5 An opinion on the transactions that may lead to conflicts of interests,
  - 7.6 The number of the Audit Committee meetings and the attendance of such meetings by each committee member,
  - 7.7 An opinion or overview comment received from the Audit Committee on its performance of duties in accordance with the charter, and
  - 7.8 Other transactions which, according to the Audit Committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's Board of Directors.
8. To perform any other act as assigned by the Company's Board of Directors, with the approval of the Audit Committee.

**d) Risk Management Committee**

As of December 31, 2022, the Risk Management Committee consisted of 8 members by carrying a 3-year term from 2022 – 2025.

Name - Surname	Position
1. Assoc. Prof. Dr. Pinyo Meechumna	Chairman of the Risk Management Committee
2. Mr. Pathai Chakornbundit	Vice Chairman of the Risk Management
3. Mr. Chatichai Chutima	Risk Management Committee
4. Mr. Sompop Pinijchai	Risk Management Committee
5. Ms. Penpan Rengthonglang	Risk Management Committee
6. Mr. Peeti Karnasuta	Risk Management Committee
7. Mr. Thoranis Karnasuta	Risk Management Committee
8. Mr. Woravudh Hiranyapaisarnsakul	Risk Management Committee and Secretary of Risk Management Committee

Remark:

The Board of Directors' meeting No. 4/9/2022 on September 15, 2022, approved the reappointment of Risk Management Committee Members retired by rotation for another 3-year term for 2022-2025.

**Risk Management Policy**

The Company strongly emphasizes the importance of risk management. The effectiveness of risk management is essential for the achievement of the Company objectives achievement with good Corporate Governance and related working processes. All the processes were based on the standards of risk management defined by the Stock Exchange of Thailand.

The Company has evaluated the internal and external risks which could possibly occur in the future to ensure the balanced growth and profitability of the Company at an acceptable risk level.

Authority and Responsibility

1. To review the Company's risk management policy and framework which covers all the major risks (Key Risks); namely financial risk, investment risk, operational risk, and corporate reputation risk, before proposing them to the Board of Directors for approval.
2. To formulate a framework and risk management strategies in compliance with the Company's risk management policy. The Committee would assess, monitor, and control risk at the appropriate level.
3. To monitor and ensure that risk management activities are in line with the Company's policy and framework approved by the Board of Directors' meeting.

- 
4. To set risk measurement criteria and limits at the acceptable levels.
  5. To set appropriate risk management measures for different situations.
  6. To review the sufficiency and effectiveness of risk management policy and system.
  7. To report regularly to the Board of Directors about the management, operation, risk status, changes, and areas for improvement to keep risk management in line with the Company's policy and strategy.
  8. To appoint a risk management working group if necessary and support the risk management working group in terms of personnel, budget, and other necessary resources under the scope of responsibilities of the working group.

### **6.3 Selection and Nomination of Directors and Chief Executives**

The Company has set up a transparent procedure to select Directors, although it does not have a Nominating Committee. The incumbent Board of Directors performs the initial selection and evaluation of candidates for vacated or newly created positions on the Board of Directors. The Board of Directors jointly scrutinize the qualifications of all appropriate candidates by consideration of the profile, experience, expertise in different careers and performance in the role of directorship in the past to achieve the business objectives.

The detail of this point is disclosed in the Report of Corporate Governance for Listed Companies, Ensure Effective CEO and Human Resources Management.

### **6.4 Corporate Governance of Subsidiaries and Associated Companies**

The Board of Directors had conducted policies for subsidiaries and associated companies' good corporate governance regarding management practices which are responsible, controllable, and detectable for all stages. The policies must preserve the maximum profit of the subsidiaries and associated companies; thus, a qualified person would be appointed to be a representative of the Company as a Director/an Executive or an authority depending on the nature of business and the approval from the Board of Directors' meeting. The detail of this point is disclosed in The Report of Corporate Governance for Listed Companies, Corporate Governance of Subsidiaries and Associated Companies.

### **6.5. Internal Information Control**

The Company has the policy for Internal Information Control, internal information disclosure, and conflict of interest in ITD Corporate Governance handbook under Business Ethics, disclosed on the Company's website ([www.itd.co.th](http://www.itd.co.th)). The policy mainly concerns on access and degree of confidentiality, disclosure to outsider, related-party transaction, and the determination that directors and the executive management must report the changes in securities and derivatives holding report (Form 59) of themselves and their spouse to SEC with 3 business days after the transaction made.

The detail of this point is disclosed in The Report of Corporate Governance for Listed Companies, Conflict of Interest.

### **6.6. Auditor's Remuneration**

Auditor's remuneration for the financial year ended on December 31, 2022

#### **1. Audit Fee:**

The Company or its subsidiaries paid an annual audit fee to:

- The external auditor, amounting to 22,010,994 Baht
- The audit firm of the auditor connected person/enterprise of the auditor and his/her firm in the amount of - Baht.

#### **2. Non-Audit Fee**

The Company paid a non-audit fee for other services to

- The external auditor, amounting of - Baht, and must pay in the future for incomplete service the amount of - Baht
- The audit firm of the auditor, connected person/enterprise of the auditor and his/her firm, the amount of - Baht and must pay in the future for incomplete service in the amount of - Baht.

---

## 7. The Report of Corporate Governance for Listed Companies

The Board of Directors strictly place the importance on the good corporate governance conduction to be the principle and guideline to operate the business. Therefore, the Company conducts the reflection report of Corporate Governance as follows:

### 1. Rights of shareholders

### 2. Equitable treatment of shareholders

The Company encouraged all shareholders to fully exercise their basic rights with equality treatment in all dimensions concerned as the rights to attend the shareholders' meeting or e-meeting, to be facilitated to attend the meeting, and importantly to be equally informed with significant corporate information.

Kindly see the details disclosed in Disclosure and Transparency of the Company, and The Participation Promoting.

### 3. Role of stakeholders

In 2022, the Company has been in contact with all interested shareholders and members of the public as follows:

**Shareholders:** The Company has strived to achieve growth for long term benefits. The Company had also disclosed complete, true, and timely information through the system of the Stock Exchange of Thailand (SETLink) and the Company website (www.itd.co.th), such as the resolutions of the Board of Directors, the resolutions of the Annual General Meeting of Shareholders, Financial Information, Signing ceremonies of major projects, and so on.

**Employees:** The Company has realized the importance of staff as the main mechanism to promote continuous growth. The Company has provided the staffs the short-term benefit as reasonable salary package or bonus. the Company has also rewarded staffs and improved their welfare and security as a long-term benefit, for example, by the establishment of a pension fund, providing a healthcare service (including a medical room and a doctor on active service at Head Office), supporting the scholarships for employee's children who show a good study performance, offering urgent loans and improving the environment of their workplace, implementing the 5S activities, those being "Set in order, Sustain, Sort, Standardize and Shine" to improve the workplace organization and standardization for productivity and safety. With its importance, all levels of staff participated in this project.

The Company had treated its employees strictly according to labor legislation, and no labor lawsuits have occurred in recent years.

In this term, the Company has set and provided the procedure to cope with the complaints in any cases there are some improper treatments or any actions against the Company's norms or regulations, corporate governance, and anti-corruption policy occurred. In the whole year, the Company has strictly handled with the incoming complaints by the procedure set as being shown on Complaints & Whistle-blowing Policy, consisted in ITD Corporate Governance handbook.

In the past year, the Company received 7 cases of complaints. The cases were mostly from Facebook and email. The Company assigned the internal divisions to proceed as they see appropriable under the procedure set. Each case was solved within 5 days after receiving on average.

Since the employees' skills were very important to the Company's performance, the Company has continued developing the potential of all staff to increase their competencies and skills necessary for work and for success, as well as to encourage safety at work and occupational health. In the year 2022, the Company provided 46 courses as shown on 5.4.2.1 Employee Development Policy.

**Clients:** The Company has provided a good quality and a high standard of construction services. The customers were provided with sufficient information and effective procedures to deal with customer complaints for a timely response to correct all complaints.

**Partners and Creditors:** The Company has standard procedures for partner screening and selection through three qualities: reliability, responsibility and on time working. The Company has treated the partners and creditors according to the conditions of their agreements.

**Business Competitors:** The Company always competed in government and private sector bidding with honesty, knowledge, and transparency. There were no disputes with competitors during the year.

**Society:** As the Company is in the construction business for which occupational health, safety and environmental management were very significant, the Company has established the Ethics on Environment Responsibility, disclosed on ITD Corporate Governance handbook. In the whole year, the Company in all units applied the policy and took actions on this matter in many practices as air quality control, construction noise control, traffic control, wastewater treatment, odor control, oil spillage and contamination control, vibration control, dust control, waste segregation

---

campaign, energy saving and so on. In cases where the Company received any complaints from the community, the Company immediately sent staff to investigate and carry out further necessary action. If such impacts caused by the construction of the Company, the Company would immediately resolve the issues.

#### **4. Disclosure and transparency**

In the past year, the Company disclosed the corporate financial information, as financial statement, reviewed financial performance, and Management Discussion and Analysis (MD&A) with complete, transparent, and accurate in detail by the period required by law and regulations. Not only the financial one, but other prominent corporate information, as the meeting resolution, contract signing, and accounts receivable report was highlighted to disclose also. The disclosure channel the Company mainly used was SETLink, and the Company's website ([www.itd.co.th](http://www.itd.co.th)) to facilitate the shareholders, investors, and others to access to the corporate information easily, widely, and conveniently.

Kindly see the details disclosed in Disclosure and Transparency of the Company.

#### **5. The Board Recognition of Role and Responsibility**

##### **5.1 The Board of Directors, acting as corporate leader, acknowledged to take responsibility to keep the good Corporate Governance as standardized and to run the business with morality and responsibility towards shareholders and the whole society, aiming to maintain the Company with sustainable values.**

In the Board meeting No. 6/12/2022 on December 15, 2022, the vision, mission, and direction were revised to align with the Company objectives. With its importance, the revision, purposing to set the strategy for running the business according to the Company objectives was also adopted by Management Division.

Furthermore, the Management Division undertook quarter reporting, which was a primary consideration by the Board of Directors to ensure the potential of Company for competition, to cope with changes from internal and external factors and to gain profit with sustainability.

The good Corporate Governance was implemented as the key factor of operational efficiency, to assure the Company's potential to shareholders and investors. By this significance, the Corporate Governance had been composed in "ITD Corporate Governance Handbook" since 2004, which contains the philosophies, policies, and code of conduct for the Corporate Governance of the Company. It is considered as guidelines for all employees to follow. The Corporate Governance policy is normally reviewed and updated with the current situation every year posted publicly on the Company website ([www.itd.co.th](http://www.itd.co.th)).

The Board of Directors ruled the norms to be strictly followed by all levels of employees with duty of responsibility, duty of care, and duty of loyalty. The Board also took role to keep the business flow on track and undertook the duties regarding the approval for any significant operations as investments, any transactions that may impact on Company, assets gain or distribution and dividend payout. Importantly, all actions aiming for the best profit for the Company and shareholders are firmly processed upon the usual right and law.

The Board of Directors undertook to clearly define the responsibility, authority and duty for the Chairmen and Management Division as described on the section of the Board of Directors' authority. Moreover, it set the Board Charter and monitored and kept the management flow on track. By necessity, the Corporate Governance policy was annually reviewed in accordance with the business direction. The responsibility, authority and duty were disclosed on Company's website ([www.itd.co.th](http://www.itd.co.th))

##### **5.2. Business Goals and Objectives Setting**

In the Board meeting No. 6/12/2022 on December 15, 2022, the vision, mission, strategy, and duty were revised for 2023 in co-operation with the Management Division to set the short-term, mid-term, long-term planning objectives in accordance with Company's primary direction for the proper implementation of innovation and technology based on Company's current state.

The Company's operation goal

1. To increase competitiveness for revenue growth
2. To increase capability in making profits
3. To create satisfaction for customers
4. To manage the occupational health and safety in accordance with international standards
5. To improve employees' skills and quality of life of family
6. Corporate Social Responsibility

---

The Corporate Objectives were concluded and listed as below:

1. To be the leading contractor in building, civil and structural works nationally and internationally
2. To operate our construction projects for optimum profit
3. To operate the business with Quality (ISO9001), Environment (ISO 14001) and Occupational Health and Safety (ISO 45001) in line with international standards
4. To provide an appropriate profit to the shareholders of the Company

All planning objectives (in short-term, mid-term, long-term) are disclosed in Policy and Business Overview.

### **5.3 Contributions for the Board of Directors**

#### **5.3.1 Structure of the Board of Directors**

The Board of Directors consisted of 9 members. Each Director was an expert with substantial experiences aiming to contribute the best benefit to ITD. The Director positions were:

- Executive Directors 6 Directors (67 %)
- Non-Executive Director (Independent Directors) 3 Directors (33 %)

The structure and the definition of the Independent Directors of the Company complies with the rules and regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

The Company also appointed 1 independent director to co-consider the Board of Directors' meeting agenda in accordance with SEC's Corporate Governance guidelines to meet the balance between the Board and Management in case that the Chairman of Board of Directors is not the independent director.

According to the Good Corporate Governance, the Chairman of the Board of Directors was determined to be an Independent Director as well as a person who was not acting as the President (Managing Director)/ Executive President to balance the Company's management. The authorities of the Chairman and the President are clearly defined as follows:

#### **The Chairman:**

1. Taking the role as the leader of the Board of Directors and presiding as the Chairman in the Board's and shareholders' meetings.
2. Setting and monitoring the Board of Directors' performance to achieve the Company's primary direction.
3. Building the corporate culture with morality and good corporate governance
4. Co-operating with the President to set the agenda and to amend significant issues on agenda
5. Managing the time with quality for purposing and revising on any issues
6. Encouraging the Board of Directors to independently express their opinions
7. Building the good relation between the Board of non/director and committee with management division

#### **The President:**

Playing the integral role as the leader of the Board of Management and being authorized by the Board of Directors to direct and control the management staff for achieving the Company's goals.

#### **5.3.2 The Board of Directors' Meeting**

The Board of Directors set the frequency of meetings as every quarter. By this frequency, the whole year meeting schedule was also orderly prepared, arranged and acknowledged by all directors in the Board of Directors' Meeting in December of every year. Thus, all Directors shall be able to plan to attend the meetings in the year ahead.

In 2022, there were a total 5 Board of Directors' meetings. In each, the agenda prepared shall be clearly divided into the agenda for acknowledgement, certification, and approval. The Company regularly sent all attendants the invitation letter attached with meeting documents 7 days prior to date scheduled for the meeting, making sure they were able to prepare themselves before each meeting. The portion of meeting attendance is 89 percent as depicted in Management Structure.

After adjourning from two to three hours of meeting, the Company Secretary primarily took the integral duty to take minutes and do the report review by the Board of Directors. The meeting report might be amended based on the completeness

---

of the detail in meetings. The report was kept confidentially at Corporate Service Division both in hard copy and soft copy via electronic document for any retrieval as references in future.

Effective since the board meeting No. 5/6/2008 held on June 9, 2008, Mr. Woravudh Hiranyapaisarnsakul was appointed to be the Company Secretary in accordance with the Securities and Exchange Act (No. 4) B.E. 2551 (2008). His mandatory obligation is to hold the Board and Shareholders meetings, to give the guidance to directors regarding regulations, to list and maintain committees' registration, to make the annual report, as well to do any actions assigned by the Securities and Exchange Commission (SEC). Lastly, to operate this obligation with efficiency, he was trained and certified in courses related with secretarial field, mainly held by Thai Institute of Directors (IOD).

### **5.3.3 Selection and Nomination of Directors**

#### **(1) Independent Directors**

Rules and Regulations in selection of Independent Directors

##### Independent Director's Qualification

The result of the Board of Director's meeting No.9/3/2009 on March 25, 2009, approved to modify the definition of an Independent Director to comply with the regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) as follows.

1. Holding shares not exceeding one percent of the total shares with voting rights of the Company, its Parent Company, its Subsidiaries, its Affiliates, or a Major Shareholder or Controlling Person of the Company (to be calculated by including the shares held by any related person of such Independent Director);

2. Never been or not being a director engaging in management, employee, staff, advisor, who received salary, or Controlling Person of the Company, its Parent Company, its Subsidiaries, its Affiliates and entities equivalent to its Subsidiary, or a Major Shareholder or unless the possession of such characteristic has been discontinued for a period of not less than two years; controlling person of the Company, unless the holding of the aforementioned positions has been discontinued for at least two years. However, such prohibition shall not apply in the case where such Independent Director has been a government official or consultant of the government sector which is a major shareholder or controlling person of the applicant. The requirement of two-year discontinuity for possession of the said characteristics shall take effect from the Annual General Meeting of the year 2011 onwards.

3. Not being a person related by blood or registration under laws, as father, mother, spouse, sibling, or child, including spouse of a child, of its Executive, its Major Shareholder, its Controlling Person, or the person who will be nominated to take up the position of Executive or Controlling Person of the Company or its subsidiary.

4. Not having, or not having had, any business relationship with the Company, its Parent Company, its Subsidiaries, its Affiliates, Major Shareholder or Controlling Person of the Company in a manner which may obstruct its independent judgment, and not being or not having been a substantial shareholder or Controlling Person of a person who has a business relationship with the Company, its Parent Company, its Subsidiaries, its Affiliates, or a Major Shareholder or Controlling Person of the Company, unless such business relationship has been discontinued for at least two years prior to being appointed as an Independent Director. The requirement of two-year discontinuity for possession of the said characteristics shall take effect from the Annual General Meeting of the year 2011 onwards.

The aforementioned business relationships shall include the entering into commercial transactions in the manner of normal business operation, transactions regarding rental or lease of real estate, transactions relating to assets or services, provide or receipt of financial assistance whether by receiving or providing a loan, guarantee, providing assets as collateral, as well as other similar matters which give rise to the Company or the parties having an obligation in an amount equal to or greater than three percent (3%) of the net tangible assets of the Company or from Baht twenty million, whichever is lower. The calculation of obligations shall be following the method of calculation of connected transactions as stipulated in the Notification of SEC Re: Connect Transaction. In this regard, the calculation of obligations shall be assessed by including aggregate obligations during one year before the date of having any business relationship with the Company, its Parent Company, its Subsidiaries, its Affiliates, or a Major Shareholder or Controlling Person of the Company.

---

5. Not being, or not having been, an auditor of the Company, its Parent Company, its Subsidiaries, its Affiliates, or a Major Shareholder or Controlling Person of the Company, and not being a substantial shareholder, Controlling Person or Partner of an audit company being the auditor of the Company, its Parent Company, its Subsidiaries, its Affiliates, or a Major Shareholder or Controlling Person of the Company has worked therein, unless the holding of the aforementioned positions has been discontinued for at least two years prior to being appointed as an Independent Director. The requirement of two-year discontinuity for possession of the said characteristics shall take effect from the Annual General Meeting of the year 2011 onwards.

6. Not being or not having been a professional service provider, including service provided as legal counsel or financial advisor which is retained for a fee exceeding Baht two million per annum from the Company, its Parent Company, its Subsidiaries, its Affiliates, or a Major Shareholder or Controlling Person of the Company, and not being a substantial shareholder, Controlling Person or Partner of such professional service provider, unless such holding of the aforementioned positions has been discontinued for at least two years prior to being appointed as an Independent Director. The requirement of two-year discontinuity for possession of the said characteristics shall take effect from the Annual General Meeting of the year 2011 onwards.

7. Not being a director nominated to be a representative of a Director of the Company, Major Shareholder or shareholder who are related persons to the Major Shareholder.

8. Not undertaking business of the same nature as and materially competing with that of the business of the Company or its Subsidiaries or not being a Partner of the partnership or a Director who participates in the management, an employee, a staff member, or advisor who receives a regular salary or holds shares exceeding one percent of the total shares with voting right of other companies which undertakes business of the same nature as and materially competes with that of the business of the Company or its Subsidiaries; and

9. Having no other qualifications causing any inability to express independent judgment in respect of the Company's business operation.

#### Nomination Process

The Board of Directors could play an integral role to nominate the Independent Directors by qualifications and to select the person who would be useful as a Company Independent Director from his/her experience, ability, and education and not a person whose character would prohibit him/her from being approved at a Shareholder's Meeting.

The Company has set up a transparent procedure to select Directors, although it does not have a Nominating Committee. The incumbent Board of Directors performs the initial selection and evaluation of candidates for vacated or newly created positions on the Board of Directors. The Board of Directors jointly scrutinize the qualifications of all appropriate candidates in compliance with Section 68 of the Public Company Limited Act, B.E. 2535 by consideration of the profile, experience, expertise in different careers and performance in the role of directorship in the past. The candidate's qualification shall also be subject to the prohibitions set out by the Announcement of the Securities and Exchange Commission No. Gor Jor 5/2548, which gave the requirements relating to the qualifications of executives of a company that issues securities.

The nominated Director would then receive the ITD Corporate Governance Handbook from the Company Secretary as the guidance to follow.

The Company announced on December 24, 2021, to January 31, 2022, that a person who was nominated by the Shareholders as a candidate to be appointed as a director would be considered for nomination at the 2022 Annual General Meeting of Shareholders. For Shareholders to be eligible to nominate a person as a director they could, individually or as a group, hold not less than five percent of the total number of the Company's ordinary shares. The incumbent Board of Directors' approved candidates for any vacant or new directorship could then be nominated to the shareholders at the Shareholders' Meeting, for approval by a majority. In the meeting, there was not any name listed to be nominated.



### 5.3.4 Determination of Remuneration for Directors

The Company does not yet have a Remuneration Committee or a Nominating Committee, but the Board of Directors has set up a transparent procedure to determine appropriate levels of remuneration by comparisons with other companies of similar size in the same industries, and partly by the performance of the Company. In any case, the amount of remuneration to be paid to Directors must be finally approved by a meeting of the shareholders.

Kindly see the details disclosed in Management Structure.

### 5.3.5 Responsibilities and Time Management

There were 5 Board of Directors' Meetings held in 2022 in the year ending December 31, 2022. All the Board of Directors attended 89 percent of the meetings for the whole year.

For the effective performance, the Board of Directors ruled two policies including with (1) Directors could be a director in not more than 5 listed companies, and (2) Directors and the executive management must be responsible to report the conflict of interest such as the position holding in other companies, and the changes in securities and derivatives holding report (Form 59) of themselves and their spouse to SEC. The position holding in other companies shall be disclosed in Form 56-1 One Report.

### 5.3.6 Corporate Governance of Subsidiaries and Associated Companies

The Board of Directors had established policies for subsidiaries and associated companies' good corporate governance regarding management practices which are responsible, controllable, and detectable for all stages. The policies must preserve the maximum profit of the subsidiaries and associated companies; thus, a qualified person would be appointed to be a representative of the Company as a Director/an Executive or an authority depending on the nature of business and the approval from the Board of Directors' meeting.

The Directors, the Management or the authority, as a representative of the Company and Management Division, could jointly establish significant policies to monitor the operation of subsidiaries and associated companies taking into account the nature of business, and also prescribe regulations for the disclosure of financial status, operations result, transactions between subsidiaries/associated companies and concerned persons, acquisition and distribution of assets including other significant transactions that must be in compliance with the rules of the Securities and Exchange Commission (SEC). In addition, all data and information of subsidiaries and associated companies must be stored and recorded so the Company could determine and collect data for the consolidated financial statements on time.

In case, there was the issue related to shareholding over 10% of director or management in subsidiaries, the Company shall give the clarification regarding the best benefit of the shareholding towards the Company in Form 56-1 One Report.

### 5.3.7 Self-Assessment of the Directors and Subsidiaries

#### 5.3.7.1 The Board of Directors

The Board of Directors conducted the annual self-assessment at least once a year to assess their performances, aiming to revise their works and come up with their operational evaluation. The annual self-assessment is considered one of the key guiding factors for performance improvement.

The Company Secretary is responsible for the assessment, to distribute and collect the forms, to calculate the score, to summarize and to report to the Board of Directors. The form distributed is qualified under the guidance of Stock Exchange of Thailand and is used to assess both individual and collective each member's work performance in whole year. In 2022, the Company conducted the Board of Directors' performance assessment at the Board of Directors' Meeting No. 6/12/2022 held on December 15, 2022. The assessment was calculated in percentage form of the full marks of each item as follows:

100%	=	Excellent
80% - 100%	=	Very Good
60% - 80%	=	Fairly Good
40% - 60%	=	Satisfactory
20% - 40%	=	Needs Improvement

The assessment was divided by two dimensions as (1) the collective and (2) the individual work performance assessment.



Those dimensions were evaluated basing on the Board of Directors' detail as (1) the structure and qualification, (2) the meetings, (3) the role and responsibility, (4) the operational performance, (5) relation with managing department and (6) the self-development.

#### **5.4 Ensure Effective CEO and Human Resources Management**

Although the Company does not have a Nominating Committee, the incumbent Board of Directors performs the initial selection of candidates for newly created positions on both Chief Executive Officer and key executives to ensure that they possess the qualified knowledge, skills, experience, and characteristics necessary to productively achieve the corporate objectives. The Board of Directors also conducted an appropriate remuneration structure.

Moreover, the Board of Directors always supported the directors and key executives to attend the training programs provided by the in-house training division, the organizations of the government or the independent entities certified by the Securities and Exchange Commission (SEC) as Thai Institute of Directors (IOD). The courses that the Directors are required to attend, at least one, are Director Certification Program (DCP), Directors Accreditation Program (DAP) or the Audit Committee Program (ACP).

For Thai Institute of Directors (IOD) training programs and other organizations, the Directors of the Company have passed the training programs as follows:

- |                                     |  |
|-------------------------------------|--|
| 1. Mrs. Nijaporn Charanachitta      | - Director Certification Program (DCP) 56/2005   |
| 2. Mr. Pathai Chakornbundit         | - Director Certification Program (DCP) 56/2005   |
| 3. Assoc. Prof. Dr. Pinyo Meechumna | - Director Accreditation Program (DAP) 67/2007<br>- Audit Committee Program (ACP) 35/2011  |
| 4. Mr. Thoranis Karnasuta           | - Director Accreditation Program (DAP) 173/2020  |
| 5. Mr. Piyachai Karnasuta           | - Director Accreditation Program (DAP) 161/2019  |
| 6. Mr. Chatichai Chutima            | - Director Accreditation Program (DAP) 67/2007<br>- Successful Formulation & Executive of Strategy 12/2011<br>- Director Certification Program (DCP) 204/2015<br>- Preparation of Cash Flows Statement (Workshop) 1/2022 |
| 7. Mr. Woravudh Hiranyapaisarnsakul | - Company Secretary Program 29/2009<br>- Effective Minute Taking 13/2009   |

##### **5.4.1 Structure of Remuneration of Directors**

The Company has determined the Remuneration of Directors clearly and transparently based on comparable industry levels and for the efficiency required of the supervising Directors. Directors assigned to be the Audit Committee receive additional remuneration for full discharge of their Audit Committee duties. In any case, the amount of remuneration to be paid to Directors will eventually be approved by the shareholders' meeting depending on the corporate and individual achievement.

##### **5.4.2 Human Resources Management and Development**

The Board of Directors have the proper plan for employees' management and development to maintain Company loyalty. That plan includes with fair treatment of laborers, provident fund provisions, funds management and investment tutoring.

###### **5.4.2.1 Employee Development**

The Company recognizes that all employee development is a key part of its success and believe that all our employees have the potential to grow, both in their work role and personally. The Company also acknowledges the responsibility to help our employees to meet these challenges by providing further education and encourage training, to inspire confidence thus creating a highly qualified effective and efficient team. Also, the co-ordination of the learning and development process is the responsibility of all employees.

The purpose of the Company's training is to improve the working skills and enhance the employees' potential. It is mainly for ensuring the list below:

- Employees are properly trained in the skills they need to carry out their present jobs at a standard acceptable to the Company.
- As far as possible, employees are encouraged to develop their skills and talents to enable them to progress within the Company and reach their full potential.
- All employees will undergo annual refresher training in health, safety, and hygiene in all areas relevant to the safe performance of their job.

The Company provides a range of training and development opportunities to all levels of employees within both Operation and Supporting Departments.

The Company is also a training organization for the safety course which is registered by the Department of Welfare and Labor Protection in according to the Ministerial Regulation on The Prescribing of Standard for Administration and Management of Occupational Safety, Health and Environment B.E. 2549 as follows:

- The Safety Officer at Supervising level Program, The Safety Officer at Management level Program and Occupational Safety, Health, and Environment Committee. Registration No. 65-023.
- The Safety Officer at Technician Level Program. Registration No. 63-012.

The Company has been certified by the Council of Engineers Thailand as the host organization of continuous engineering professional development. The host organization registered No.7006 is praised as follows:

- The award of the outstanding continuous engineering professional development host organization for the year 2019.
- Honorary certificate of a host organization for continuous engineering professional development that is committed to promoting the development of the engineering profession for the year 2020.
- Honorary certificate of a host organization for continuous engineering professional development that is committed to promoting the development of the engineering profession for the year 2022.

In 2022, there are 46 courses. The training programs required by all levels are:

### **1. Executive Level**

The Company is responsible for the executive management positions value training program aimed at:

- Building a spirit of teamwork to maintain work schedules to achieve assignment success.
- Learning how to plan and work effectively together and accomplish the work to meet the productivity and quality goals.
- Supporting the Leadership and to conduct all activities in accordance with all applicable laws and the Company's standards /policies, including its environmental, safety and health policy.
- Sharing all experience and coaching to other staff to develop skills and potential.
- Educate the general knowledge of various employment and construction's Laws.

The program provided develops the knowledge and skills listed below:

1.1 Project Manager Development Programs

1.2 Project Planning with Primavera Program for Project Manager and Project Engineer

1.3 Project Manager and Project Engineer Seminars

1.4 Project Management

1.5 Construction Cost Management with Point of Sale (POS) Program

1.6 Safety Officer in Management Level

1.7 Executive Development for Safety Standard

1.8 Contractual Management Strategies (Business Partners) for Safety, Health, and Environment (SHE)

1.9 Safety, Occupational Health, and Environment at Work Act and Guidelines

---

## **2. Supervisor Level**

The Company knows well that all supervisory staff are the greatest asset, so we provided continuous job training and development of their potential, operations, and management with skills to fulfil their principal roles and responsibilities to continually improve their job performance. Assistance is provided to all supervisory staff to build teamwork, instruct, and give the opportunity to work successfully with safety.

The program provided develops the knowledge and skills listed below:

- 2.1 Foreman Development Programs (Structure Works)
- 2.2 Foreman Development Programs (Architect Works)
- 2.3 Accountant Preparation Course
- 2.4 Accountant Seminars
- 2.5 Store Supervisor Seminars
- 2.6 Control Plan and Quality Plan
- 2.7 Environmental and Safety Law
- 2.8 Upgrade to Professional Level
- 2.9 Building Control Act and Relate Laws
- 2.10 Fiberglass Reinforced Plastic for Construction
- 2.11 Solar Power Generation
- 2.12 Technical Engineering
- 2.13 Steel Structure Works I
- 2.14 Steel Structure Works II
- 2.15 Steel Structure Works III
- 2.16 Design and Construction of MRT Underground Tunnel
- 2.17 Casting of Precast Viaduct Segment
- 2.18 Special Transportation for Construction
- 2.19 Basic Autodesk Revit for Architect and Structure
- 2.20 Project planning with Primavera Program
- 2.21 Fire Barrier System
- 2.22 Soil Cement Column Footing
- 2.23 The Safety Officer in Supervising Level
- 2.24 Supervisory Development Programs
- 2.25 New Engineer Development Programs
- 2.26 Coaching and Mentoring System

## **3. Officer Level**

The Company emphasizes staff training course participation and skill development to ensure that officer level staff shall keep the Company's goal on track, contribute to the competitive success and strengthen their inspiration by continuous learning and self-development.

The program provided develops the knowledge and skills listed below:

- 3.1 Occupational Safety, Health and Environment Committee
- 3.2 New Employee Orientation; Corporate Governance, and Anti-corruption policy are inclusive.
- 3.3 Store Supervisor Preparation Course
- 3.4 Goods Receive Not Invoice (GI NI) and Goods Issue Not Invoice (GR NI) Operation on BPM Program

- 3.5 Fuel and Petroleum, Oil, Lubricants (POL) on BPM Program
- 3.6 Occupational Safety and Health Risk Assessment
- 3.7 Quality Awareness and Control for Operators
- 3.8 Environmental Aspect Identification
- 3.9 Professional Documentation Information Control
- 3.10 Confined Spaces Training
- 3.11 Usage application ITD I-nex Technique (Internal Application)

#### **4. Semi-Skilled Worker Level**

To ensure the semi-skilled workers get the opportunity to improve their working skills and thus be able to expand their career path in the Company, with the cooperation of Department of Skill Development, the Company is providing basic training in working skills and safety to advance the qualifications for semi-skilled workers, particularly for technician and mechanical workers.

#### **5. Skilled Worker Level**

The Company is providing further education and training programs to skilled workers, such as bricklayers, woodworker, welder, tiller worker, electrician, and ironworker, to improve their skill levels in order to continually improve their job performance, to increase the effectiveness of their career aspirations and to reach the National Standard Skill levels.

#### **6. On the Job Training (OJT)**

Starting a new job is a demanding and often challenging experience that benefits from induction training to help new employees become fully integrated into the organization. New employees will undergo a basic introduction training program by their supervising level to acknowledge the work procedures, work instructions, work manual, rules, and regulations. This is an essential part of new employee's learning and development for integration into the working environment within the shortest period possible and to bring them to an effective standard of performance.

#### **Cost of Employee Training**

The cost of training employee in last year was approximately THB 2,400,000.

#### **Number of Staff Trained in 2022**

Level	People	Hours	Training Man Hours
1. Executive Level	454	5,489	12
2. Supervisor Level	2,054	42,313	21
3. Officer Level	1,302	8,560	7
4. Semi-Skilled Worked Level	4,228	25,368	6
5. Skilled Worked Level	12,696	76,176	6
6. On the Job Training	15,684	33,141	2

#### **5.4.2.2 Recruitment and Selection of Personnel**

To obtain quality personnel, the Company therefore has the personnel selection process based on knowledge and competency, along with other traits such as vision, good attitude, teamwork skills, and creativity in accordance with responsibilities of each position.

Recruitments are done through various channels including announcing through recruiting websites, participating in the public sector labor market, and sourcing from leading educational institutions across the country.

### **5.5 The Corporate Innovative Management**

#### **5.5.1 The innovation promoting that creates value for the Company**

In the Board meeting no. 6/12/2022 on December 15, 2022, the vision, mission, and direction were revised to align with the Company objectives. One of the key objectives was to increase capability in making profits by Integrating IT system

---

with the budgets and resources management. The Company currently integrated ERP: SAP system to support and make the operation more effective. Furthermore, the Company also promoted the Company's units to be the supporting facilities to develop and make the innovation for construction. The supporting facilities are as Italian-Thai Industrial Complex in Wihan Daeng, Saraburi Province, Pratunam Pra-In Plant Maintenance Center, or Pathum Thani Precast Concrete Factory.

## **5.6. Strengthen Effective Risk Management and Internal Control**

The Board of Directors ratified to set up the systematic management of risk internal audit and management in purposing to achieve the Company objectives and to process overall operations according to the law and standards. The policy of risk management was composed as one of Corporate Governances in "ITD Corporate Governance Handbook", which disclosed on the Company's website ([www.itd.co.th](http://www.itd.co.th)).

In summary, there are two subcommittees appointment: the Risk Management Committee and the Audit Committee.

### **5.6.1 Audit Committee Appointment**

The Board of Directors appointed the Audit Committee as the subcommittee to assist Company concerning corporate governance practice and the effectiveness of internal control systems. In 2020, the Audit Committee Members were retired, and reappointed to hold office for another term by the resolution of 2020 Annual General Meeting of Shareholders. The Audit Committee comprises 3 members who are all Independent Directors. The Executive Vice President of the Internal Audit Division was the Secretary of the Audit Committee.

The scope of responsibilities was formally assigned as listed in Corporate Governance.

The Audit Committee held 5 meetings during the year 2022. Agendas were sent to the Committee members at least seven days in prior to make sure they knew what to expect at the meeting. Normally, the meetings lasted two to three hours. Importantly, the Committee has free access to all types of information that could be used to contribute on this operational procedure. After the meeting was adjourned, the conclusions were implemented, monitored, and directly reported in Annual Report.

Moreover, the Audit Committee held the private meeting with auditors on December 15, 2022, without the involvement of the management division.

### **5.6.2 Risk Management Committee Appointment**

The Risk Management Committee was formed by resolution of the Board of Directors Meeting No.1/9/2010, held on September 2, 2010. The Risk Management Committee takes the primary role to intensively respond to the Company's overall risk management policy and framework covering several major aspects as the financial risk, investment risk, operational risk, and corporate reputation risk to keep to these risks at an acceptable level. The Committee considers the risks using a methodical system and supports the Board of Directors' and Board of Management's decisions in the investment activities that may significantly affect the Company's financial status.

The Risk Management Committee held the meetings annually to oversee, review, and monitor some construction projects that might affect to the whole operation and financial statement to supervise and reduce the possible risks to an acceptable level. The report of Risk Management Committee shall be disclosed annually on Form 56-1 One Report also.

The scope of responsibilities was formally assigned as listed in Corporate Governance.

### **5.6.3 Conflict of Interest**

The Company has the strict policy concerning information usage as set out in the Corporate Governance Handbook and formally disclosed on Company's website. The primary regulations can be excerpted for the limitation of information access, or limitation of information disclosure. The Company also set the penalty for those who acted against the rules in many levels as the verbal warning, written warning, job suspension, or even dismissal. Importantly, the Committees or Directors can directly report any asset holdings/ purchasing/ selling/transferring to the Securities and Exchange Commission (SEC).

The Company also has established the policy to manage conflict of interest and has implemented measures to prevent the internal abuse of confidential or privileged information. The policy and measures have been disclosed under "ITD Corporate Governance handbook" on the Company's intranet and website ([www.itd.co.th](http://www.itd.co.th)).

---

The Board of Directors acknowledge rules and requirements relating to conflicts of interest between related business entities. Where such conflicts have arisen, they are shown in the table Related Party Transactions and in all cases have been addressed in accordance with the Stock Exchange Regulations, such that prices and conditions of procurement are the same as would apply in normal third party “arm’s length” transactions. The Related Party Transactions Table provided details of the parties concerned, contract value and reason/necessity for the relationship in Form 56-1 One Report.

#### **5.6.4 The Anti-Corruption Policy**

In 2013, the Directors, the Company Secretary and the Internal Audit Division jointly implemented the policy of the anti-corruption scheme in “ITD Corporate Governance handbook” posted on the Company’s website ([www.itd.co.th](http://www.itd.co.th)) for the information of the employees and the public.

The Anti-Corruption Policy and Prevention is annually reviewed, revised, and amended through the resolution of the Board of Directors’ meeting to be updated and getting along with the current situation.

#### **5.6.5 Compliance Unit**

The Company assigned Corporate Services Division to be responsible to regulate and oversee the Company in accordance with acts and regulations- Public Limited Companies Act, Securities and Exchange Commission Rules and Regulations, The Stock Exchange of Thailand, and Company Regulations to name a few.

In the past year, Corporate Services Division was responsible to hold the Board of Director, Sub-committee, and Shareholder meeting, and to submit the Financial Statement. It was all to comply with all rules and regulations.

### **5.7 Disclosure and Transparency of the Company**

The Board of Directors deeply concerned to disclose through the Securities and Exchange Commission (SEC) and the Company’s website ([www.itd.co.th](http://www.itd.co.th)), in both Thai and English, sufficient, complete, reliable, and timely information covering the Company’s financial, important, and general information which reflects the asset value and performance of the Company.

#### **5.7.1 Financial Reports**

The Company established the internal control policy within each department or section to prevent confidential information from being disclosed to the public prior to formal announcement. Employees must not use the Company’s confidential information for personal or others’ gain. They should maintain inside information and sensitive documents that could lead to undue exploitation of themselves, their families, or their associates, including any information influencing stock prices and the Company’s proprietary commercial secrets, formula, and inventions. Those who disclose important information and news to outsiders without approval from the Chief Executive Officer could be subject to disciplinary action according to Company procedures and might face legal action.

#### **5.7.2 Information Disclosure by the Company**

The Company will disclose information on material matters regarding the Company, including financial reports, non-financial information, and other information as stipulated by SET and SEC that are accurate, clear, complete, easy to understand, transparent, adequate, in both positive and negative aspects, and which have been screened according to prescribed procedures. The Company discloses information to ensure equitable access by shareholders in the following channels:

- SETLink and SEC online submission
- Form 56-1 One Report
- Company’s website ([www.itd.co.th](http://www.itd.co.th)),
- Company’s Facebook Fan page ([www.facebook.com/itdho/](http://www.facebook.com/itdho/))
- Company’s email ([cccs@itd.co.th](mailto:cccs@itd.co.th))
- Company’s information by post

#### **5.7.3 The Company’s financial estimation (with solution plan)**

The Board of Directors assigned the management to report the Company’s financial status and the overall performance, as being a meeting agenda on every Board of Directors’ meeting. Due its importance, this matter is always one of issues the Board meetings to acknowledge and estimate for any future incidents.

---

#### **5.7.4 The Corporate Sustainability report**

The Board of Directors provided the Corporate Sustainability practice through the Corporate Social Responsibility report, disclosing both CSR-in-process and CSR-after-process activities done in the whole year.

It is regularly revealed in Form 56-1 One Report.

#### **5.7.5 Investor Relations**

The Corporate Services Division of the Company is responsible for investor relation activities by directly providing information and news to investors, shareholders, analysts, and the public in accordance with the Stock Exchange of Thailand's rules and regulations. The division mainly used the channels that facilitate the shareholders, investors, and others to access to the corporate information easily, widely, and conveniently, for instance, SETLink, and the Company's website (www.itd.co.th).

The investors, shareholders, analysts and the public who require further information can contact Corporate Service Division on telephone +66 (0) 2716-1600 extension 3800-4, or www.itd.co.th or by e-mail at cccs@itd.co.th.

#### **5.7.6 Information disclosure with effective use of information technology**

The Company variously used information technology as a key tool to disseminate the corporate information. It included with the Company's Website, the Company's Facebook page, SETLink, SEC online submission, and the Company's intranet.

##### **Company's Website**

- The corporate information, for instance, the vision, mission, structure, organization chart etc.
- The financial information, for instance, financial statement by quarterly and yearly
- Form 56-1 One Report
- ITD Corporate Governance handbook
- Corporate information, and news

##### **Company's Facebook Page**

- Corporate Social Responsibility Activities, and other corporate news

##### **SETLink, and SEC online submission**

- The financial information, for instance, financial statement, and Management Discussion and Analysis
- Significant Corporate Information, for instance, the resolution of the Board of Directors 'meeting, the resolution of shareholders' meeting or the contract endorsement
- Form 56-1 One Report
- Changes in securities and derivatives holding report (Form 59)

##### **Company's intranet**

- Corporate information, and news
- Construction Project information

#### **5.8 The Participation Supporting and Communication with the Shareholders**

The Board of Directors integrally respects to the right of shareholders. This means the shareholders could jointly control and set any significant directions for the Company by appointing proxies in the shareholders' meeting. The directions might include matters such as the dividend payout or remuneration setting.

The shareholders' meeting is held with the aim to treat all shareholders with fairness and to clearly process in any steps of meeting, for instance, the meeting notification, document delivering, the information disclosure. All steps processed always were in accordance with the law and regulations required.

##### **5.8.1 Equitable Treatment of Minor Shareholders**

The Company recognizes the importance of proper conduct to ensure equality of treatment for all type of shareholders, major shareholders, and in particular minor shareholders and foreign investors. This the Company assigned the Independent Directors to take the integral role to treat minor shareholders with fairness. The minor shareholders can make recommendations,

---

express their opinions, or complain about any procedures via the Corporate Governance Department by e-mail: [cccs@itd.co.th](mailto:cccs@itd.co.th). In response, the Corporate Governance Department will directly co-operate with the Independent Directors to resolve any complaints as soon as possible.

For the Annual General Meeting of Shareholders, the Company give the minor shareholders an opportunity to propose the agenda or enquiry and to nominate persons to be appointed as Directors at the meeting. Particularly for nominating Directors, the minor shareholders who are eligible to do so must hold shares of not less than five percent of the Company's ordinary shares under the principle which is officially posted on the Company's website ([www.itd.co.th](http://www.itd.co.th)).

The Independent Directors will consider the shareholders' proposals and further pass them to the Board of Directors for their consideration and consensus. If the Board agrees they are significant or beneficial to the Company or the shareholders, the Board will address those issues in the meeting agenda remarked as "Agenda from shareholders" in the notice to shareholders or clarify them at the Shareholders' Meeting. In addition, to facilitate the shareholders' proposals vetting process, the shareholders are requested to provide necessary details as follows:

- Name, address, and telephone number of proposing shareholder for the Company to acquire any further information as along with evidence indicating status of the cumulative holding of shares, such as share certificates or official declaration from a broker.
- Purpose and proposal in detail, including other useful information, for the Board's consideration, such as issues and reason for concern, relevant supporting facts, and data, and expected benefit for the Company.
- In case of nomination of persons to be appointed as Directors at the Annual General Meeting of Shareholders, the shareholders are requested to attach curriculum vitae, working experience and contact address for the Audit Committee to consider and further pass the matter to the Board of Directors for final decision.

For the Annual General Meeting of Shareholders in 2022, the Company provided the shareholders an opportunity to propose the agenda or enquiry and to nominate persons to be appointed as Directors at the meeting. The principle and announcement were officially posted on the Company's website and to the Stock Exchange of Thailand's website during December 24, 2021, to January 31, 2022, but there was no proposal received from the shareholders.

#### **5.8.2 Itinerary for 2022 Annual General Meeting of Shareholders**

The 2022 Annual General Meeting of Shareholders was held on Monday April 18, 2022, through electronic media (E-AGM) livestreaming at the Company's meeting room (37th floor), 2034/132-161 Italthai Tower, New Petchburi Road, Bang Kapi, Huai Khwang, Bangkok.

#### **5.8.3 The Meeting Announcement**

In 2022, the Company completed preparation of the meeting agenda and invitation notice on March 17, 2022. The supporting documents, proxy, guidelines for proxy, conduct of the Annual General Meeting, and rules of procedure for Annual General Meetings were also prepared.

All the meeting agenda, invitation notices, details of the agenda, proxy and the E-meeting procedures and guidelines were provided to ensure that the shareholders had sufficient and complete information for decisions when voting and to understand the proxy method, and E-meeting procedure to maintain their rights.

The Company delivered the meeting invitation notice with details of the agenda together with supporting documents ten days in advance and announced the meeting on the Company's website. The Company also announced the meeting in the newspapers three days in advance. The shareholders therefore had reasonable time to thoroughly study such documents. Additionally, the shareholders could make enquiries about the meeting agenda before the meeting to Corporate Services Department on telephone +66 (0) 2716-1600 extension 3800-4, or [www.itd.co.th](http://www.itd.co.th) or by e-mail at [cccs@itd.co.th](mailto:cccs@itd.co.th).

#### **5.8.4 The Procedure of the 2022 Annual General Meeting of Shareholders**

The shareholders could register to participate in the online meeting and recheck all necessary required documents ten days before the meeting began. Any designation of a proxy holder could send the proxy form to the Company for registration in prior to the date scheduled for the meeting.



---

In 2022 Shareholders' Meeting, there were 8 directors in attendance as follows:

1. Mr. Pathai Chakornbundit (Chairman in the meeting)
2. Mr. Thoranis Karnasuta (Acting President)
3. Mrs. Nijaporn Charanachitta
4. Mr. Virat Kongmaneerat
5. Assoc. Prof. Dr. Pinyo Meechumna
6. Mr. William Lee Zentgraf
7. Mr. Peeti Karnasuta
8. Mr. Sai Wah Simon Suen

At the same time, Mr. Chatichai Chutima (Executive Vice President and Chief Financial Officer), Mr. Woravudh Hiranyapaisamsakul (Executive Vice President and Company Secretary), the legal advisor from Weerawong Chinnavat & Partners Company Limited and the Independent Financial Auditor from Grant Thornton Company Limited also attended the meeting.

As the meeting started, a total of 74 shareholders and proxies through online channel (as holding 1,988,073,574 shares, or equivalent to 37.65% of total) were present.

All proposed agenda items were considered according to the meeting invitation notice without change or amendment and were approved by the shareholders in about 2 hours. The Company also properly recorded the vote counting, questions, and comments from shareholders in the meeting to ensure transparency. The shareholders also had an equal opportunity and reasonable time to make enquiries and to express their opinions. The Directors, the Audit Committee and the Management also had suitable time to answer questions and explain important details.

#### **5.8.5 Facilitating the Shareholders to Participate the Annual General Meeting of Shareholders**

For the 2022 Annual General Meeting of Shareholders, the Company fully facilitated the shareholders to ensure that all shareholders shall be treated by inclusive and equitable manner to be capable to exercise their rights in all periods; before, between, and after the meeting. The facilitations mentioned were including with the on-time delivering of meeting notification, the usage of effective E-meeting system for registration, attendance, voting, results showing and the disclosure of meeting resolution through accessible channel.

Moreover, the revenue stamp is provided for all shareholders who are sending the proxy form.

#### **5.8.6 The Proxy Form**

The proxy form, for those shareholders who could not attend the meeting in person, can be given to the Independent Directors, Audit Committee, Directors and/or any persons to be an authorized proxy holder. The proxy (form B), attached to the meeting invitation, encouraged its use so that the absent shareholders still can direct their vote by assigning at least one Independent Director to be the proxy holder. Proxy form B and form C (particularly for the use of foreign shareholders) and the meeting guidelines are be posted on, and available to download from, the Company's website ([www.itd.co.th](http://www.itd.co.th)) 30 days prior to date the meeting is scheduled to be held.

#### **5.8.7 Resolution of the Meeting Disclosure**

##### **5.8.7.1 Resolution of the Meeting**

After the meeting adjourned, the Company instantly disclosed the resolution of the Shareholders' Meeting with clarity in all details, and submitted it to the Stock Exchange of Thailand through SETLink on April 18, 2022, at 7.06 p.m. This disclosure followed with the regulations that the meeting resolution must be disclosed within the meeting date or by 9.00 am of the following business day at the latest.

#### 5.8.7.2 Minutes of the Meeting

The Company prepared the Minutes of the Shareholders' Meeting with clarity in details, for example, the directors and management who attended the meeting, the attendance proportion of directors, the procedure of vote casting, the results in each agenda item, and inquiries made in the whole meeting. The Company also submitted the minute to the Stock Exchange of Thailand through SETLink and uploaded to the Company's website ([www.itd.co.th](http://www.itd.co.th)) on April 29, 2022, or within 14 days after the meeting date. Moreover, the Company submitted the minutes to the Department of Business Development, Ministry of Commerce (DBD e-Filing) on May 3, 2022, or within 30 days after the meeting date.

#### Recognition of other good corporate governances

The Company has implemented good corporate governance for 2017, excepting those matters as below:

1. The terms and conditions of appointment of Independent Directors for a tenure 9 of consecutive years. The Board of Directors has approved the appointment of the same Independent Directors for nine consecutive years as it was, and is, considered beneficial to the Company and shareholders. Those consecutive Independent Directors must be knowledgeable and have experience in operating the Company. The consecutive Independent Directors can express their opinions independently.

2. The Company appointed an independent director to co-consider the Board of Directors' meeting agenda in accordance with SEC's Corporate Governance guidelines to meet the balance between the Board and Management in case that the Chairman of Board of Directors is not the independent director.

3. The Company has not yet determined a member in the Board's Remuneration and Nomination Committee. The Board will consult together to select the most appropriate members who are knowledgeable, expert, and useful to the position of the Company in accordance with the rules in Corporate Governance.

4. The Company has not yet determined a board member in the Good Corporate Governance Committee, but the board is normally responsible to consider, determine, and approve the principle once a year at least.

5. The Company has not determined a policy about taking a position as a CEO in other companies as the Company has various subsidiaries.

Pursuant with the good Corporate Governance, the Company discloses the information from Board of Directors' Meetings on sub-committees in 2022 as follows:

Directors' Names	(Numbers of Attendance / Numbers of Meeting)		
	Audit Committee	Risk Management Committee	Attendance of Shareholder Meeting
1. Mr. Pathai Chakornbundit	-	1/1	1/1
2. Mr. Premchai Karnasuta	-	-	-
3. Mrs. Nijaporn Charanachitta	-	-	1/1
4. Assoc. Prof. Dr. Pinyo Meechumna	5/5	1/1	1/1
5. Mr. William Lee Zentgraf	5/5	-	1/1
6. Mr. Peeti Karnasuta	-	1/1	1/1
7. Mr. Thoranis Karnasuta	-	1/1	1/1
8. Mr. Sai Wah Simon Suen	5/5	-	1/1
9. Mr. Virat Kongmaneerat	-	-	1/1

---

## 7.1 Corporate Social Responsibility Report (CSR)

The Company's Corporate Social Responsibility's policy has been given priority throughout the Company's construction business operations. This includes investing in other areas of the company by taking care of stakeholders, the economy, society and the environment along with ensuring morality and an ethical approach. The Company has focused on the participation of management, employees, customers, and stakeholders together to develop the business in accordance with international standards by promoting compliance with laws and policies and being responsible to consumers. In order to support increased investment in the future, the Company is determined to operate its business with quality and efficiency in accordance with the principle of "Commitment, Reliability, Quality"

### Corporate Social Responsibility Vision

The Company focuses on being a leading construction firm in Southeast Asia, conducting its business in accordance with international standards and social responsibility, using advanced techniques that are environmentally friendly and safe.

### Corporate Social Responsibility Policy

The Company has guidelines for demonstrating social responsibility under the framework of good governance and business development, along with creating a balance of economy, society and environment, while considering the impact of business operations and making improvements, corrections or developments as appropriate according to the Corporate Social Responsibility's policy prepared by the Stock Exchange of Thailand as follows:

#### 1. Good Corporate Governance

The Company has established the infrastructure and processes of internal relations between the Board of Directors, management, employees, investors, shareholders and stakeholders to understand the roles and duties and work together in the same direction with efficiency and quality standards by adhering to the principles of control, audit and risk management to form competitiveness, confidence and long-term business value.

#### 2. Fair Business Operation

The Company believes in doing business under the laws, morals and ethical principles in order to comply with the principles of good corporate governance. The Company has taken care of its obligations as required by law and provides protection and fair returns to all beneficiaries and stakeholders by adopting equality, being honest, transparent and verifying every step of the business operations.

#### 3. Respect for Human Rights and Fair Treatment of Labor

The Company adheres to the principle of respect for human rights and treats all employees equally. The Company values human beings, treating all with equality and without discrimination whether it is a matter of race, nationality, religion, language, skin colour, gender or physical condition to reduce social disparities. The Company also promotes quality of life within the organization, providing training to enhance skills in various fields and providing opportunities for employees to express their opinions or complaints about unfair practices.

#### 4. Consumer Responsibility

The construction business is a highly competitive business. The Company's past successful project completions have ensured the satisfaction of customers and stakeholders. It is important the Company maintains the standards of its products and services, whilst the Company is committed to developing modern technology and innovating in the construction business to meet every customer's needs.

#### 5. Community and Social Development

The community and society at large are important factors related to the construction industry. To strengthen the community and promote a healthy society within a framework of sustainable development, the Company has set objectives and organized various social activities, such as education promotion, human resource development, employment promotion and the development of quality of life. Employees are encouraged to be aware of and responsible for incidents that affect the community, society and the environment so as to mitigate the negative impacts of construction noise, air pollution and waste management, etc.

#### 6. Environmental Conservation

Environmental conservation, including the cost-effective use of natural resources, is considered very important by the Company, thus it has set guidelines that comply with relevant laws and regulations. By raising environmental awareness and organizing campaigns to create understanding between the Company and the community and recognizing the importance of environmental management. As a result, the Zero Waste Project was established to reduce waste from business operations by taking construction processes and any resultant waste materials through a further process to ensure that they create no disbenefits and where possible create benefits in the future.

## Occupational Safety, Health and Working Environment Policy

The Company, as a construction contractor, has realized the importance of Occupational Health, Safety and the Environment as a top priority. The Company has established guidelines and procedures that implement the international standards for Quality Management System (ISO 9001: 2015), Environmental Management Systems (ISO 14001: 2015) and Occupational Health and Safety Management Systems (ISO 45001: 2018). These are applied to efficiently benefit the production and construction operations to the satisfaction of all stakeholders and to elevate the organization to international level.

The Company has appointed Safety Committees to manage safety, occupational health and environment matters in accordance with international standards, comprehensively and efficiently. The committees are divided into three levels as follows:

1. General Safety, Occupational Health and Environment Committee (Corporate Safety Committee)
2. Business Unit's Safety, Occupational Health and Environment Committee (BU's Safety Committee)
3. Project Level Safety, Occupational Health and Environment Committee (Site Safety Committee)

The Company's Policy on Occupational Health and Safety, which is a topic of the Company's Corporate Governance on Business Ethics, has been set as follows:

- Strictly comply with the various regulations, rules and laws of Occupational Health and Safety;
- Commit to ensuring health and safety at work to prevent injury and illness by reducing safety risks to improve working conditions, including the development of occupational health and safety practices for employees and stakeholders for safe work and good hygiene;
- Commit to eliminating occupational health hazards and risks by encouraging all employees to understand, recognize and implement the Occupational Health and Safety principles in their operations;
- Promote and support employees' awareness of the importance of consulting and participating in the improvement of the working environment to increase the potential of Occupational Health and Safety;
- Monitor and evaluate the application of Occupational Health and Safety and the working environment policy for efficiency, effectiveness and improvement to achieve results in accordance with the established policies.

The Company has coordinated with the Department of Labor Protection and Welfare to establish safety principles in the Safety Management Program for Development of Advanced Safety for executive year 2022. Mr. Suchart Chomklin, Minister of Labor has assigned Mr. Boonchob Suttamanuswong, Permanent Secretary, the Ministry of Labour, to issue the certificate to the Company.



In the past year, the Company has received an award for the outstanding prototype workplace in safety, which confirms that the Company has passed the assessment of establishments that have a good safety management system and are reaching international standards. It was honored by Mrs. Watcharee Makwan, Inspector-General of the Department of Labor Protection and Welfare presiding over the ceremony and award.



### Impact and Sustainable Development Principles (Triple Bottom Line: TBL)

The CSR framework reflecting the main issues of the business, challenges and expectations that are characteristics of a construction business. Each issue is related to all groups of stakeholders as follows:

TBL Component	Internal Aspect	External Aspect	CSR Standards	Main Issue
<b>Economics success</b>	<ul style="list-style-type: none"> <li>- Profit / Project costs</li> <li>- Getting a higher ratio of work</li> <li>- Share / Investor's attention</li> <li>- Anti-corruption</li> </ul>	<ul style="list-style-type: none"> <li>- Fair price</li> <li>- Build Reliability / Quality</li> <li>- Stock Divided</li> <li>- Anti-corruption and fair trade competition</li> </ul>	CG (SET)	<ul style="list-style-type: none"> <li>- Business growth and fair competition</li> <li>- Anti-corruption</li> </ul>
<b>Social responsibility</b>	<ul style="list-style-type: none"> <li>- Employee safety</li> <li>- Preventive care</li> <li>- Welfare and fair compensation</li> <li>- Reduce resistance from the community</li> </ul>	<ul style="list-style-type: none"> <li>- Community and Society Safety</li> <li>- Supervision of Human Rights</li> <li>- Hire local skilled workers to promote income distribution in local community</li> <li>- Effective project management</li> </ul>	CG (SET)	<ul style="list-style-type: none"> <li>- Safety First / Zero Accident</li> <li>- Human rights stewardship</li> </ul>
<b>Environmental responsibility</b>	<ul style="list-style-type: none"> <li>- Cost-effective use of resources</li> <li>- Good work environment (dust, noise, etc.)</li> <li>- Cost-effective energy use</li> </ul>	<ul style="list-style-type: none"> <li>- Environmental care and use resources cost-effectively</li> <li>- Environment care and cost-effective use of natural resources (water, dust, air, noise, etc.)</li> <li>- Energy management / energy efficiency and use of renewable energy</li> </ul>	CG (SET)	<ul style="list-style-type: none"> <li>- Raw materials management</li> <li>- Material replacement procurement</li> <li>- Environmental impact control</li> <li>- Power management and renewable energy</li> </ul>

The Company discloses its social responsibility operational activities and details in the Annual Registration Statement form 56-1 One report. All policies and activities related to Corporate Social Responsibility are disclosed on the Company's website ([www.itd.co.th](http://www.itd.co.th)) and in press releases.

In preparing the Corporate Social Responsibility Report, the Company emphasizes social responsibility in its business process (CSR-in-process) and activities for the benefit of society and the environment (CSR-after-process) which are adopted in accordance with business operations as follows:

## Social Responsibility Practices in Operation Procedures (CSR-in-process)

### 1. Respecting Human Rights and Fair Treatment for Labor

The Company respects the rights of employees according to the principles of human rights, freedom, equality and comply with basic labor laws including various regulations related to fair labor by supporting people with disabilities who can work across the business to increase their career opportunities in occupations that use their potential and skills for the improvement of their quality of life with dignity equal to others in society.

#### 1.1 Employment for Persons with Disabilities

The Company has provided opportunities and rights to access employment for people with disabilities, in matters of human dignity protection of rights and equality. The Company has employed 120 disabled people to work and promoted 162 people through the Department of Employment, and promotes other activities related to people with disabilities, that the government has invited the Company to participate in, according to the Persons with Disabilities Empowerment Act B.E. 2550. There are provisions on the promotion of employment of people with disabilities in private enterprises under sections 33, 34 and 35.



Position: Machine Control Foreman  
Disability: Movement, Lost fingers on both hands  
Job Description: Cost and quotations, Order various materials



Position: Administration  
Disability: Visual , Left eye is blind  
Job Description: Document work, Input data into computer



Position: Mechanic  
Disability: Hearing, Communication  
Job Description: Engine maintenance



Position: Technician  
Disability: Movement, Broken right arm  
Job Description: Supervise machinery, Mix concrete

In 2021 the Company signed, along with 7 other leading enterprises, a memorandum of understanding on the Social Disability Employment Project of the Department of Employment to support the employment of the disabled.





The Company participated in the project to promote the employment of people with disabilities for the year 2022. The event changed from giving money to the Fund for Promotion and Development of the Quality of Life of Persons with Disabilities under Section 34 to give rights to people with disabilities or their caregivers under Section 35 by promoting the hiring of people with disabilities as employees to perform supporting work in public service units in community areas near their homes.



## 1.2 Hire Foreign Employee

Currently, in the construction industry there has been a continuous impact of labor shortage in Thailand and a demand for more skilled workers. The Company therefore employs foreign workers to replace the shortage of Thai construction workers and these are workers from neighboring countries. The Company imports foreign workers according to the memorandum of understanding between organizations (Memorandum of Understanding: MOU) with support from the government with clear procedures and operational processes that have reasonable cost and ensuring the foreign workers are repatriated upon completion of the term of employment.

The Ministry of Justice by the Department of Rights and Liberties Protection together with the United Nations Development Programme (UNDP), International Organization for Migration (IOM), Organization for Economic Co-operation and Development (OECD) and Global Compact Network Thailand (GCNT) arranged a meeting to discuss business and human rights consisting of representatives from various business sectors. The Company was honored to participate, represented by Mr. Kriengsak Kovahana, Executive Vice President (EVP), the objective being to create a mutual understanding between companies and their workers by emphasizing and implementing grievance procedures to cope with the migrants (foreign workers) complaints.



---

The Company in recognition of the source of many of its foreign workers, organizes religious ceremonies for employees from Myanmar on New Year's Eve by inviting monks from Hansawadee, Myanmar to preach the sermon, with a view to achieving harmony and showing support for each other whilst providing a morale booster and improving the quality of life for the workers.



The Company provides training and advice on how to work before starting work for foreign workers and provides staff transportation.



The Company provides space and facilities to promote well-being for foreign workers.



## 2. Environment Maintenance

The Company is aware of the environmental impact that may occur on the surrounding community or society arising from the construction process. If the Company is made aware of any impact in progress that they are unaware of, the Company will clarify and take corrective action immediately. After construction has been completed, the Company will ensure the return of land used for construction to its previous condition.



The Company participated in the “Circular Economy MOU Signing Ceremony” as one of the important ways to help manage the problem of waste in the construction industry with efficient use of resources, aiming for a construction industry that is friendly to the environment and with a view to creating a good quality of life and social benefit to society.



Mesh Sheet covering the Emsphere / Emlive building during construction.



The One Bangkok Mixed-Use cleaning the road surface during construction.



Pracharat Road cleaning activity once a week (Nong Fab community area), Rayong



### 3. Safety, Occupational Health and Working Environment Guidelines

The Occupational Safety, Health and Environment Act BE 2554 (2010), Section 16 stipulates that employers shall provide training in safety, occupational health and the working environment for employees including management, supervisors and employees at all levels as follows:

#### 3.1 Safety Training for Operators

The Company provides safety training to operators to develop employee's knowledge and improve their skills in safety at 3 levels as required by law, namely courses for Professional Safety Officers, Safety Officers at the supervisor level and management level Safety Officers.

“Working at Height Standard” training course for Professional Safety Officer level with the objective of being able to work at height correctly and safely, according to international standards.



“Safety Committee Occupational Health and Working Environment of the Establishment” training course. (Approved and registered with the Ministry of Labor)



#### 3.2 Communicating and Creating Safety Awareness

The efficiency and effectiveness of the organisation will depend on the management of occupational Safety, Health and working environment., If the safety of employees in the organisation increases, this will increase productivity, reduce production costs, increase profits and reduce work accident losses. Proper awareness will be promoted to employees at every level in the organisation, recognizing as well that safety incidents bring reputational damage to the organisation.

The Company has brought technologically advanced machine tools and equipment for use in production and Occupational Health and Safety management according to ISO : 9001 : 2015. Every construction project is set up by the Project Director, the Project Manager, the Safety officers so that all these competent staff can share their experiences during the Morning Safety Talk, to build team awareness and capability in the prevention of accidents through risk control and thereby establishing safe working and task efficiencies.



### 3.3 Occupational Health Management and Controlling the COVID-19 Pandemic

Currently, the COVID-19 virus has been removed from the dangerous communicable diseases category and designated as a communicable disease that must be monitored only. The Company still has strict surveillance measures to prevent infection by continuing such measures as facility cleanliness, washing hands, wearing a mask, social distancing, detection of infection (ATK) and spraying disinfectant inside offices and construction sites when an infection occurs.

Spray cleaning inside the headquarters and construction sites



### Corporate Social Responsibility Activities (CSR-after-process)

#### 1. Community and Society Development

The Company has recruited students for internships to provide training by cooperating with educational institutions and communities. The main purpose is to educate, experience, teach skills and demonstrate real work before graduating. The Company brings experienced staff to teach students skills and expertise relevant to their field of study, thus applying knowledge and experience gained in real life.

The Company trained professional students at the vocational level 2 in the field of factory mechanics at Machining factory.

Details in vocational training:

- Learn and be responsible for turning, planing and various molding works.
- Learn and be responsible for repair work on the surface of machine parts.



The Company trained professional students at the vocational level 2 in the field of factory mechanics at Viaduct Segment factory.

Details in vocational training:

- Learn and be able to control the production of ready-mixed concrete.
- Learn and document casting orders before/after casting workpieces, learn and document management, calculate various values related to production.





The Company together with the Mass Rapid Transit Authority of Thailand, organised a “Road Show” activity introducing the lines and stations of the MRT Purple Line (Tao Poon - Rat Burana Section) to people along the construction route.



## 2. Social and Public Interest Support

The Company supports rice, dry food and drinking water to help flood victims, Rayong



The Company supports rice, dry food and drinking water to help flood victims, Ayutthaya



The company together with the Mass Rapid Transit Authority of Thailand organised the activity “Fill the Network, expand Happy every Journey” donated raincoats and alcohol gel for the Metropolitan Police Station 8 and Rat Burana Police Station.



The Company donated ATK testing kits to Community Public Health Service Center, Rayong



The Company together with Thai Oil Group (PTTLNG) donated blood to the Rayong Red Cross for the “Do Good and Continue” project, Rayong



The company supports big bags to be used to prevent and solve problems caused by flooding Fai Luang area, Lampang



The Company organized “We Asked for Old Calendars” project to collect old calendars and donations for The Foundation for the Blind in Thailand, under the Royal Patronage of H.M. the Queen, to produce “Braille” teaching media for the visually impaired.



The Company organised activities and gave away gifts on National Children’s Day at the Map Ta Phut Industrial Estate Office



### 3. Environmental

The Company worked together with Thai Oil Group (PTTLNG) and Nong Fab Small Boat Fishing Group to support activities “Running to collect garbage and release aquatic animals and planting trees” at Nong Fab Beach, Rayong



The Company worked together with the Map Ta Phut Industrial Port join the event “Increase Biodiversity Around the Estate/Port Activity to Build a Crab Condo” at the Chaloem Phrakiat Viewpoint Tower, Rayong



The Company organised a forest planting activity in honor of His Majesty the King, Her Majesty Queen Sirikit, the Queen Mother on the 90th Birthday Anniversary



The Company together with Gulf MTP supported “Together to Protect the Environment” project collecting garbage and cleaning at Rayong Beach, Rayong





The Company together with Gulf MTP supported “Release Aquatic Animals” project for the year 2022 at the boat fishing community, Lek Ban Phala - U-Tapao Unity, Rayong



#### 4. Religion, Tradition and Culture Aspect

The Company participated in the merit-making offering ceremony at Wat Mong Khon Kaset, Lampang



The Company provided ready-mixed concrete to pour drainage channels for Wat Payoon, Rayong



The Company provided ready-mixed concrete to pour the multipurpose yard at Wat Luang Por Noi, Wat Sing Suthawas, Ayutthaya



The Company provided ready-mixed concrete to pour the ground around the crematorium at Wat Pa Lao, Mae Taeng, Chiang Mai



---

## 8. Internal Control and Related-Party Transactions

### 8.1 Internal Control

The Company continually recognizes the importance of its internal control systems in both levels of the management and operation to prevent and reduce corporate risks. The Board of Directors has conducted the evaluation of internal control and followed up the operation improvement on regularly basis to assure that the internal control be appropriate and sufficient for operation.

The Annual Meeting of Audit Committee No. 2/3/2023 was held on 13 March 2023 by presence of three members of Audit Committee. The Board of Directors has evaluated the sufficiency of the Company's Internal Control Systems by using the format of assessment of internal control of the Securities and Exchange Commission and enquiring information from the management comprising :

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information and Communication
5. Monitoring Activities

The Board of Directors and Audit Committee's opinion states that the Company's Internal Control Systems are organized appropriately and adequately, also in compliance with the assessment of internal control. In this regard, the Company has provided adequate personnel to efficiently carry out it. In addition, they follow up the operation of the Company and its subsidiaries so that the Company's assets and those of its subsidiaries as well as the business transactions with the persons who may have conflict and connected interest are protected from abuse by the Company Directors and Executives.

The Board of Directors, Audit Committee, and the Certified Public Accountant's common opinion states that the Company Internal Control Systems are efficient. Also, no defect has been founded to significantly impact against the auditor's opinion.



## 8.2 Related Party Transactions

Company	Description of Relations	Transactions	The Value of Transactions ending Dec 31, 2022 (Million Baht)	Details of Transactions	Necessity and Reasonableness of Connected Transactions
1. Siam Steel Syndicate Public Co., Ltd. (Steel Bar Production)	<ul style="list-style-type: none"> <li>- Related company</li> <li>- The Company holds 1.15% of the total outstanding shares</li> <li>- The Directors and the Managements of the Company (Mr.Premchai Karnasuta, Mrs.Nijaporn Charanachitta, Mr.Peeti Karnasuta, Mr.Thoranis Karnasuta, Ms.Prachaya Karnasuta and Mr.Piyachai Karnasuta) and related persons hold 91.24% of the total outstanding shares.</li> <li>- The Directors and the Managements of the Company (Mr.Premchai Karnasuta, Mrs.Nijaporn Charanachitta, Mr.Thoranis Karnasuta, Mr.Chatichai Chutima and Mr.Prasart Kosarussawadee) are the Directors of Siam Steel Syndicate Public Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>- Revenue from office rental, common area services and utilities fees, billet and scrap-iron sales</li> <li>- Accounts receivable</li> <li>- Cost of construction services</li> </ul>	<p>49.84</p> <p>8.67</p> <p>1,858.75</p>	<ul style="list-style-type: none"> <li>- Siam Steel Syndicate Co., Ltd provided office space, and common area service with 3-year rental contract. (The contract will be terminated on October 31, 2024).</li> <li>- The Company sold the scrap iron, provided the office spaces for rent, and obtained common area maintenance fee with 30-60 days of credit term.</li> </ul>	<ul style="list-style-type: none"> <li>- Ordinary business support transaction</li> <li>- Rental price and common area maintenance fee are in accordance with the market-based pricing and on arm's length basis by similarity to any transactions done with other third parties.</li> <li>- Ordinary business transaction</li> <li>- Utility charge was the actual cost.</li> <li>- The transaction price was in accordance with the market-based pricing and on arm's length basis that the Company does with other third parties.</li> <li>- Ordinary business transaction</li> <li>- The transaction price was in accordance with the market-based pricing and on arm's length basis that the Company does with other third parties.</li> </ul>
<u>Transaction with Subsidiaries</u>					
- ITD-VCB Joint Venture		<ul style="list-style-type: none"> <li>- Accounts payable</li> <li>- Cost of construction services</li> </ul>	<p>680.52</p> <p>31.72</p>	<ul style="list-style-type: none"> <li>- The Company purchased the products from Siam Steel Syndicate Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>- Ordinary business transaction</li> <li>- The transaction price was in accordance with the market-based pricing and on arm's length basis that the Company does with other third parties.</li> </ul>
2. ItalThai Industrial Co., Ltd. (Machines & Parts Trading)	<ul style="list-style-type: none"> <li>- Related company</li> <li>- The Directors of the Company (Mr. Premchai Karnasuta and Mrs. Nijaporn Charanachitta) and related persons hold 8.37% of the total outstanding shares</li> <li>- The Directors and the Managements of the Company (Mr. Premchai Karnasuta, Mrs. Nijaporn Charanachitta, Mr. Peeti Karnasuta, Ms. Prachaya Karnasuta, Mr. Thoranis Karnasuta, and Mr. Piyachai Karnasuta) and related persons indirectly hold the 89.71% of the total outstanding shares via ItalThai Holding Company Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>- Cost of machines, spare parts, and maintenance expense</li> <li>- Accounts payable</li> </ul>	<p>69.80</p> <p>44.48</p>	<ul style="list-style-type: none"> <li>- The Company purchased machines, parts and maintenance services from ItalThai Industrial Co., Ltd. with 30-60 days of credit term.</li> </ul>	<ul style="list-style-type: none"> <li>- Ordinary business support transaction</li> <li>- Spare parts, machines and maintenance expenses were in accordance with the market-based pricing and on arm's length basis by similarity to any transactions done with other third parties.</li> </ul>
<u>Transaction with Subsidiaries</u>					
- Dawei Development Co., Ltd.	- The Company purchased the machines, spare parts and maintenance services	- Accounts payable	4.13	- Dawei Development Co., Ltd. and ItalianThai Hongsa Co., Ltd. purchased machines, spare parts and maintenance service from ItalThai Industrial Co., Ltd. with 30-60 days of credit term.	- Ordinary business support transaction
- Italian-Thai Hongsa Co., Ltd.	- The Company purchased the machines, spare parts and maintenance service	<ul style="list-style-type: none"> <li>- Cost of spare parts and maintenance expense</li> <li>- Accounts payable</li> </ul>	<p>19.51</p> <p>4.41</p>		- Spare parts, machines and other expenses were in accordance with the market-based pricing on arm's length basis that Italian-Thai Hongsa Co., Ltd. does with other third parties.

Company	Description of Relations	Transactions	The Value of Transactions ending Dec 31, 2022 (Million Baht)	Details of Transactions	Necessity and Reasonableness of Connected Transactions
3. ItalThai Engineering Co., Ltd. (Construction; and Gas and Air Conditioning Systems Installation)	<ul style="list-style-type: none"> <li>- Related company</li> <li>- The Directors and the Managements of the Company (Mr.Premchai Karnasuta, Mrs.Nijaporn Charanachitta, Mr.Peeti Karnasuta, Ms.Prachaya Karnasuta, Mr.Thoranis Karnasuta, and Mr.Piyachai Karnasuta) and related persons indirectly hold 95.53% of the total outstanding shares via ItalThai Holding Company Co., Ltd. and Sak Di Sin Prasit Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>- Accounts payable</li> <li>- Cost of the construction services</li> </ul>	<p>1649.56</p> <p>1224.78</p>	<ul style="list-style-type: none"> <li>- The Company hired ItalThai Engineering Co., Ltd. to install electric and communication systems and the construction.</li> <li>- The Company constructed High Voltage Station Project, Patthalung Province (Civil work).</li> </ul>	<ul style="list-style-type: none"> <li>- Ordinary business transaction</li> <li>- The transaction price was in accordance with the market-based pricing and on arm's length basis that the Company done with other third parties.</li> <li>- Ordinary business transaction</li> <li>- The transaction price was in accordance with the cost plus margin pricing and on arm's length basis by similarity to any transactions done with other third parties.</li> </ul>
4. Auo-Po Grand Marina Co., Ltd. (Hotel and Resort)	<ul style="list-style-type: none"> <li>- Related company</li> <li>- The Director of the Company (Mr.Premchai Karnasuta) indirectly holds 90% of the total outstanding shares via 3B Holding Co., Ltd.</li> <li>- The Director and the Management of the Company (Mr.Premchai Karnasuta and Ms.Prachaya Karnasuta) are the Directors of Auo-Po Grand Marina Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>- Accounts receivable</li> </ul>	<p>17.83</p>	<ul style="list-style-type: none"> <li>- The Company provided the jetty and Yacht Club construction service at Auo-Po, Phuket Province. (Provision for loses in the amount of Baht 17.83 million)</li> </ul>	<ul style="list-style-type: none"> <li>- Ordinary business transaction</li> <li>- The transaction price was in accordance with the cost plus margin pricing and on arm's length basis by similarity to any transactions done with other third parties.</li> <li>- Auo-Po Grand Marina Co., Ltd. had a repayment plan and gradually paid debt upon its financial capabilities. [remark: It is in the process of following up the debt repayment plan]</li> </ul>
5. PAN AFRICAN MINING CORP. (Holding Company)	<ul style="list-style-type: none"> <li>- Related company</li> <li>- The Directors of the Company (Mr.Premchai Karnasuta and Mrs.Nijaporn Charanachitta) indirectly hold 90% of the total outstanding shares via Asia Thai Mining Co., Ltd.</li> <li>- The Directors of the Company (Mrs.Nijaporn Charanachitta, Mr.Peeti Karnasuta, and Mr.Thoranis Karnasuta) are the Directors of PAN AFRICAN MINING CORP.</li> </ul>	<ul style="list-style-type: none"> <li>- Accounts receivable</li> </ul>	<p>103.57</p>	<ul style="list-style-type: none"> <li>- The Company provided project management service for SAKOA Coal Mine Project in Madagascar with 30-60 days of credit term.</li> <li>- Provision for loses in the amount of Baht 103.57 million</li> </ul>	<ul style="list-style-type: none"> <li>- Ordinary business support transaction</li> <li>- The transaction price was in accordance with the cost plus margin pricing and on arm's length basis by similarity to any transactions done with other third parties.</li> </ul>
6. PAM SAKOA COAL SA (Coal Mine)	<ul style="list-style-type: none"> <li>- Related company</li> <li>- The Directors of the Company (Mr.Premchai Karnasuta and Mrs.Nijaporn Charanachitta) indirectly hold 89.73% of the total outstanding shares via Asia Thai Mining Co., Ltd.</li> <li>- The Director of the Company (Mr. Peeti Karnasuta) is the Director of PAM SAKOA COAL SA.</li> </ul>	<ul style="list-style-type: none"> <li>- Accounts receivable</li> <li>- Short term loan and advance payment</li> </ul>	<p>62.45</p> <p>15.88</p>	<ul style="list-style-type: none"> <li>- ITD Madagascar provided consultancy service for coal mining project of PAM SAKOA COAL SA in Madagascar. (Provision for loses in the amount of Baht 62.45 million)</li> <li>- Advance payment for Import duty of Machinery and expenses for Mining Coal Project. (Provision for loses in the amount of Baht 15.88 million)</li> </ul>	<ul style="list-style-type: none"> <li>- Ordinary business support transaction</li> <li>- The service fee was in accordance with the market-based pricing and on arm's length basis by similarity to any transactions done with other third parties.</li> <li>- Providing or receiving financial assistance transaction</li> <li>- The amount was the import fee on behalf of the project owner (PAMS) to ITD Madagascar and in a precess of TAX benefits approval. Once the Government issued BOI to PAMS, PAMS would regain the paid-up tax and advance. Then, it would return the regained tax ITD Madagascar.</li> </ul>

Company	Description of Relations	Transactions	The Value of Transactions ending Dec 31, 2022 (Million Baht)	Details of Transactions	Necessity and Reasonableness of Connected Transactions
7. LNG Plus International Co., Ltd. Manufacture and distribution of electricity)	<ul style="list-style-type: none"> <li>- Related company</li> <li>- The Directors and the Managements of the Company (Mr.Premchai Karnasuta, Ms.Prachaya Karnasuta and Mr.Thoranis Karnasuta) hold 0.0008% of the total outstanding shares.</li> <li>- The Directors and the Managements of the Company (Mr.Premchai Karnasuta, Mr.Peeti Karnasuta, Ms.Prachaya Karnasuta and Mr.Thoranis Karnasuta) indirectly hold 60% of the total outstanding shares via 3B Holding Co., Ltd.</li> <li>- The Director and the Management of the Company (Mr.Thoranis Karnasuta and Ms.Prachaya Karnasuta) are the Directors of LNG Plus International Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>- Accounts payable</li> <li>- Accounts payable</li> </ul>	<p>4.62</p> <p>20.00</p>	<ul style="list-style-type: none"> <li>- The Company purchased Electricity for Dawei Industrial Estate Project.</li> <li>- The Compensation for Dawei Project contract breach with 30-60 days of credit term.</li> </ul>	<ul style="list-style-type: none"> <li>- The transaction price was based on Take or Pay Agreement.</li> </ul>
8. Construction Concrete Co., Ltd. (Concrete Trading)	<ul style="list-style-type: none"> <li>- Related company</li> <li>- The Director of the Company (Mr.Peeti Karnasuta) holds 99.99% of the total outstanding shares</li> <li>- The Director of the Company (Mr.Peeti Karnasuta) is the Director of Construction Concrete Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>- Cost of construction service</li> <li>- Accounts payable</li> <li>- Revenue from sale</li> <li>- Accounts receivable</li> </ul>	<p>64.35</p> <p>68.85</p> <p>34.62</p> <p>37.05</p>	<ul style="list-style-type: none"> <li>- The Company purchased concrete from Construction Concrete Co., Ltd.</li> <li>- The Company sold 3/4" stone to Construction Concrete Co., Ltd. with 30-60 days of credit term.</li> </ul>	<ul style="list-style-type: none"> <li>- Ordinary business transaction</li> <li>- The transaction price was in accordance with the market-based pricing and on arm's length basis that the Company does with other third parties.</li> <li>- Ordinary business transaction</li> <li>- The transaction price was in accordance with the market-based pricing and on arm's length basis that the Company does with other third parties.</li> </ul>
<u>Transaction with Subsidiaries</u>					
- Thai Pride Cement Co., Ltd. (Manufacture and distribution of cement)		<ul style="list-style-type: none"> <li>- Revenue from sale</li> <li>- Accounts receivable</li> </ul>	<p>13.23</p> <p>28.84</p>	<ul style="list-style-type: none"> <li>- Thai Pride Cement Co., Ltd. sold cement powder to Construction Concrete Co., Ltd. with 30-60 days of credit term.</li> </ul>	<ul style="list-style-type: none"> <li>- Ordinary business transaction</li> <li>- The transaction price was in accordance with the market-based pricing and on arm's length basis that Thai Pride Cement Co., Ltd. does with other third parties.</li> </ul>
9. Charoong Thai Wire and Cable Public Co., Ltd. (CTW) (Wire and Cable Manufacture and Distributor)	<ul style="list-style-type: none"> <li>- Related company</li> <li>- The Company holds 12.90% of the total outstanding shares</li> <li>- The Directors of the Company (Mr.Premchai Karnasuta, Mrs.Nijaporn Charanachitta and Mr.Sai Wah Simon Suen) are the Directors of Charoong Thai Wire and Cable Public Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>- Cost of construction service</li> <li>- Accounts payable</li> </ul>	<p>165.46</p> <p>213.91</p>	<ul style="list-style-type: none"> <li>- The Company purchased material from Charoong Thai Wire and Cable Public Co., Ltd. with 30-60 days of credit term.</li> </ul>	<ul style="list-style-type: none"> <li>- Ordinary business transaction</li> <li>- The transaction price was in accordance with the market-based pricing and on arm's length basis that the Company does with other third parties.</li> </ul>

Company	Description of Relations	Transactions	The Value of Transactions ending Dec 31, 2022 (Million Baht)	Details of Transactions	Necessity and Reasonableness of Connected Transactions
10. Nishi-O Rent All (Thailand) Co., Ltd. (Machine rental for construction) (Former name: Thai Rent All Co., Ltd.)	<ul style="list-style-type: none"> <li>- Related company</li> <li>- The Company holds 15% of the total outstanding shares.</li> <li>- The Directors of the Company (Mrs.Nijaporn Charanachitta and Mr.Thoranis Karnasuta) are the Directors of Nishi-O Rent All (Thailand) Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>- Cost of construction service</li> <li>- Accounts payable</li> <li>- Other revenue</li> </ul>	76.55 153.42  6.6	<ul style="list-style-type: none"> <li>- The Company rented the machines from Nishi-O Rent All (Thailand) Co., Ltd. with 30-60 days of credit term.</li> <li>- Nishi-O Rent All (Thailand) Co., Ltd. rented the land from Thai Maruken Co., Ltd. with 3-year contract (End at September 30, 2023), and 30-60 days of credit term.</li> </ul>	<ul style="list-style-type: none"> <li>- Ordinary business support transaction</li> <li>- The transaction price was in accordance with the market-based pricing and on arm's length basis by similarity to any transactions done with other third parties.</li> <li>- Ordinary business support transaction</li> <li>- The transaction price was in accordance with the market-based pricing and on arm's length basis by similarity to any transactions done with other third parties.</li> </ul>
<u>Transaction with Subsidiaries</u>					
<ul style="list-style-type: none"> <li>- Thai Maruken Co., Ltd. (Foundation and Piling Services)</li> <li>- ITD-VCB Joint Venture</li> </ul>		<ul style="list-style-type: none"> <li>- Cost of construction Service</li> <li>- Accounts payable</li> </ul>	6.11 3.22	<ul style="list-style-type: none"> <li>- ITD-VCB Joint Venture rented the machines from Nishi-O Rent All (Thailand) Co., Ltd. with 30-60 days of credit term.</li> </ul>	<ul style="list-style-type: none"> <li>- Ordinary business transaction</li> <li>- The transaction price was in accordance with the market-based pricing and on arm's length basis by similarity to any transactions done with other third parties.</li> </ul>
11. C.P.K. Plantation Co., Ltd (Temperate Produce Producer and Distributor)	<ul style="list-style-type: none"> <li>- Related company</li> <li>- The Directors of the Company (Mr.Premchai Karnasuta, Mrs.Nijaporn Charanachitta, Mr.Peeti Karnasuta, and Mr.Thoranis Karnasuta) and related persons hold 48.75% of the total outstanding shares.</li> <li>- The Directors of the Company (Mr.Premchai Karnasuta, and Mrs.Nijaporn Charanachitta) are the Directors of C.P.K. Plantation Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>- Service cost</li> <li>- Accounts payable</li> </ul>	4.51 4.34	<ul style="list-style-type: none"> <li>- The Company purchased merchandises from C.P.K. Plantation Co., Ltd. as new year gifts for customers with 30-60 days of credit term.</li> </ul>	<ul style="list-style-type: none"> <li>- Ordinary business support transaction</li> <li>- The transaction price was in accordance with the market-based pricing and on arm's length basis by similarity to any transactions done with other third parties.</li> </ul>
12. Ozo Pattaya Co., Ltd. (Hotel and Resort)	<ul style="list-style-type: none"> <li>- Related company</li> <li>- The Director of the Company (Mrs.Nijaporn Charanachitta) and related persons hold 0.02% of the total outstanding shares.</li> <li>- The Directors of the Company (Mr.Premchai Karnasuta and Mrs.Nijaporn Charanachitta) and related persons indirectly hold 89.21% of the total outstanding shares of via Sak Di Sin Prasit Co., Ltd. and ItalThai Real Estate Co., Ltd.</li> <li>- The Director of the Company (Mrs.Nijaporn Charanachitta) is the Director of Ozo Pattaya Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>- Accounts receivable</li> </ul>	4.67	<ul style="list-style-type: none"> <li>- The Company provided construction service to Ozo Pattaya hotel with 30-60 days of credit term.</li> </ul>	<ul style="list-style-type: none"> <li>- Ordinary business transaction</li> <li>- The transaction price was in accordance with the cost plus margin pricing and on arm's length basis by similarity to any transactions done with other third parties.</li> </ul>
13. Ms. Prachaya Karnasuta	<ul style="list-style-type: none"> <li>- Related person</li> <li>- The Management of the Company</li> </ul>	<ul style="list-style-type: none"> <li>- Accounts receivable</li> </ul>	10.48	<ul style="list-style-type: none"> <li>- The Company provided construction service to Ms. Prachaya Karnasuta's house with 30-60 days of credit term.</li> </ul>	<ul style="list-style-type: none"> <li>- Ordinary business transaction</li> <li>- The transaction price was in accordance with the cost plus margin pricing and on arm's length basis by similarity to any transactions done with other third parties.</li> </ul>

Company	Description of Relations	Transactions	The Value of Transactions ending Dec 31, 2022 (Million Baht)	Details of Transactions	Necessity and Reasonableness of Connected Transactions
14. Intrinsic Resources Co., Ltd. (Maritime transport)	<ul style="list-style-type: none"> <li>- Related company</li> <li>- The Director of the Company (Mr.Peeti Karnasuta) holds 99.99% of the total outstanding shares.</li> <li>- The Director of the Company (Mr.Peeti Karnasuta) is the Director of Intrinsic Resources Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>- Revenue from sale</li> <li>- Product cost</li> </ul>	<p>5.59</p> <p>8.34</p>	<ul style="list-style-type: none"> <li>- The Company sold 3/4" stone to Intrinsic Resources Co., Ltd. with 30-60 days of credit terms.</li> <li>- The Company purchased cement powder from Intrinsic Resources Co., Ltd. with 30-60 days of credit term.</li> </ul>	<ul style="list-style-type: none"> <li>- Ordinary business transaction</li> <li>- The transaction price was in accordance with the cost plus margin pricing and on arm's length basis by similarity to any transactions done with other third parties.</li> <li>- Ordinary business transaction</li> <li>- The transaction price was in accordance with the cost plus margin pricing and on arm's length basis by similarity to any transactions done with other third parties.</li> </ul>
15. Italthai Real Estate Co., Ltd. (Hotel and Resort)	<ul style="list-style-type: none"> <li>- Related company</li> <li>- The Directors of the Company (Mr.Premchai Karnasuta, and Mrs.Nijaporn Charanachitta) and related persons hold 27.60% of the total outstanding shares.</li> <li>- The Directors of the Company (Mrs.Nijaporn Charanachitta, and Mr.Thoranis Karnasuta) and related persons indirectly hold 72.10% of the total outstanding shares via Sak Di Sin Prasit Co., Ltd., and Amari Co., Ltd.</li> <li>- The Directors of the Company (Mrs.Nijaporn Charanachitta, and Mr.Thoranis Karnasuta) are the Director of Italthai Real Estate Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>- Revenue from construction</li> </ul>	<p>5.40</p>	<ul style="list-style-type: none"> <li>- Pier repiar and Amari Phuket hotel renovation with 30-60 days of credit term.</li> </ul>	<ul style="list-style-type: none"> <li>- Ordinary business transaction</li> <li>- The transaction price was in accordance with the cost plus margin pricing and on arm's length basis by similarity to any transactions done with other third parties.</li> </ul>
16. Asia Era One Co., Ltd. (Construction and Management of High Speed Rail) (Former name: Eastern High-Speed Rail Linking Three Airports Co., Ltd.)	<ul style="list-style-type: none"> <li>- Joint investment</li> <li>- The Director of the Company (Mr.Premchai Karnasuta) is the director of Asia Era One Co., Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>- Revenue from construction</li> <li>- Accounts receivable</li> <li>- Cost of construction service</li> <li>- Accounts payable</li> </ul>	<p>2891.11</p> <p>1926.90</p> <p>9.01</p> <p>9.01</p>	<ul style="list-style-type: none"> <li>- Asia Era One Co., Ltd. provided construction service for Early Works</li> <li>- Agreement relating to Civil Works forming part of the EPC contract for the High-Speed Rail Linking 3 Airports Project in Thailand with 60 days of credit term.</li> <li>- Asia Era One Co., Ltd. paid insurance premium in advance for Early Works Agreement Project and then withdrew the money from the Company later.</li> </ul>	<ul style="list-style-type: none"> <li>- Ordinary business transaction</li> <li>- The transaction price was in accordance with the cost plus margin pricing and on arm's length basis by similarity to any transactions done with other third parties.</li> <li>- Ordinary business transaction</li> <li>- The transaction price was in accordance with the cost plus margin pricing and on arm's length basis by similarity to any transactions done with other third parties.</li> </ul>

## Section 3: Financial Statement

### 9. Summary of Financial Information and Financial Ration

#### (1) Financial Statements

	Unit	2022		2021		2020	
		Consolidated F/S	Separate F/S	Consolidated F/S	Separate F/S	Consolidated F/S	Separate F/S
Total Assets	Million Baht	115,857	89,476	113,238	90,220	107,873	87,648
Total Liabilities	Million Baht	104,846	80,959	97,015	77,944	92,429	74,942
Share Capital - Issued and Fully Paid-Up	Million Baht	5,280	5,280	5,280	5,280	5,280	5,280
Shareholders' Equity	Million Baht	11,011	8,517	16,223	12,276	15,444	12,706
Total Turnovers (Total Revenues)*	Million Baht	68,045	40,504	60,152	39,386	55,390	39,881
Revenues from Construction Works, Sales and Services	Million Baht	67,074	40,032	58,742	38,460	53,968	39,040
Gross Profit (Loss)	Million Baht	2,566	(448)	5,015	2,522	4,144	2,472
Total Expenses - net	Million Baht	72,521	44,126	60,058	39,968	56,518	40,833
Profit (Loss) after Tax	Million Baht	(4,476)	(3,623)	94	(582)	(1,127)	(952)
Profit (Loss) for the Year Attributable to Shareholders of the Company	Million Baht	(4,759)	(3,623)	(156)	(582)	(1,104)	(952)
EBITDA	Million Baht	4,424	2,618	7,939	4,801	5,903	3,655
Par Value	Baht	1	1	1	1	1	1

#### (2) Financial Ratios and Results of Operation of the Company and Its Affiliates by SET's Guideline

	Unit	2022		2021		2020	
		Consolidated F/S	Separate F/S	Consolidated F/S	Separate F/S	Consolidated F/S	Separate F/S
Current Ratio							
Current Ratio	Times	0.81	0.71	0.81	0.73	0.84	0.78
Quick Ratio	Times	0.25	0.26	0.25	0.26	0.28	0.30
A/R Turnover	Times	5.09	3.01	4.76	3.03	3.71	2.69
Collection Period	Days	71.67	121.44	76.76	120.50	98.44	135.54
Inventory Turnover	Times	13.56	19.62	12.75	17.16	11.24	14.38
Return on Sales	Days	26.92	18.60	28.62	21.27	32.46	25.38
A/P Turnover	Times	2.52	2.02	2.42	1.99	2.43	2.12
Payment Period	Days	144.62	181.02	151.12	183.04	150.01	172.23
Cash Cycle	Days	(46.03)	(40.97)	(45.74)	(41.27)	(19.11)	(11.31)
Profitability Ratio							
Gross Profit	%	3.83	(1.12)	8.54	6.56	7.68	6.33
Net Profit**	%	(6.99)	(8.94)	(0.26)	(1.48)	(1.99)	(2.39)
Return on Equity	%	(44.24)	(34.85)	(1.18)	(4.66)	(8.05)	(7.21)
Efficiency Ratio							
Return on Assets	%	(1.11)	(1.71)	2.96	1.85	1.69	1.19
Return on Fixed Assets	%	160.74	250.48	141.71	235.20	130.04	232.81
Assets Turnover	Times	0.59	0.45	0.54	0.44	0.52	0.46
Financial Ratio Analysis							
Debt to Equity	Times	12.91	9.51	7.24	6.35	7.10	5.90
Interest Coverage	Times	(0.54)	(0.90)	1.32	0.90	0.72	0.58
Dividend Payout Ratio	%	0.00	0.00	0.00	0.00	0.00	0.00
Debt to Equity (Under Terms and Conditions of Bond Issuer and Bond Holders)***	Times	2.97	3.37	2.34	2.82	2.41	2.66

	Unit	2022		2021		2020	
		Consolidated F/S	Separate F/S	Consolidated F/S	Separate F/S	Consolidated F/S	Separate F/S
Data per Share and Growth Ratio of Business							
Growth Ratio							
Total Assets	%	2.31	(0.82)	4.97	2.93	2.65	2.30
Total Liabilities	%	8.07	3.87	4.96	4.01	4.90	4.09
Revenues from Construction Works, Sales and Services	%	14.18	4.09	8.85	(1.48)	(13.26)	(13.01)
Costs of Construction Works, Sales and Services	%	20.06	12.64	7.83	(1.72)	(10.55)	(10.93)
Profit for the Year Attributable to Shareholders of the Company	%	(2,958.01)	(522.85)	85.91	38.88	(187.82)	(1,975.29)
Data per Share							
Book Value	Baht	1.54	1.61	2.54	2.32	2.47	2.41
EPS	Baht	(0.90)	(0.69)	(0.03)	(0.11)	(0.21)	(0.18)
Dividend per Share	Baht	0.00	0.00	0.00	0.00	0.00	0.00

**(3) Key Financial Ratio from the Announcements of Capital Market Supervisory Board**

	Unit	2022		2021		2020	
		Consolidated F/S	Separate F/S	Consolidated F/S	Separate F/S	Consolidated F/S	Separate F/S
1) Current Ratio	Times	<b>0.81</b>	<b>0.71</b>	0.81	0.73	0.84	0.78
2) Interest Coverage Ratio	Times	<b>1.77</b>	<b>1.43</b>	3.10	2.55	2.33	2.05
3) Interest Bearing Debts to EBITDA	Times	<b>10.34</b>	<b>14.52</b>	6.07	8.58	8.22	11.39
4) Debt Services Coverage Ratio	Times	<b>0.16</b>	<b>0.11</b>	0.25	0.17	0.22	0.15
5) Debt to Equity Ratio	Times	<b>9.52</b>	<b>9.51</b>	5.98	6.35	5.98	5.90
6) Interest Bearing Debts to Total Equity Ratio	Times	<b>4.15</b>	<b>4.46</b>	2.97	3.35	3.14	3.28
7) Current Portion of Interest Bearing Debts to Total Interest Bearing Debts Ratio	%	<b>60.23</b>	<b>62.71</b>	64.71	66.69	55.43	56.88
8) Loans from Financial Institution to Interest Bearing Debts Ratio	%	<b>63.19</b>	<b>56.92</b>	64.27	59.21	64.16	59.01

Note:

\* Summation of revenues and gain from operation only

\*\* Calculated on Profit (Loss) for the Year Attributable to Shareholders of the Company / Total Revenues

\*\*\* The Debt to Equity was calculated base on the definition in terms and conditions and in the approval by Bond Holders meeting.

---

## 10. The Board of Director's Report on their Responsibilities for Financial Reports for the Year 2022

The Financial Statements of Italian-Thai Development Public Company Limited and its subsidiaries have been prepared in accordance with the policy of the Board of Directors which requires compliance with generally accepted accounting principles and careful book-keeping to reflect the accurate performance of the Company.

The Board of Directors stresses the importance of substantial information and significant disclosure with sufficient information and explanation in condensed notes and in the Management Discussion and Analysis (MD&A) for the optimum benefit of shareholders and investors.

The Board of Directors recognizes the importance of the Financial Statements by auditing the input financial data. In this regard, the Board of Directors has appointed the Audit Committee comprising independent and non-executive members of the Board to oversee the quality of financial reports. Their opinion is shown in the Report of Audit Committee disclosed in the Annual Report.

Based on the management structure and internal audit system as mentioned above, as well as the Audit Report prepared by the Certified Public Auditor, the Board of Directors is convinced that the Financial Statements for the Company and its subsidiaries as of December 31, 2022 reasonably represent an accurate statement of the financial status, business performance and cash flow of the Company in accordance with generally accepted accounting principles.



(Mrs. Nijaporn Charanachitta)  
Director and Senior Executive Vice President



(Mr. Thoranis Karnasuta)  
Executive Vice President and Acting President



---

## 11. Financial Statements

Independent Auditors' Report and Consolidated Financial Statements of  
**Italian-Thai Development Public Company Limited and Its Subsidiaries**  
For the Year Ended 31 December 2022

## INDEPENDENT AUDITOR'S REPORT

### To the Shareholders of Italian-Thai Development Public Company Limited

#### Qualified Opinion

I have audited the consolidated and separate financial statements of Italian-Thai Development Public Company Limited and its subsidiaries (the "Group"), which comprise the consolidated and separate statement of financial position as at 31 December 2022, the consolidated and separate statements of profit and loss and other comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, except for the possible effects of the matters described under the Basis for Qualified Opinion paragraph, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated financial position of Italian-Thai Development Public Company Limited and its subsidiaries as at 31 December 2022, and its consolidated and separate financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

#### Basis for Qualified Opinion

The basis for my qualified opinion are as follows:

- As discussed in Note 24 to the financial statements, the consolidated and separate financial statement as at 31 December 2022 include the development costs for concession right – Dawei Project totaling Baht 7,851.29 million and Baht 5,205.96 million, respectively. Such amounts represent project costs for developing the industrial estate and related infrastructure and utilities in the Dawei Special Economic Zone ("DSEZ") for the acquisition of concession right. In the year 2010, the Company was granted the right to develop such project by the government of the Republic of the Union of Myanmar whereby the project is managed by Dawei Special Economic Zone Management Committee, ("DSEZ MC"). The Company has also invested in such project through its local subsidiary which was established for investments in the group of indirect subsidiaries in the Republic of the Union of Myanmar, that jointly with the group of investors ("The Group of Concessionaires") obtained concessions and rights to develop Dawei Special Economic Zone Initial Phase ("DSEZ Initial Phase") for the industrial estate of 27 square kilometers and related infrastructure and utilities for 8 concession projects. The Company has investment in subsidiary and long-term loan to the group of subsidiaries to invest in the development of such project totaling Baht 2,476.27 million and Baht 105.34 million, respectively, in the separate financial statement.

The Group had started the development in the project areas since the year 2010. Subsequently in the year 2013, such project has been supported from the Governments of Thailand and the Republic of the Union of Myanmar who established the Special Purpose Vehicle (Dawei SEZ Development Company Limited "SPV") to mutually promote the project and determine the development project policy. SPV considered that the Company has the right to reimburse the costs previously incurred by the Group from new investors of each project in accordance to the results of Due Diligence assessment under the Tripartite Memorandum or else to obtain the right to develop additional industrial estate land (Land Right Option) and for the development and management of DSEZ Initial Phase under the Supplemental Memorandum of Understanding to the Tripartite Memorandum as mutually agreed among DSEZ MC, SPV and the Company.

However, on the 30 December 2020, the Concessionaires who obtained concessions rights of the DSEZ Initial Phase received the Notice of Termination for all concession agreements of the DSEZ Initial Phase from the DSEZ MC claiming that the Concessionaires had breached the conditions of the concession agreement relevant to the payment of annual concession fee and the conditions of the concession agreement for the Initial Industrial Estate and Two-lane Road connecting the Dawei Special Economy Zone and the Thai-Myanmar border which additionally determined by the DSEZ MC. This requires the Concessionaires to enforce Italian-Thai Development Public Company Limited to sign the document releasing the Group's right to reimburse the previous investments under the Tripartite Memorandum. In order to protect the right with regard to the reimbursement of investment cost mentioned in the aforementioned memorandum, on 19 January 2021, the Concessionaires sent the notice to elucidate the reason for cancellation of agreement to the DSEZ MC disputing that the additional conditions do not form part of the conditions mutually agreed by the Concessionaires but merely came from the judgement of the DSEZ MC only. The Concessionaires proposed a discussion on this matter to DSEZ MC and awaiting the response for discussion from such entity.

As above mentioned, although the right for the reimbursement of the Group's previous investment for development of Industrial Estate and related infrastructure and utilities in the DSEZ is still in compliance with the Tripartite Memorandum, the reimbursement amount depends on the Due Diligence report, for which the Company does not have the right to access such report. In addition, it depends on the progress of the development of the DSEZ (Full Phase), which was supported by the government of Thailand and Republic of the Union of Myanmar to promote others concession projects in the future as well as the investment from new investors who are interested in each concession project. The Group's management is unable to assess the potential impact (if any) on the realizable value of the development costs for concession right – Dawei Project whether they will be higher or lower than the amounts recorded by the Group in the financial statements. In addition, the impact from the Notice of Termination for all concession agreements of the DSEZ Initial Phase is in the process of negotiation with the DSEZ MC which has not been concluded. Moreover, the current political and economic situation in the Republic of the Union of Myanmar is uncertain that may affect the development of such projects of the Group in the future. Therefore, I am unable to assess the potential impact (if any) on the balance of the development costs for the concession right - Dawei Project in the consolidated and separate financial statements and the valuation of investment in subsidiary and long-term loans to the group of subsidiaries in the separate financial statements. I am also unable to consider the effect it may have on the consolidated and separate financial statements caused by the uncertainty and the limitation on situation above.

- As discussed in Note 16.3 to the interim financial statements, the consolidated statement of financial position as at 31 December 2022 included an investment in a joint venture accounted for by the equity method of Baht 179.33 million. Such amount was based on the financial information of a joint venture as of 30 September 2019 which was reviewed by the joint venture's auditor. The joint venture's management was unable to prepare the up-to-date financial information since the joint venture and the employer had dispute regarding the termination of construction contract. Even though DAB has decided that the employer is entitled to the payments with respect to the works completed by the joint venture and the damages from termination of contract. The Company's management is unable to assess the potential impact (if any). I am unable to assess the potential impact that may need to be adjusted for the profit or loss in the accounts of the joint venture and also impact to the investment and share profit or loss accounted for by equity method in the consolidated financial statements.
- As discussed in Note 9 to the financial statements, the consolidated and separate statement of financial position as at 31 December 2022 included trade accounts receivable from a State Enterprise for a construction project of Baht 1,125.79 million for which the construction work was completed in September 2019 which was after the key completion dates (Key Date) and the ended date as stipulated in construction contract. The Company has negotiated to get the deducted construction receivable from the employer who claimed the Company to pay for the penalty of project delay. The Company has argument with the extended number of days initial approved by the employer and such argument is in the consideration process of the employee's committee. During the year, the Company filed the indictment to the Central Administrative Court requesting the employer to defray the penalty and interest to the Company and the Court accepted it and it is in the court hearings. In addition, the employer's representative has considered the project consultant's opinion letter and agreed with the project consultant's suggestion that the employer considered the date deviating from the appropriate and fair principle. However, the employer has not concluded the matter. The Company's management is unable to assess the impact of such matters, which depends on the events that cannot presently be concluded. I am unable to assess the potential impact (if any) to such outstanding accounts receivable in the consolidated and separate financial statements.

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated and separate 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 consolidated and separate 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.

## Emphasis of Matter

Without changing my qualified opinion, I draw attention to the following information:

- 1) As discussed in Notes 16.2, 25 and 26 to the financial statements, the Group has significant investments in projects with Thailand and overseas Government Agencies which projects are under development stages, whereby the future development to meet the milestone of such projects are dependent upon various circumstance and factors. The investments in the significant projects included in the consolidated and separate financial statements as of 31 December 2022 are as follows:
  - As discussed in Note 16.2 to the financial statements, the Company has investment in bauxite mining, and the construction of Alumina Production Plant Project. Such investment was made through an associated company which was established in Lao People's Democratic Republic. The Company has investment in an associated company which is for investing in such project including trade account receivable, retention receivable and loan to associated company totalling of Baht 1,202.32 million. This associated company has obtained the concession right for bauxite mining from the Government of Lao People's Democratic Republic and has been in consideration process for approval of the Environmental and Social Impact Assessment (ESIA) Certificate from the authority entity in order to start the construction of alumina production plant.
  - As discussed in Note 25 to the financial statements, the subsidiary company had submitted to request for the concession right for potash mining in 2004 and has obtained such concession right on 23 September 2022. To operate the mining business, the subsidiary company must comply with the conditions relating to issuing the concession right and other relevant law. To comply with those conditions, it requires significant financing. The subsidiary company has costs of potash mining right of Baht 2,293.49 million and deferred exploration and development cost totalling Baht 2,760.08 million. The Company's management believes that the subsidiary company is able to comply with the determined conditions, to operate mining business as planned and has no impairment of such investment.
  - As discussed in Note 26 to the financial statements, the consolidated and separate financial statements included deferred concession costs and costs of project under development in the Republic of Mozambique of Baht 2,480.00 million and Baht 2,115.43 million, respectively. Such amounts represent costs for the concession right and development costs for construction of a Heavy Haul Railway Lines and construction of a Deep-Sea Port. The Company has invested in such project through an overseas subsidiary which was granted the concession right from the Government of the Republic of Mozambique and established another overseas subsidiary to provide construction services for such project. The Company has investment and long-term loan to such group subsidiaries for the project development totalling Baht 58.16 million and Baht 429.28 million, respectively. The progress of such project under development is dependent on finding the strategic partner in the future which interested partners are currently studying the feasibility of the project for their investing as well as the approval for the project finance from the financial institution since the project requires significant amount of investment for the development of such project.
- 2) As discussed in Note 11.1 to the financial statements, the consolidated financial statements as at 31 December 2022 include the Company's earned revenues not yet billed of Baht 246.85 million which present variation orders claims for a construction project with a State Enterprise of an overseas joint venture between the Company and an overseas subsidiary. The joint venture has completed the construction work and received the Taking Over Certificate from the employer in the year 2019 and Performance Certificate in the year 2020. Later, in June 2021, the employer made the partial payment for the construction work to the joint venture. The joint venture is currently under the negotiation with the employer to claim the remaining construction work through the Arbitration process. However, the joint venture's management has assessed the realization based on information from the legal opinion of an independent counsel and believes that it will get the full payment from the employer. The recoverability of such earned revenues not yet billed is dependent on the outcome from the negotiation with the employer through the Arbitration process.

## Key Audit Matters

Key audit matters are those matters that, in my professional judgment, are of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. In addition to the matters described in the Basis for Qualified Opinion section, I have determined the matters described below to be the key audit matters to be communicated in my report.

Key audit matters	How the matter was addressed in the audit
<p><b>Revenue recognition for construction contract</b></p> <p>The Group and the Company have revenues from construction services for the year ended 31 December 2022 of Baht 59,293.59 million and Baht 36,476.13 million, respectively. Revenue recognition for construction services requires significant judgment and assumption to assess the appropriateness of the estimation of transaction relating to the revenue recognition in each contract and impact to the accounting transactions related to the construction contract, including earned revenues not yet billed net of Baht 25,608.66 million and Baht 19,536.54 million, respectively, receipts in excess of contracted work in progress of Baht 3,669.05 million and Baht 341.79 million, respectively.</p> <p>Revenues from construction services of the Group are recognized over time by measuring the progress of construction work by contract, by the percentage of cumulative costs incurred with total costs budget estimation until the completion of the project. The estimation of costs budget, including the provision for loss on construction project, requires significant judgment of the management which continuous reviewed throughout the construction periods and the estimates need to be adjusted as necessary. In addition, the revenues from contract modification which have not yet been determined for the corresponding change in price requires significant judgment of the management to assess the probable of the Group will be entitled of the consideration amount and estimates the change to transaction prices and amounts which the Group will be entitled to receive.</p> <p>The Group and the Company disclosed accounting policies relating to revenue recognition, detail of revenues from construction services and balance of accounting transactions relating to revenue recognition in Notes 4, 11 and 46 to financial statements.</p>	<p>My audit procedures are summarized below:</p> <ul style="list-style-type: none"> <li>- Obtained an understanding the process and internal controls for the preparation of reports and budgets estimation used for the determination of the percentages of completion of construction projects of the Group and the Company.</li> <li>- Sampling tested cost budgets estimation for construction projects by making inquiry of responsible executives and assessed the appropriateness of estimation.</li> <li>- Tested and assessed the reasonableness of changes in estimated costs during the year.</li> <li>- Sampling verified the actual costs with supporting documents and assessed the reasonableness of estimated costs to complete the construction for evaluate the possible losses on the construction projects.</li> <li>- Compared gross profit from the start of projects up to date to evaluate and assess the appropriateness of estimated costs.</li> <li>- Sampling tested contracts with changed orders during the year with supporting documents and assessed the reasonableness of consideration which the Group and the Company will be entitled to receive from the contract modification which prices have not yet been fixed.</li> <li>- Tested the bills for payment from client during the year with construction contracts and client' acceptance documents to determine the appropriateness of earned revenues not yet billed and receipts in excess of contracted work in progress.</li> <li>- Sampling visited sites for significant projects to obtain understanding of the progress of projects work by discussion with responsible engineers and compared the percentages of physical completion of construction as determined by engineers with percentages of completion based on accounting method to ensure that the revenues and costs recognition are made correspondingly.</li> <li>- Assessed the adequacy of the Group's and the Company's disclosure for revenues from construction service recognition.</li> </ul>

Key audit matters	How the matter was addressed in the audit
<p><b>Impairment loss of trade and other accounts receivable</b></p> <p>As at 31 December 2022, the Group and the Company have trade and others accounts receivable net of allowance for impairment loss of Baht 13,820.84 million and Baht 13,712.45 million, respectively. The Group and the Company have allowance for impairment loss of Baht 1,639.70 million and Baht 787.48 million, respectively.</p> <p>The estimation of allowance for impairment loss to reflect realizable of trade and other receivables that may result from non-collection including the expected credit loss. Management is required to use judgment to assess the appropriateness of estimation and assumption, including the probability for collection based on circumstances including the consideration for the significant increase in credit risk from initial recognition, except for the matters discussed under the basis for qualified opinion.</p> <p>The Group and the Company disclosed balance of trade accounts receivable and other receivable in Notes 9 and 10 to financial statements.</p>	<p>My audit procedures are summarized below:</p> <ul style="list-style-type: none"> <li>- Obtained an understanding of the internal controls related to procedures for the assessment of recoverable amount from the collection of trade and other accounts receivable including the process to consider the expected credit loss to determine the appropriateness of management estimates for the realization.</li> <li>- Reviewed the aging of receivables that have been long outstanding and developed expectation of allowance for impairment loss based on the circumstances for comparison with the allowance for impairment loss recognized by the Group and the Company. Considered the reason for the differences and the appropriateness of allowance for impairment loss.</li> <li>- Assessed the realizable values of receivables including subsequent collection testing together with the assessment of the cash flows projection of debtors to assess their ability to settle their accounts in the future.</li> <li>- Assessed the adequacy of the Group's and the Company's disclosure for trade accounts receivable and allowance for impairment loss.</li> </ul>
<p><b>Investments in subsidiaries and goodwill, investments in associated and joint control companies</b></p> <p>Investment in subsidiaries and goodwill</p> <p>As at 31 December 2022, the Company has investments in subsidiaries net of allowance for impairment of investment of Baht 11,690.86 million. The Company has allowance for impairment of investment of Baht 4,531.93 million. In addition, the Company has goodwill of Baht 854.65 million which arose from the acquisition of investments in Potash mining, cement business in Thailand and construction business in India.</p> <p>Investment in associated and joint control companies</p> <p>As at 31 December 2022, the Group and the Company have investments associated and joint control companies accounted by the equity method in the consolidated financial statements totaling of Baht 1,877.25 million, which has been recorded at cost of Baht 3,766.31 million in the separate financial statements</p> <p>In consideration of the recoverable amount of investments in subsidiaries, associated and joint control companies, including the impairment test of goodwill, management is required to use highly judgment for the assessment of appropriate estimates and significant assumptions relating to the subsidiaries and associated and joint control companies' ability to operate profitably, including their future cash flows projection and expenses from the continuing operations of such businesses and the use of the appropriate discount rate to discount cash flows projection used for the calculation of recoverable amount.</p> <p>The Group and the Company disclosed accounting policies and detail of investments in subsidiaries, associated and joint control companies and goodwill in Notes 4, 16 and 23 to financial statements.</p>	<p>My audit procedures are summarized below:</p> <ul style="list-style-type: none"> <li>- Obtained an understanding of the process for assessment of recoverable amounts of investments in subsidiaries, associated companies and group of business units.</li> <li>- Considered the indication of impairment for investments in subsidiaries, associated companies, and goodwill of each business unit.</li> <li>- Considered the reasonableness of management's assumptions and procedures for calculation of cash flow projections including the tests of documents supporting the best estimates of management, especially the projected growth in revenues, gross margins and operating net income of subsidiaries and business units.</li> <li>- Tested the calculation and assess the appropriateness of discount rates used by management for the recoverable amounts from investments in subsidiaries and goodwill.</li> <li>- Assessed the appropriateness of the management estimates by reviewing the actual operating results to the estimates in the prior year.</li> <li>- Considered the key drivers as the sensitivity analysis and the impact to recoverable amounts of investments in subsidiaries, and goodwill.</li> <li>- Considered the recoverable amounts of investments in projects under development which the Company invested through the associated and joint control companies by assessing project feasibility study and other environment factors.</li> <li>- Considered the adequacy of the Group's and the Company's disclosures for investment in subsidiaries and goodwill, investments in associated and joint control companies.</li> </ul>

Key audit matters	How the matter was addressed in the audit
<p><b>Investments in projects under development</b></p> <p>The Group and the Company have significant investments in projects with Thailand and overseas Government Agencies which are in stages of project development. The total amount of the significant investments in the consolidated and separate financial statements as of 31 December 2022 are as follows:</p> <ul style="list-style-type: none"> <li>• Development costs for concession right - Dawei project of Baht 7,851.29 million and Baht 5,205.96 million, respectively.</li> <li>• Potash mining right of Baht 2,293.49 million and deferred exploration and development costs of Baht 2,760.08 million.</li> <li>• Deferred concession costs and costs of project under development in Mozambique of Baht 2,480.00 million and Baht 2,115.43 million, respectively.</li> </ul> <p>The assessment of the realizable value of the investments in such projects, requires management high judgment about the future project feasibility, forecasted cash flows and expenses from operations in such projects, except for the matters discussed under the basis for qualified opinion.</p> <p>The details of the investments in project under development are disclosed in Notes 24, 25 and 26 to the financial statements.</p>	<p>My audit procedures are summarized below:</p> <ul style="list-style-type: none"> <li>- Obtained an understanding of the process for assessment of recoverable amounts of projects which the Group and the Company have invested.</li> <li>- Considered the feasibility of projects and assessed the progress of the projects in various sides which the Group's and the Company's executive management have periodically discussed with the project owners and Government Agencies along with the review of supporting evidence.</li> <li>- Considered the reasonableness of management's assumptions and procedures used for calculation of cash flows projection including the review of documents supporting the best estimates of management, especially the projected revenues, gross margins and operating profits from the projects which the Group and the Company invested.</li> <li>- Considered the adequacy of the Group's and the Company's disclosures for investments in projects under development.</li> </ul>

#### 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 consolidated and separate 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 consolidated and separate 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 consolidated and separate 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 consolidated and separate 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 and revised a material misstatement.

However, as described under the Basis for Qualified Opinion section with respect to the potential impact from the matters which cannot be concluded regarding to the realizable value of the development costs for concession right – Dawei Project, the realizable value of trade accounts receivable – Joint Venture, the investment value and relevant accounting transactions for the equity method of the joint venture and the realizable value of trade accounts receivable from a State Enterprise, my opinion is qualified. Therefore, should the management prepare other information based on financial statements that is different from such fact, other information will be materially misstated with respect to the value and other information in annual report which will impact from such matters.



## Responsibilities of Management and Those Charged with Governance for the preparation of the Consolidate Financial Statements and Separate Financial Statements

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

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, 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 financial reporting process.

## Auditor's Responsibilities for the Audit of the Consolidate Financial Statements and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated 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 and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 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 and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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



I also provide those charged with governance with a statement that I 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 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.



**Miss Kanyanat Sriratchatchaval**

Certified Public Accountant

Registration No. 6549

Grant Thornton Limited

Bangkok

28 February 2023

## STATEMENTS OF FINANCIAL POSITION

ITALIAN - THAI DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
AS AT 31 DECEMBER

		(Unit : Thousand Baht)			
		Consolidated F/S		Separate F/S	
		2022	2021	2022	2021
	Notes				
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents		3,453,111	3,553,615	1,861,945	1,702,066
Restricted deposits with banks	15	405,330	309,579	-	65
Fixed deposits less than one year		605,150	810,990	-	-
Current portion of promissory notes receivable	8	50,000	50,000	50,000	50,000
Trade accounts receivable - unrelated parties	9	10,267,213	11,051,915	8,064,535	9,238,061
Trade and other receivable - related parties	10	3,553,628	1,466,899	5,647,919	3,688,729
Current portion of finance lease receivable - subsidiary	22.4	-	-	6,373	6,239
Contract assets - current	11	29,689,661	28,559,145	21,962,114	22,005,892
Short-term loans and advances to related parties	12	506,510	359,491	606,103	648,469
Inventories and work in process	13	5,010,583	4,503,578	1,954,735	2,171,608
Costs of property development projects	14	361,117	298,734	-	-
Income tax withheld at sources		1,832,386	1,501,119	798,484	745,732
Refundable value added tax		1,374,217	1,427,410	211,262	88,300
Advances for purchases of construction materials and to sub-contractors		1,679,588	1,382,810	826,561	923,884
Other current assets		798,941	716,276	467,394	298,767
<b>Total current assets</b>		<b>59,587,435</b>	<b>55,991,561</b>	<b>42,457,425</b>	<b>41,567,812</b>
<b>NON-CURRENT ASSETS</b>					
Restricted deposits with banks		561,804	569,209	561,804	569,209
Finance lease receivable - subsidiary	22.4	-	-	24,669	26,882
Promissory notes receivable	8	235,939	285,939	235,939	285,939
Contract assets - non - current	11	1,806,979	1,856,591	1,795,487	1,856,591
Investments in subsidiaries, associated and joint control companies and joint ventures	16	2,419,608	3,001,393	15,457,163	14,485,414
Other long-term investments	17	1,112,141	1,257,565	689,106	1,026,399
Long-term loans and advances to related parties	18	970,743	1,112,512	876,489	657,724
Land awaiting development	19	316,855	316,855	-	-
Investment properties	20	2,347,940	2,612,532	835,729	1,284,359
Advances for purchases of machinery		93,928	66,530	34,300	7,500
Property, plant and equipment	21	27,354,993	28,407,789	17,738,940	19,012,312
Right-of-use assets	22.1	1,729,786	2,454,501	1,158,785	1,854,884
Goodwill	23	854,649	860,167	-	-
Development costs for concession right - Dawei project	24	7,851,288	7,844,345	5,205,964	5,205,964
Potash mining right	25	2,293,489	2,293,489	-	-
Deferred exploration and development costs	25	2,760,076	955,682	-	-
Deferred concession costs and costs of project under development	26	2,479,999	2,422,239	2,115,432	2,074,899
Deferred tax assets	35	105,265	140,504	-	-
Other non-current assets		974,403	788,498	288,565	303,993
<b>Total non-current assets</b>		<b>56,269,885</b>	<b>57,246,340</b>	<b>47,018,372</b>	<b>48,652,069</b>
<b>TOTAL ASSETS</b>		<b>115,857,320</b>	<b>113,237,901</b>	<b>89,475,797</b>	<b>90,219,881</b>

The accompanying notes form an integral part of the financial statements.

## STATEMENTS OF FINANCIAL POSITION

ITALIAN - THAI DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
AS AT 31 DECEMBER

		(Unit : Thousand Baht)			
		Consolidated F/S		Separate F/S	
		2022	2021	2022	2021
Notes					
CURRENT LIABILITIES					
Bank overdrafts and short-term loans from financial institutions	27	6,419,015	7,255,513	4,092,974	4,560,619
Liabilities under trust receipts		3,127,776	2,749,862	3,012,105	2,749,862
Trade and other accounts payable - unrelated parties		24,469,663	21,263,657	17,436,560	15,826,098
Trade and other accounts payable - related parties	28	3,045,281	2,338,462	3,907,321	2,980,555
Contract liabilities - current	11	12,157,356	9,807,206	8,372,917	6,441,184
Short-term loans and advance from related parties	29	-	29,838	1,632,231	950,039
Current portion of lease liabilities	22.2	518,757	696,737	338,767	554,292
Current portion of long-term loans	30	12,936,634	14,060,347	11,813,146	13,160,908
Current portion of debentures	31	4,003,045	5,998,585	4,003,045	5,998,585
Current portion of liabilities payable as concession certificate	32	145,392	-	-	-
Current portion of other financial liabilities	22.3	708,052	569,810	655,691	519,201
Current portion of liabilities under employee benefits obligations	33	657,282	708,422	569,023	601,593
Income tax payable		539,271	567,194	273,017	364,322
Value added tax payable		304,824	260,885	257,582	204,320
Accrued expenses		1,368,755	960,812	851,851	500,863
Retentions payable		1,156,227	1,072,862	1,093,208	1,024,109
Reserve for project expense	37	618	51,260	618	50,770
Other current liabilities		1,577,010	1,031,118	1,199,384	754,215
Total current liabilities		73,134,958	69,422,570	59,509,440	57,241,535
NON-CURRENT LIABILITIES					
Contract liabilities - non-current	11	10,028,578	6,787,706	6,298,036	4,807,847
Other accounts payable - unrelated parties		-	1,188,081	-	1,188,081
Lease liabilities	22.2	953,242	1,037,599	325,861	428,309
Long-term loans	30	6,411,123	6,884,894	2,714,206	3,903,838
Debentures	31	10,389,395	8,416,954	10,389,395	8,416,954
Liabilities payable as concession certificate	32	969,898	-	-	-
Other financial liabilities	22.3	988,661	1,235,506	848,541	1,043,025
Employee benefits obligation	33	1,059,739	1,008,358	743,568	730,479
Deferred tax liabilities	35	802,643	833,174	120,071	184,215
Other non-current liabilities		108,160	200,089	9,825	-
Total non-current liabilities		31,711,439	27,592,361	21,449,503	20,702,748
TOTAL LIABILITIES		104,846,397	97,014,931	80,958,943	77,944,283
SHAREHOLDERS' EQUITY					
Share capital - ordinary share at Baht 1 par value					
Registered - 6,337,920,861 shares		6,337,921	6,337,921	6,337,921	6,337,921
Issued and fully paid-up - 5,279,868,944 shares		5,279,869	5,279,869	5,279,869	5,279,869
Share premium		8,547,757	8,547,757	8,547,757	8,547,757
Surplus on dilution of investment in subsidiary company		311,093	311,093	-	-
Retained earnings (deficit)					
Appropriated - legal reserve		39	529,293	529,293	502,693
Unappropriated			(5,422,463)	(5,223,318)	(1,607,648)
Other components of shareholders' equity			(602,742)	(590,147)	(447,073)
Total equity attributable to the Company's shareholders		8,119,299	13,394,877	8,516,854	12,275,598
Non-controlling interests		2,891,624	2,828,093	-	-
Total shareholders' equity		11,010,923	16,222,970	8,516,854	12,275,598
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		115,857,320	113,237,901	89,475,797	90,219,881

The accompanying notes form an integral part of the financial statements.

## STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

ITALIAN - THAI DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
FOR THE YEARS ENDED 31 DECEMBER

	Notes	(Unit : Thousand Baht)			
		Consolidated F/S		Separate F/S	
		2022	2021	2022	2021
Revenues from construction work		<b>59,293,587</b>	50,585,821	<b>36,476,131</b>	34,048,044
Revenues from sales and services		<b>7,780,381</b>	8,156,655	<b>3,555,942</b>	4,412,145
<b>Total revenues</b>	36, 46	<b>67,073,968</b>	58,742,476	<b>40,032,073</b>	38,460,189
<b>COSTS</b>					
Costs of construction work		<b>57,713,727</b>	47,281,792	<b>37,185,973</b>	32,572,885
Costs of sales and services		<b>6,793,838</b>	6,445,897	<b>3,293,717</b>	3,364,920
<b>Total costs</b>	36	<b>64,507,565</b>	53,727,689	<b>40,479,690</b>	35,937,805
<b>Gross profit (loss)</b>	46	<b>2,566,403</b>	5,014,787	<b>(447,617)</b>	2,522,384
Dividend income and share profit from joint ventures		<b>5,274</b>	25,582	<b>28,352</b>	76,974
Interest income	46	<b>146,457</b>	122,496	<b>66,550</b>	61,449
Gain on revaluation of investment property	20	<b>184,038</b>	-	-	-
Gain on fair value measurement of investments	17	-	143,223	-	74,546
Gain on hedging instruments		<b>27,934</b>	31,200	-	-
Other income	40	<b>607,623</b>	807,541	<b>376,568</b>	426,791
<b>Profit before expenses</b>		<b>3,537,729</b>	6,144,829	<b>23,853</b>	3,162,144
Selling expenses	41	<b>(37,220)</b>	(30,588)	-	-
Administrative expenses	41	<b>(3,380,968)</b>	(2,933,785)	<b>(1,472,004)</b>	(1,387,040)
Allowance for impairment losses	46	<b>(67,589)</b>	(229,267)	<b>(15,145)</b>	(186,085)
Allowance for impairment of investments		-	-	<b>(6,291)</b>	(227,434)
Loss on disposal of investment	46	<b>(1,166)</b>	(1,600)	-	(1,600)
Impairment loss on fixed assets	46	-	(36,193)	-	-
Gain (loss) on exchange rate		<b>(182,382)</b>	242,846	<b>(56,143)</b>	250,136
Gain (loss) on fair value measurement of derivatives		<b>(12,331)</b>	36,310	<b>(12,331)</b>	36,310
<b>Total expenses</b>		<b>(3,681,656)</b>	(2,952,277)	<b>(1,561,914)</b>	(1,515,713)
<b>Profit (loss) from operations</b>		<b>(143,927)</b>	3,192,552	<b>(1,538,061)</b>	1,646,431
Share of profit (loss) from investments in associated and joint control companies and joint ventures	46	<b>(1,127,487)</b>	75,481	-	-
<b>Profit before financial costs and income tax</b>		<b>(1,271,414)</b>	3,268,033	<b>(1,538,061)</b>	1,646,431
Financial costs	42, 46	<b>(2,506,241)</b>	(2,562,041)	<b>(1,825,160)</b>	(1,881,673)
<b>Profit (loss) before income tax</b>		<b>(3,777,655)</b>	705,992	<b>(3,363,221)</b>	(235,242)
Income tax expense	35, 46	<b>(697,924)</b>	(611,896)	<b>(259,361)</b>	(346,375)
<b>Profit (loss) for the year</b>		<b>(4,475,579)</b>	94,096	<b>(3,622,582)</b>	(581,617)

## STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

ITALIAN - THAI DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
FOR THE YEARS ENDED 31 DECEMBER

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>Items that will not be reclassified subsequently to profit or loss</b>				
Actuarial gain - net of tax	458	87,134	6,912	70,052
Gain (loss) from equity investments designated at fair value through other comprehensive income - net of tax	(111,076)	78,400	(104,571)	73,809
<b>Items that will be reclassified subsequently to profit or loss</b>				
Translation adjustments for foreign currency financial statements	(614,595)	545,881	(38,503)	6,907
Effectiveness gain of cash flow hedge instruments	5,844	13,716	-	-
<b>Total others comprehensive income for the year</b>	<b>(719,369)</b>	<b>725,131</b>	<b>(136,162)</b>	<b>150,768</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>(5,194,948)</b>	<b>819,227</b>	<b>(3,758,744)</b>	<b>(430,849)</b>
<b>PROFIT (LOSS) FOR THE YEAR ATTRIBUTABLE TO :</b>				
Shareholders of the Company	(4,758,851)	(155,619)	(3,622,582)	(581,617)
Non-controlling interests	283,272	249,715	-	-
	<b>(4,475,579)</b>	<b>94,096</b>	<b>(3,622,582)</b>	<b>(581,617)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO :</b>				
Shareholders of the Company	(5,275,578)	372,384	(3,758,744)	(430,849)
Non-controlling interests	80,630	446,843	-	-
	<b>(5,194,948)</b>	<b>819,227</b>	<b>(3,758,744)</b>	<b>(430,849)</b>
<b>BASIC EARNINGS PER SHARE</b>				
Loss (Baht per share)	(0.9013)	(0.0295)	(0.6861)	(0.1102)
<b>Weighted average number of ordinary shares (Unit : Thousand shares)</b>	<b>5,279,869</b>	<b>5,279,869</b>	<b>5,279,869</b>	<b>5,279,869</b>

The accompanying notes form an integral part of the financial statements.

## STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

ITALIAN - THAI DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
FOR THE YEARS ENDED 31 DECEMBER

	(Unit : Thousand Baht)											
	Equity attributable to shareholders of the Company										Non - controlling interests	Total
	Issued and paid-up share cap- ital	Share premium	Surplus on dilution of investment in subsidi- ary compa- nies	Retained earnings (deficit)		Other components of shareholders' equity			Total equity attributable to the sharehold- ers of the Company			
				Legal Reserve	Un- appropri- ated	Change in fair value financial assets	Translation adjust- ments for foreign currency financial statements	Effectivness gain (loss) of cash flow hedge instruments		Total		
<u>Consolidated F/S</u>												
Balance as at 1 January 2021	5,279,869	8,547,757	311,093	529,293	(597,163)	33,303	(1,062,099)	(19,560)	(1,048,356)	13,022,493	2,421,147	15,443,640
Dividend paid from subsidiaries	-	-	-	-	-	-	-	-	-	-	(39,897)	(39,897)
Transactions with shareholders	-	-	-	-	-	-	-	-	-	-	(39,897)	(39,897)
Profit (loss) for the year	-	-	-	-	(155,619)	-	-	-	-	(155,619)	249,715	94,096
Other comprehensive income for the year	-	-	-	-	82,389	78,400	353,498	13,716	445,614	528,003	197,128	725,131
Total comprehensive income (loss) for the year	-	-	-	-	(73,230)	78,400	353,498	13,716	445,614	372,384	446,843	819,227
Balance as at 31 December 2021	5,279,869	8,547,757	311,093	529,293	(670,393)	111,703	(708,601)	(5,844)	(602,742)	13,394,877	2,828,093	16,222,970
Balance as at 1 January 2022	5,279,869	8,547,757	311,093	529,293	(670,393)	111,703	(708,601)	(5,844)	(602,742)	13,394,877	2,828,093	16,222,970
Transfer to retained earnings due capital return of equity instrument designated at FVOCI	-	-	-	-	1,402	(1,402)	-	-	(1,402)	-	-	-
Dividend paid from subsidiaries	-	-	-	-	-	-	-	-	-	-	(17,099)	(17,099)
Transactions with shareholders	-	-	-	-	1,402	(1,402)	-	-	(1,402)	-	(17,099)	(17,099)
Profit (loss) for the year	-	-	-	-	(4,758,851)	-	-	-	-	(4,758,851)	283,272	(4,475,579)
Other comprehensive income for the year	-	-	-	-	5,379	(109,674)	(418,276)	5,844	(522,106)	(516,727)	(202,642)	(719,369)
Total comprehensive income (loss) for the year	-	-	-	-	(4,753,472)	(109,674)	(418,276)	5,844	(522,106)	(5,275,578)	80,630	(5,194,948)
Balance as at 31 December 2022	5,279,869	8,547,757	311,093	529,293	(5,422,463)	627	(1,126,877)	-	(1,126,250)	8,119,299	2,891,624	11,010,923

The accompanying notes form an integral part of the financial statements.

## STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

ITALIAN - THAI DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
FOR THE YEARS ENDED 31 DECEMBER

	(Unit : Thousand Baht)							
	Issued and paid-up share capital	Share premium	Retained earnings (deficit)		Other components of shareholders' equity			Total
			Legal Reserve	Unappropriated	Change in fair value financial assets	Translation adjustments for foreign currency financial statements	Total	
<b>Separate F/S</b>								
<b>Balance as at 1 January 2021</b>	5,279,869	8,547,757	502,693	(1,096,083)	31,423	(559,212)	(527,789)	12,706,447
Loss for the year	-	-	-	(581,617)	-	-	-	(581,617)
Other comprehensive income for the year	-	-	-	70,052	73,809	6,907	80,716	150,768
<b>Total comprehensive income for the year</b>	-	-	-	(511,565)	73,809	6,907	80,716	(430,849)
<b>Balance as at 31 December 2021</b>	5,279,869	8,547,757	502,693	(1,607,648)	105,232	(552,305)	(447,073)	12,275,598
<b>Balance as at 1 January 2022</b>	5,279,869	8,547,757	502,693	(1,607,648)	105,232	(552,305)	(447,073)	12,275,598
Transfer to retained earnings due capital return of equity instrument designated at FVOCI	-	-	-	1,402	(1,402)	-	(1,402)	-
<b>Transactions with shareholders</b>	-	-	-	1,402	(1,402)	-	(1,402)	-
Loss for the year	-	-	-	(3,622,582)	-	-	-	(3,622,582)
Other comprehensive income for the year	-	-	-	5,510	(103,169)	(38,503)	(141,672)	(136,162)
<b>Total comprehensive income for the year</b>	-	-	-	(3,617,072)	(103,169)	(38,503)	(141,672)	(3,758,744)
<b>Balance as at 31 December 2022</b>	5,279,869	8,547,757	502,693	(5,223,318)	661	(590,808)	(590,147)	8,516,854

The accompanying notes form an integral part of the financial statements.

## STATEMENTS OF CASH FLOWS

ITALIAN - THAI DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
FOR THE YEARS ENDED 31 DECEMBER

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
<b>Cash flows from operating activities</b>				
Profit (loss) before income tax	(3,777,655)	705,992	(3,363,221)	(235,242)
<b>Adjustments of cash flows:</b>				
Depreciation and amortization	5,695,576	4,670,947	4,155,878	3,154,585
Unrealized loss (gain) on exchange rate	12,958	(226,939)	10,322	(226,939)
Dividend income and profit sharing	(5,274)	(25,582)	(28,352)	(76,974)
Share of profit (loss) from investments in associated and joint control companies and joint ventures	1,127,487	(75,481)	-	-
Allowance for impairment losses	67,589	229,267	15,145	186,085
Allowance for obsolete inventories	14,138	10,617	14,138	4,236
Gain on fair value measurement of investments	-	(143,223)	-	(74,546)
Allowance for impairment of investment	-	-	6,291	227,434
Loss from disposal of investment	1,166	1,600	-	1,600
Impairment loss on assets	69,720	36,193	69,720	-
Gain on revaluation of investment properties	(184,038)	-	-	-
Gain on disposal of land awaiting development	-	(2,673)	-	-
Gain on disposal of assets	(6,146)	(51,420)	(146)	(33,479)
Loss from disposal of investment properties	234,730	830	234,730	830
Gain on (loss from) on fair value measurement of derivatives	12,331	(36,310)	12,331	(36,310)
Loss from investment in related company	57,012	-	-	-
Gain on hedging instruments	(27,934)	(31,200)	-	-
Gain on lease modification	-	(20,234)	-	-
Gain on debt forgiveness	-	(98,864)	-	-
Adjust deferred gain from construction services for project under development of joint control company	140,578	175,459	-	-
Provision for losses on construction projects	(48,357)	6,684	(48,357)	6,684
Provision for employee benefits obligation	154,391	94,895	134,377	84,339
Interest expense	2,506,241	2,562,041	1,825,160	1,881,673
<b>Income from operations before changes in operating assets and liabilities</b>	<b>6,044,513</b>	<b>7,782,599</b>	<b>3,038,016</b>	<b>4,863,976</b>
<b>Decrease (increase) in operating assets:</b>				
Promissory notes receivable	50,000	50,000	50,000	50,000
Trade accounts receivable - unrelated parties	723,018	(761,018)	1,172,582	(512,651)
Trade and other receivable - related parties	(2,029,740)	636,123	(1,702,481)	331,005
Contract assets	(2,397,101)	(4,767,261)	(1,197,833)	(3,595,400)
Loans and advances to related parties	(344,370)	29,298	(521,810)	107,060
Inventories and work in process	(521,143)	(591,409)	202,735	(158,197)
Costs of property development projects	(62,383)	6,895	-	-
Refundable value added tax	53,193	(176,951)	(122,962)	(85,776)
Advances for purchases of construction materials and to sub-contractors	(296,778)	(377,706)	97,323	(184,303)
Other current assets	(84,077)	(128,863)	(168,627)	(30,398)
Other non-current assets	(195,442)	(192,474)	6,454	(74,526)
<b>Increase (decrease) in operating liabilities:</b>				
Trade and other accounts payable - unrelated parties	639,633	2,956,578	(855,404)	1,517,838
Trade and other accounts payable - related parties	693,791	764,900	913,738	761,359
Contract liabilities	5,591,022	1,136,165	3,421,922	116,260
Value added tax payable	43,939	(81,251)	53,262	(119,124)
Accrued expenses	407,943	(61,228)	350,988	(11,106)
Retentions payable	83,365	68,267	69,099	95,080
Other current liabilities	442,909	88,396	378,166	98,487
Employee benefits obligations	(180,655)	(133,956)	(166,163)	(119,218)
Provision for projects expenses	-	(4,427)	-	-
Other non-current liabilities	(57,973)	(82,362)	9,825	-
<b>Cash received from operations</b>	<b>8,603,664</b>	<b>6,160,315</b>	<b>5,028,830</b>	<b>3,050,366</b>
Income tax refund	600,488	664,966	563,911	611,381
Income tax payment	(1,632,875)	(1,123,254)	(1,005,374)	(792,269)
<b>Net cash provided from operating activities</b>	<b>7,571,277</b>	<b>5,702,027</b>	<b>4,587,367</b>	<b>2,869,478</b>

The accompanying notes form an integral part of the financial statements.



## STATEMENTS OF CASH FLOWS (CONTINUED)

ITALIAN - THAI DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
FOR THE YEARS ENDED 31 DECEMBER

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
<b>Cash flows from investing activities</b>				
Decrease (increase) in fixed deposits and restricted deposits with banks	110,089	(146,147)	65	(316,253)
Increase in investments in subsidiaries, associated and joint control companies and joint ventures	(801,853)	(280,271)	(695,955)	(554,579)
Disposal of other long-term investments	6,414	7,500	6,414	7,500
Purchases of investment property	-	(107,896)	-	(107,896)
Disposal of investments properties	213,900	5,000	213,900	5,000
Disposal of fixed assets	634,655	427,298	413,764	93,114
Purchases of fixed assets	(2,260,568)	(3,574,832)	(232,003)	(2,011,277)
Disposal of land awaiting developments	-	5,000	-	-
Received from dividend and profit sharing	5,274	25,582	28,352	76,974
Payments for deferred concession costs	(45,886)	(87,560)	(40,533)	(81,668)
Payments for deferred mining exploration and development costs	(689,104)	(2,117)	-	-
<b>Net cash used in investing activities</b>	<b>(2,827,079)</b>	<b>(3,728,443)</b>	<b>(305,996)</b>	<b>(2,889,085)</b>
<b>Cash flows from financing activities</b>				
Interest payment	(2,342,942)	(2,480,634)	(1,710,670)	(1,834,533)
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	(676,139)	112,201	(417,524)	(140,454)
Increase (decrease) in short-term loans and advance from related parties	(128)	(48,787)	724,955	406,921
Increase in liabilities under trust receipts	377,914	930,396	262,243	930,396
Decrease in lease liabilities	(262,337)	(846,529)	(317,973)	(698,744)
Increase (decrease) in other financial liabilities	(108,603)	338,446	(57,994)	221,920
Received from long-term loans	8,718,392	5,613,982	6,828,647	5,063,915
Repayment of long-term loans	(10,173,292)	(5,988,236)	(9,366,041)	(5,076,556)
Received from issued of debentures	5,936,300	3,956,806	5,936,300	3,956,806
Payment for debentures redemption	(6,000,000)	(4,050,000)	(6,000,000)	(4,050,000)
Dividend paid from subsidiary companies	(17,099)	(39,897)	-	-
<b>Net cash used in financing activities</b>	<b>(4,547,934)</b>	<b>(2,502,252)</b>	<b>(4,118,057)</b>	<b>(1,220,329)</b>
Translation adjustment on foreign currency financial statements	(296,768)	26,661	(3,435)	(39,347)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(100,504)</b>	<b>(502,007)</b>	<b>159,879</b>	<b>(1,279,283)</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>3,553,615</b>	<b>4,055,622</b>	<b>1,702,066</b>	<b>2,981,349</b>
<b>Cash and cash equivalents at end of the year</b>	<b>3,453,111</b>	<b>3,553,615</b>	<b>1,861,945</b>	<b>1,702,066</b>
<b>Supplemental cash flows information</b>				
Non-cash transactions:				
Gain (loss) on equity investments designated at fair value through other comprehensive income	(137,862)	98,000	(130,879)	92,261
Actuarial gain - net of tax	458	87,134	-	-
Payable from purchases of assets	(3,694,752)	(839,239)	(3,587,625)	(542,651)
Recognition of right-of-use assets and lease liabilities	435,409	380,797	256,003	281,179
Trasferred right-of-use to fixed assets	610,379	252,622	610,379	252,622
Liabilities payable as concession certificate	1,115,290	-	-	-
Deferred mining exploration and development costs	1,804,394	-	-	-
Asset and liability from acquired limestone concession	-	121,087	-	-
Transferred debt to equity in subsidiary and joint control company	275,794	-	275,794	-

The accompanying notes form an integral part of the financial statements.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

ITALIAN-THAI DEVELOPMENT PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
FOR THE YEAR ENDED 31 DECEMBER 2022

## 1. GENERAL INFORMATION

Italian-Thai Development Public Company Limited (“the Company”) is incorporated and domiciled in Thailand and has 3 overseas branches and 3 overseas project offices. The Company and subsidiaries (“the Group”) are principally engaged in the construction services and other services related to construction support, providing soil and coal extraction and removal services, real estate business, manufacturing and selling construction materials and products, including investments in other projects in Thailand and overseas.

The Company’s registered office address is 2034/132-161, New Petchburi Road, Kwaeng Bangkapi, Khet Huaykwang, Bangkok.

## 2. BASIS OF FINANCIAL STATEMENTS PREPARATION

### 2.1 Statement of compliance

The accompanying financial statements have been prepared in accordance with Thai Financial Reporting Standards (“TFRS”) issued under the Federation of Accounting Professions and the financial reporting requirements promulgated by the Securities and Exchange Commission under the Securities and Exchange Act. These financial statements are officially prepared in the Thai language. The translation of these financial statements to other languages must be in compliance with the official report in Thai.

The consolidated and separate financial statements have been prepared on a historical cost basis, except as otherwise disclosed specifically.

The preparation of financial statements in conformity with Thai Financial Reporting Standards requires management to use of certain critical accounting estimates and to exercise judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

### 2.2 Principles of consolidation

The consolidated financial statements include the financial statements of Italian-Thai Development Public Company Limited and subsidiaries in which the Company can exercise control are as follows:

Name of Entity	Country of incorporation	Percentage of share held by the Company	
		2022	2021
<u>Overseas subsidiaries</u>			
PT.Thailindo Bara Pratama	Indonesia	99.99	99.99
ITD Cementation India Limited	India	46.64	46.64
ITD–Madagascar S.A.	Madagascar	99.98	99.98
ITD Construction SDN. BHD.	Malaysia	99.99	99.99
ITD Bangladesh Company Limited	Bangladesh	99.99	99.99
Italian–Thai Development Vietnam Co., Ltd.	Vietnam	80.00	80.00
ITD Mozambique Limitada	Mozambique	99.00	99.00
Thai Mozambique Logistica SA	Mozambique	60.00	60.00
<u>Local subsidiaries</u>			
Italian–Thai International Co., Ltd.	Thailand	99.99	99.99
Bhaka Bhumi Development Co., Ltd.	Thailand	99.99	99.99
Thai Pride Cement Co., Ltd.	Thailand	99.99	99.99
Nha Pralan Crushing Plant Co., Ltd.	Thailand	99.99	99.99
Siam Concrete and Brick Products Co., Ltd.	Thailand	99.80	99.80
Italhai Marine Co., Ltd.	Thailand	92.59	92.59
Italhai Trevi Co., Ltd.	Thailand	90.94	90.94
Asian Steel Product Co., Ltd.	Thailand	69.90	69.90
Thai Maruken Co., Ltd.	Thailand	50.96	50.96
Italian Thai Land Co., Ltd.	Thailand	99.99	99.99
Palit Palangngan Co., Ltd.	Thailand	78.16	78.16
Palang Thai Kaowna Co., Ltd.	Thailand	99.99	99.99
Italian Thai Power Co., Ltd.	Thailand	99.99	99.99
Saraburi Construction Technology Co., Ltd.	Thailand	99.93	99.93
Asia Logistics Development Co., Ltd.	Thailand	99.93	99.93
Asia Industrial and Port Corporation Co., Ltd.	Thailand	99.93	99.93
Myanmar Italian–Thai Power 1 Co., Ltd.	Thailand	99.95	99.95
Italian-Thai Hongsa Co., Ltd.	Thailand	99.97	99.97
APPC Holding Co., Ltd.	Thailand	64.52	64.52
Asian Rail Co., Ltd.	Thailand	99.99	99.99
ITD – ARC Joint Venture	Thailand	10.00	10.00
ITD – VCB Joint Venture	Thailand	70.00	70.00

Name of Entity	Country of incorporation	Percentage of share held by the Company	
		2022	2021
<u>Indirect overseas subsidiaries</u>			
Ayeyarwady Multitrade Co., Ltd.	Myanmar	99.99	99.99
ITD Cementation Projects India Limited	India	99.99	99.99
ITD – Cemindia JV	India	20.00	20.00
ITD – ITD CEM JV	India	51.00	51.00
ITD – ITD CEM JV (Consortium)	India	60.00	60.00
ITD Vertex Consortium SDN. BHD	Malaysia	70.00	70.00
Dawei Development Company Limited (Myanmar)	Myanmar	75.00	75.00
Future Prosperity Investment Company Limited	Republic of Mauritius	99.99	99.99
APPC Hong Kong Company Limited	Hong Kong	100.00	100.00
THAI INTERNATIONAL INDUSTRIAL ESTATE DEVELOPMENT PRIVATE COMPANY LIMITED	Singapore	-	100.00
THAI POWER DEVELOPMENT PRIVATE COMPANY LIMITED	Singapore	-	100.00
THAI TELECOM DEVELOPMENT PRIVATE COMPANY LIMITED	Singapore	-	100.00
DAWEI TELECOM HOLDING PRIVATE COMPANY LIMITED	Singapore	-	100.00
DAWEI RESIDENCE HOLDING PTE LTD.	Singapore	-	50.00
DAWEI POWER HOLDING PTE LTD.	Singapore	-	100.00
DAWEI LNG TERMINAL HOLDING PTE LTD.	Singapore	-	50.00
MYANDAWEI INDUSTRIAL ESTATE HOLDING PTE LTD.	Singapore	-	50.00
DAWEI TELECOM COMPANY LIMITED	Myanmar	100.00	100.00
DAWEI RESIDENCE COMPANY LIMITED	Myanmar	50.00	50.00
DAWEI POWER COMPANY LIMITED	Myanmar	100.00	100.00
DAWEI LNG TERMINAL COMPANY LIMITED	Myanmar	50.00	50.00
MYANDAWEI INDUSTRIAL ESTATE COMPANY LIMITED	Myanmar	50.00	50.00
<u>Indirect local subsidiaries</u>			
Aquathai Co., Ltd.	Thailand	99.99	99.99
Sarithorn Co., Ltd.	Thailand	99.99	99.99
Southern Industries (1996) Co., Ltd.	Thailand	99.99	99.99
Asia Pacific Potash Corporation Limited	Thailand	90.00	90.00
Lasalle Company Limited	Thailand	99.30	99.30
Tongkrai Company Limited	Thailand	99.40	99.40
Tayakhee Company Limited	Thailand	99.40	99.40
Dithee Company Limited	Thailand	99.40	99.40
Panoot Company Limited	Thailand	99.40	99.40
Phannin Company Limited	Thailand	99.40	99.40
Takolkiat Company Limited	Thailand	99.40	99.40
Tridayuk Company Limited	Thailand	99.40	99.40
Bhantuwong Company Limited	Thailand	99.40	99.40
Nahathai Company Limited	Thailand	99.40	99.40
Kanika Company Limited	Thailand	99.40	99.40
Sin Rae Muang Thai Co., Ltd.	Thailand	99.99	99.99
Wildemere Co., Ltd.	Thailand	99.99	99.99
APPC Holding Co., Ltd.	Thailand	35.48	35.48
ITD – ARC Joint venture	Thailand	90.00	90.00

2.3 Significant changes during the year 2022 are as follows:

- The Company and Nawarat Patanakarn Public Company Limited jointly invested in ITD-NWR MRT Joint Venture which is principally engaged in the construction of MRT Purple Line Project : Tao Pun – Rat Burana (Kanchanaphisek Ring) Contract No.3 Design and construction of Tunnel and station Phanpha – Phra Phuttha Yodfa Bridge. The Company has investment of 60% of the joint venture.
- ITD SQ JV has registered the dissolution of the business.

2.4 Significant changes during the year 2021 are as follows:

- The Company and China Railway Number 10 (Thailand) Company Limited jointly invested in ITD-CREC Joint Venture which is principally engaged in the construction for New State Audit Office of the Kingdom of Thailand. The Company has investment of 51% of the joint venture.

- The Company and Thai Takenaka International Limited jointly invested in ITALIAN THAI-TAKENAKA Joint Venture which is principally engaged in the construction of Retail 1 (“R1”) and Office 1B (“O1B”) for One Bangkok Mixed-Use development project. The Company has investment of 70% of the joint venture.
  - The Company and Nawarat Patanakarn Public Company Limited jointly invested in ITALIAN THAI-NAWARAT Joint Venture which is principally engaged in the construction of water tunnel by Ratchaphruek Road from Khlong Maha Sawat to Petchkasem Road. The Company has investment of 51% of the joint venture.
  - The Company and Nawarat Patanakarn Public Company Limited jointly invested in ITD-NAWARAT Joint Venture which is principally engaged in the construction of railway Denchai-Chiang Rai-Chiang Khong Contract 1 from Denchai to Ngaw. The Company has investment of 89.55% of the joint venture.
  - The Company and Nawarat Patanakarn Public Company Limited jointly invested in ITD-NWR Joint Venture which is principally engaged in the construction of Khlong Prem Prachakorn drainage tunnel from Khlong Bang Bua to Chao Phraya River. The Company has investment of 70% of the joint venture.
  - The Company and Vichitbhan Construction Company Limited jointly invested in ITD-VCB Joint Venture which is principally engaged in the construction of Expressway project Rama 3-Dao Khanong-Ropnokrungthep ring Metropolitan West Side Contract 3 section Dao Khanong-Suk sawat-Ratchaburana. The Company has 70% investment in the joint venture.
  - The Company’s branch in Taiwan, ITD-EGC Joint Venture and SQ-ITD Joint Venture were registered for liquidation.
- 2.5 The financial statements of the overseas project offices, branches and subsidiaries are translated into Baht using exchange rates at the date of the statement of financial position for assets and liabilities, and the monthly average exchange rates for revenues and expenses. The resultant differences are presented under the caption “Translation adjustments for foreign currency financial statements” as other comprehensive income under other components of shareholders’ equity.
- Goodwill arising from the acquisition of the businesses in overseas is treated as assets of the overseas entity, and they are translated at the closing rate.
- 2.6 Significant transactions and account balances with subsidiaries have been eliminated from the consolidated financial statements, except for intercompany profit in inventories at the end of the year, which has insignificant effect on the consolidated financial statements.
- 2.7 Non-controlling interests represent the portion of subsidiary companies’ profit or loss and net assets that are not held by the Group and are presented separately in the consolidated statement of profit or loss and the statement of changes in shareholders’ equity.
- 2.8 All subsidiaries have the same reporting date of 31 December, except the group companies in India Bangladesh and Myanmar which have a statutory reporting date of 31 March 30 June and 30 September, respectively. However, such companies have prepared the financial information for the consolidation purpose for the year ended 31 December. The financial statements of subsidiaries have been prepared using the same accounting policies of the Group and for the same accounting transactions or accounting events.
- 2.9 Dilution gains (loss) arises on shares issued by subsidiaries and sold to third parties are recognized as surplus (discount) on dilution of investment in subsidiary companies, which is presented under shareholders’ equity in the consolidated financial statements.
- 2.10 The separate financial statements for the years ended 31 December 2022 and 2021 include the financial information (after intercompany eliminations) of overseas project offices and overseas branches for significant entities as follows:

	(Unit : Million Baht)							
	2022				2021			
	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Current assets	Non-current assets	Current liabilities	Non-current Liabilities
Cong TY Italian-Thai Development Public Co., Ltd. – Vietnam Project	363	30	347	-	332	210	376	-
KOLDAM Project Office	890	270	1,539	-	949	288	1,640	-
West Bengal Project Office	5	-	-	-	6	-	-	-
Italian-Thai Development Public Co., Ltd. – Philippines Branch	1,193	678	1,114	943	1,419	685	817	1,432
Italian-Thai Development Public Co., Ltd. – Bangladesh Branch	1,590	414	1,453	-	3,697	524	2,770	-
Italian-Thai Development Public Co., Ltd. – India Branch	5	-	-	-	6	-	35	-

	(Unit : Million Baht)			
	2022		2021	
	Revenues	Expenses	Revenues	Expenses
Cong TY Italian-Thai Development Public Co., Ltd. – Vietnam Project	244	355	368	338
KOLDAM Project Office	-	14	-	12
West Bengal Project Office	-	1	-	1
Italian-Thai Development Public Co., Ltd. – Philippines Branch	901	848	388	367
Italian-Thai Development Public Co., Ltd. – Bangladesh Branch	1,600	2,809	2,290	3,089
Italian-Thai Development Public Co., Ltd. – Taiwan Branch	-	-	277	9
Italian-Thai Development Public Co., Ltd. – India Branch	-	1	-	3
Italian-Thai Development Public Co., Ltd. – Cambodia Branch	-	-	-	1

- 2.11 In addition, the separate financial statements for the years 2022 and 2021, recognizes assets, liabilities, revenues and expenses of the joint operations which are classified as joint operations based on the Company's management consideration about the economic contents of the joint venture agreements and concluded that the Company has rights to the assets, and obligations for the liabilities relating to the arrangements including revenues and expenses sharing relevant to such joint operation. The Company therefore, prepared and presented the financial statements of such joint operations proportionately based on the Company's interests. Joint operations are as follows:

Name of Entity	Portion of joint operations (percent)		Type of businesses
	2022	2021	
ITD – SQ Joint Venture	-	50.00	Soil and coal extraction and removal services for the Electricity Generating Authority of Thailand.
ITD – RT Joint Venture	70.00	70.00	Construction the double track train from Map Kabao – Thanon Chira junction, Contract No.3 tunnel works under the state railway of Thailand.
SMCC – ITD Joint Venture	49.00	49.00	Construction of Dhaka Mass Transit Development project line 6 (CP-06) at Dhaka, Bangladesh with Dhaka Mass Transit Company Limited.
ItalianThai – Takenaka Joint Venture	70.00	70.00	Construction of Retail 1 (“R1”) and Office 1B (“O1B”) for One Bangkok Mixed-Use development project.
ItalianThai – Nawarat Joint Venture	51.00	51.00	Construction of water tunnel by Ratchaphruek Road from Klong Maha Sawat to Petchkasem Road.
ITD-NWR Joint Venture	70.00	70.00	Construction of Khlong Prem Prachakorn drainage tunnel from Khlong Bang Bua to Chao Phraya River.
ITD-Nawarat Joint Venture	80.00	80.00	Construction of railway Denchai-Chiang Rai-Chiang Khong Contract 1 from Denchai to Ngaw.
ITD-NWR MRT Joint Venture	60.00	-	Construction of purpleline sky train Tao Poon-Ratburana (Kanchanapisek ring) Contract 3.

The separate financial statements as at 31 December 2022 and 2021 and for the years then ended included assets, liabilities, revenues and expenses of such joint operations (after intercompany eliminations) as follows:

	(Unit : Million Baht)							
	2022				2021			
	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Current assets	Non-current assets	Current liabilities	Non-current Liabilities
ITD – SQ Joint Venture	-	-	-	-	10	-	-	-
ITD – RT Joint Venture	665	9	218	-	938	16	509	-
SMCC – ITD Joint Venture	1,583	100	1,078	541	1,675	159	1,037	392
ItalianThai – Takenaka Joint Venture	412	33	440	63	176	-	33	293
ItalianThai – Nawarat Joint Venture	139	227	605	136	128	12	104	189
ITD-NWR Joint Venture	442	97	309	716	212	36	126	395
ITD-Nawarat Joint Venture	1,477	324	647	1,889	4	-	-	-
ITD-NWR MRT Joint Venture	740	35	963	694	-	-	-	-

	(Unit : Million Baht)			
	2022		2021	
	Revenues	Expenses	Revenues	Expenses
ITD – SQ Joint Venture	-	-	1	38
ITD – RT Joint Venture	1,869	962	2,212	944
SMCC – ITD Joint Venture	1,395	1,251	1,728	1,508
ItalianThai – Takenaka Joint Venture	758	612	44	28
ItalianThai – Nawarat Joint Venture	98	56	47	3
ITD-NWR Joint Venture	204	138	77	27
ITD-Nawarat Joint Venture	1,052	920	1	1
ITD-NWR MRT Joint Venture	452	333	-	-

### 3. CHANGES IN THE FINANCIAL REPORTING STANDARDS

#### 3.1 Thai Financial Reporting Standards and guidance which are amended and effective for the accounting period beginning on or after 1 January 2022.

Amendments to the Thai Financial Reporting Standards due to Interbank Offered Rate (IBOR) reform – phase 2 are as follows:

- Thai Financial Reporting Standard 9, “Financial instruments”
- Thai Financial Reporting Standard 7, “Disclosure of Financial instruments”
- Thai Financial Reporting Standard 16, “Lease”
- Thai Financial Reporting Standard 4, “Insurance Contracts”
- Accounting guidance, financial instruments and disclosures for insurance business

Interbank Offered Rate (IBOR) reform – phase 2 provide relief measures addressing issues that might affect financial reporting during the reform, including the effects of changes to contractual cash flow or hedging relationship arising from the change of interest rate benchmark to alternative benchmark rates.

However, the amendments do not have any significant impact to the Group’s financial statements.

#### 3.2 Thai Financial Reporting Standards which are amended and effective for the accounting period beginning on or after 1 January 2023 are as follows:

##### 3.2.1 Thai Accounting Standard 16, “Property, Plant and Equipment”

The amendments prescribe the recognition of the proceeds from selling any items, produced while the entity is preparing that assets for its intended use, as revenue instead of deducting from the cost of an item of those property plant and equipment.

##### 3.2.2 Thai Accounting Standard 37, “Provisions, Contingent Liabilities and Contingent Assets”

The amendments are to clarify the incremental cost of fulfilling the contract and an allocation of other costs that relate directly to fulfilling contracts which need to be considered whether a contract is onerous.

##### 3.2.3 Thai Accounting Standard 41, “Agriculture”

This standard was amended to remove the requirement to exclude cash flows for taxation when measuring fair value of biological assets.

##### 3.2.4 Thai Financial Reporting Standard 1, “First-time Adoption of Thai Financial Reporting Standards”

The amendment provides the application for a subsidiary that is a first-time adopter to measure cumulative translation differences for all foreign operations at amounts included in the consolidated financial statements of the parent at the parent’s date of transition to TFRS.

##### 3.2.5 Thai Financial Reporting Standard 3, “Business Combinations”

This standard was amended to clarify the references to the present Conceptual Framework for Financial Reporting and added a consideration to recognize liabilities and contingent liabilities acquired from business combinations together with the contingent assets that cannot be recognized at the acquisition date.

##### 3.2.6 Thai Financial Reporting Standard 9, “Financial Instruments”

The amendment is to clarify the fees in assessing derecognition of financial liabilities when performing the 10 percent test by included those fees paid net from fees received (only fees paid or received between the borrow and the lender, including fee paid or received by either the borrower or lender on the other’s behalf).

However, the Group has not early adopted the certain amended TFRSs and the management believes that there is no significant impact to the Group’s financial statements, when adoption.

### 4. SIGNIFICANT ACCOUNTING POLICIES

#### 4.1 Revenues recognition

Revenue is recognized when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expect to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates. Judgment is required in determining the timing of the transfer of control for revenue recognition - at a point in time or over time as the nature of revenues as follow:

##### *Revenues from construction work*

Revenue from construction work is recognized over time based on stage of completion for the cumulative costs incurred with total costs budget estimation until the completion of the project. The related costs are recognized in profit or loss when they are incurred.

The Group will set the provision for the total anticipated loss on construction projects in the accounts as soon as the possibility of loss is ascertained.

##### *Revenues from other service related to construction work*

Revenue from other service related to construction work is recognized overtime when the services are provided to customer and inspected by the project consultant of customer. The related costs are recognized in profit or loss when they incur.

##### *Revenues from excavating service - soil and coal extraction and removal services*

Revenues from excavating service - soil and coal extraction and removal services are recognized over time when the services are provided. The stage of completion is assessed based on surveys of work performed. The related costs are recognized in profit or loss when they are incurred.

##### *Revenue from sales of construction materials and products*

Revenue from sales of construction materials and products is recognized when a customer obtains control of the goods, generally on delivery of the goods to the customers. For contracts that permit the customers to return the goods. The Group is recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognition will not occur. Therefore, the Group will adjust recognized revenue for the estimated returns, which are estimated based on the historical data.

#### *Revenue from sales of property development*

Revenue from sales of property development is recognized when a customer obtains control of the property development, generally on delivery and transfer of ownership to the customers.

#### *Interest income*

Interest income is recognized over time - period on an accrued basis.

#### *Other Revenue*

Other revenue is recognized based on an accrual basis.

#### *Dividend income*

Dividend income is recognized when the right to receive the dividends is established.

#### 4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, cash at banks, and all highly liquid investments with an original maturity of 3 months or less and not subject to withdrawal restrictions.

#### 4.3 Trade accounts receivable and contract assets

A receivable is recognized when the Group has an unconditional right to receive consideration. If revenue has been recognized before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

The Group recognizes contract assets if it had fulfilled their performance obligation before it receive the consideration from customers, by presenting them as "Earned revenues not yet billed" in the statement of financial position, the Group recognize contract liabilities for consideration received in respect of performance obligations that have not been fulfilled, by presenting them as "Receipts in excess of contract work in progress" in the statement of financial position.

Trade accounts receivable are measured at the transaction value less allowances for doubtful accounts for the estimated losses.

The contract assets are measured at the consideration value that the Group expects to receive less allowances for doubtful account.

The Group applies simplified approach to measuring expected credit losses, which requires expected lifetime losses to be recognized from initial recognition of the receivables. To measure the expected credit losses, receivables have been grouped based on similar types of credit risk. The expected credit loss rates are calculated based on payment profiles of each group, adjusted for factors that are specific to the debtors, and payment ability of the debtors at the end of year. The impairment losses are recognized in profit or loss.

#### 4.4 Inventories and work in process

Construction materials, inventories and work in process are valued at the lower of weighted average cost and net realizable value and are charged to production costs whenever consumed. Management periodically review and provide allowance for obsolete inventories.

Factory and office supplies are valued at the lower of first-in, first-out cost or net realizable value.

#### 4.5 Financial instrument

##### Recognition and derecognition

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the financial instrument.

Financial instrument is derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

##### Classification and initial measurement of financial assets

The Group classified financial assets into the categorized (1) amortized cost (2) fair value through other comprehensive income (FVOCI) or (3) fair value through profit or loss (FVTPL) based on 2 criteria as follow:

- a. The entity's business model for managing the financial asset, and
- b. The contractual cash flow characteristics of the financial asset

At initial recognition, the financial assets (in the case of a financial asset not at FVTPL) are initial recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition of the financial assets. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

All revenue and expenses relating to financial assets that are recognized in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within separately.

##### Subsequent measurement of financial assets

###### *Financial assets at amortized cost*

Financial assets are measured at amortized cost if the assets meet the following conditions:

- a. The Company held such financial assets within a business model whose objective is to hold the financial assets and collect its contractual cash flows, and
- b. The contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

Financial assets are subsequently measured at amortized cost using the effective interest method and are subjected to impairment which recognized in the profit or loss as separate item.

###### *Financial assets at fair value through profit or loss (FVTPL)*

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorized at FVTPL.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.



#### *Financial assets at fair value through other comprehensive income (FVOCI)*

The Group accounts for financial assets at FVOCI if the assets meet the following conditions:

- a. they are held under a business model whose objective it is “hold to collect” the associated cash flows and sell, and
- b. the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

Any gains or losses recognized in other comprehensive income (OCI) will be recycled upon derecognition of the financial assets.

#### *Impairment of financial assets*

The Group assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortized cost and FVOCI (if any). The impairment methodology applied depends on whether there has been a significant increase in credit risk.

#### *Classification and initial measurement of financial liabilities*

The Group classifies the financial instruments issued by the Company as financial liabilities or equity securities by considering contractual obligations to deliver financial assets to third parties.

The Group’s financial liabilities include borrowings, trade and other accounts payables and derivative financial instruments.

The Group initially recognized the financial liabilities at fair value and adjusted with transaction costs that are directly attributable to the acquisition of the financial liabilities.

#### *Subsequent measurement of financial liabilities*

Financial liabilities are subsequently measured at amortized cost using the effective interest method and are expensed in the profit or loss except derivative liabilities are measured at fair value through profit or loss.

#### *Derivative financial instruments and hedge accounting*

The Group entered the derivative contract that is hedging instruments of a particular risk associated with the cash flows of recognized assets and liabilities (cash flow hedges).

The Group documents the economic relationship between hedging instrument and the hedged items, Nature of risk being hedged, risk management objective, risk management strategy for assessment the hedge effectiveness and measure the hedge ineffectiveness.

The Group initially recognized the derivatives at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The Group recognized the effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges in the cash flow hedge reserve under equity. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss as other gains or losses.

The full fair value of a hedging derivative and derivatives that is not applied hedge accounting is classified as an asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets hedge accounting criteria. The Group will classify the cumulative gain or loss, and deferred costs of hedging reported inequity are immediate to profit or loss.

#### 4.6 Contract cost assets

Contract cost assets are the costs to fulfil a contract to satisfy performance obligations in future that relate directly to a contract and the Group expects to recover these costs. However, the fulfilment costs are expended when incurred, if the expected amortization period is one year or less.

Contract cost assets are measured at cost less accumulated amortization and impairment losses. Amortization is charged to profit or loss base on systematic basis over the term of the contract it relates to consistent with the related revenue recognition.

#### 4.7 Costs of property development projects

Costs of property development projects are presented at costs or net realizable value whichever is lower. Project development costs include land cost, construction costs and expenses directly related to the development projects, including interest expense incurred from related loan interest. These will be amortized to cost of sales based on the percentage of sold area of each project.

#### 4.8 Borrowing costs

Interest expense incurred on loans to finance the acquisition and development of the project is capitalized as a cost of each project. The Group will cease the capitalization of interest when the project is completed, or if suspended, until development is resumed.

#### 4.9 Investments

- a) Investments in available for sale securities are presented at fair value. Gains (losses) arising from changes in the value of such investments are separately presented as part of shareholders’ equity under the caption “Unrealized gain (loss) on changes in value of investments”. When the securities are sold, the change is included in the statement of profit or loss.
- b) Investments in non-marketable equity securities, which the Company classifies as other investments, are presented at fair value. Gain (losses) arising from changes in the value of such investments are presented in profit or loss.
- c) Investments in subsidiaries, associated and joint control companies, and joint ventures are accounted for by the cost method in the separate financial statements. Investments in associated and joint control companies and joint ventures are accounted for by the equity method in the consolidated financial statements.

The fair value of available-for-sale securities is based on the latest bid price of the last working day of the year as quoted on the Stock Exchange of Thailand.

The weighted average method is used for computation of the cost of investments.

The Group will record impairment losses (if any) for the investments in subsidiaries, associated and joint control companies, joint ventures and other investments in the statement of profit or loss when the carrying amount exceeds the recoverable amount.

#### 4.10 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by the Company, whether directly or indirectly, or which are under common control with the Company. They also include associated and joint control companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and directing the Company's operations.

##### Subsidiaries

Subsidiaries are those companies controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of a company so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

When the Company ceases to have control, it shall cease to consolidate its subsidiaries. Any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associated company, joint control company, joint venture. In addition, any amounts previously recognized in other comprehensive income in respect of the Company are accounted for as if the Company had directly disposed of the related assets or liabilities.

##### Associated companies

Associated companies are those companies in which the Company has significant influence, but not control, over the financial and operating policies. The consolidated financial statements include the Company's share of the total recognized gains or losses of associated companies by the equity accounting method, from the date that significant influence commences until the date that significant influence ceases. When the Company's share of losses exceeds its interest in an associate company, the Company will account for the share of losses not exceeding its investments and further losses are no longer accounted for, except to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associated company.

##### Joint control company

Joint control company is these company in which the Company has contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

##### Joint arrangement

A joint arrangement is an arrangement of which two or more parties have joint control in an entity. A joint control as the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

##### - Joint ventures

Joint ventures accounted for under the equity method of accounting, interests in joint ventures are initially recorded at cost and adjusted thereafter to recognize the Company's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Company's share of losses in a joint venture equal or exceeds its interests in the joint ventures, the Company will recognize such losses as obligation of the Company's interest in the joint ventures.

##### - Joint operations

The Company recognizes its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

#### 4.11 Land awaiting developments

Land awaiting developments are valued at cost or net realizable value whichever is lower.

#### 4.12 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, The Group state investment properties at fair value which value by the independent valuer. Any gains or losses arising from changes in the value of investment properties are recognized in the statement of profit or loss.

On disposal of investment properties, the Group recognized the difference between the net disposal proceeds and the carrying amount of the asset in the statement of profit or loss in the period when the asset is derecognized.

#### 4.13 Property, plant and equipment, and depreciation

Property, plant and equipment are presented at cost less accumulated depreciation and allowance for impairment of assets (if any). Costs are measured by the cash or cash equivalent price including interest expense on incurred from related loan for the acquisition of asset that bring it to the location and condition necessary for its intended use.

The Group depreciates buildings and equipment by the straight-line method over their estimated useful lives based on the segregation of components of assets, if each part is significant with different useful lives. Estimated useful lives of the assets are as follows:

Buildings and factories	20 – 30	years
Machinery and equipment	3 – 25	years
Furniture, fixtures and office equipment	3 – 7	years
Vehicles	5 – 12	years
Site offices and temporary camps	5 – 12	years

Expenditures for expansion, renewal and betterment are capitalized. Repair and maintenance costs are recognized as expenses when incurred.

#### 4.14 Right-of-use assets and lease liabilities

##### *Leases - where the Group is the lessee*

At inception of a contract, the Group assesses 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 recognizes a right-of-use (ROU) asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, initial direct costs and estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any incentive received.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group uses the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed payments including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price, under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period; and
- payments of penalties for early termination of a lease if the Group is reasonably certain to terminate early.

The Group measures the ROU asset at cost less accumulated depreciation and impairment loss (if any) and adjusted for any remeasurement of the lease liability. The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful lives of the ROU asset or the end of the lease term. However, if the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the ROU asset reflects that the Group will exercise a purchase option, the Group will depreciate the ROU asset from the commencement date to the end of the useful lives of the underlying asset. The useful lives of the ROU asset is determined on the same basis as those of property, plant and equipment.

The lease liability is re-measured when there is a change in future lease payments arising from the following items:

- a change in an index or a rate used to determine those payments
- a change in the Group's estimate of the amount expected to be payable under a residual value guarantee
- the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured to reflect changes to the lease payments, the Group recognizes the amount of the remeasurement of the lease liability as an adjustment to the ROU asset. However, if the carrying amount of the ROU asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognizes any remaining amount of the remeasurement in profit or loss.

##### *Short-term leases and leases of low-value assets*

The Group has elected not to recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

##### *Leases - where the Group is the lessor*

A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee is classified as finance leases. As at the commencement date, an asset held under a finance lease is recognized as a lease receivable at an amount equal to the net investment in the lease or the present value of the lease payments receivable and any unguaranteed residual value. Subsequently, finance income is recognized over the lease term to reflect a constant periodic rate of return on the net investment in the lease.

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognized as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognized as an expense over the lease term on the same basis as the lease income.

#### 4.15 Goodwill

Goodwill in a business combination represents the excess of the cost of acquisition over the fair value of the share of the identifiable net assets which the Company acquired. Goodwill is measured at cost less allowance for impairment. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment loss on goodwill is not reversed.

#### 4.16 Costs of property development projects

Costs of property development projects are presented at costs or net realizable value whichever is lower. Project development costs include land cost, construction costs and expenses directly related to the development projects, including interest expense incurred from related loan interest. These will be amortized to cost of sales based on the percentage of sold area of each project.

#### 4.17 Potash mining right

Potash mining right represents the excess of the cost of investment over the fair value of the subsidiary's net assets which, in management's view, represents future economic benefits attributable to the potash mining rights. Potash mining right will be amortized using the units of potash production over the estimated potash reserve from the start of production.

#### 4.18 Deferred exploration and development expenses

All expenses incurred in relation to the exploration for mineral reserves and expenses for the application of the mining concession are recorded as deferred exploration and development expenses until the commencement of the commercial production or the abandonment of the project. These expenses will be amortized based on the proportion of the units of production and the total estimated proven and probable recoverable reserves, from the commencement of the commercial operations. When the project is proven not commercially feasible and the property is abandoned or becomes worthless, these expenses will be recorded as expenditure.

4.19 Advances from customers under construction contracts

Advances received from customers is payment for expenses to fulfil the performance obligation which is contract liabilities in respect of performance obligation that have not been fulfilled and presenting as "Advances from customers under construction contracts". Advances from customers under construction contracts will be deducted from the bill of work over the period as indicated in the construction agreement. Advances from customers under construction contracts spanning more than 1 year are classified as non-current liabilities.

4.20 Debentures

Debentures are recognized initially at fair value less attributable transaction charges. Subsequent to initial recognition, debentures are presented at amortized cost with any difference between cost and redemption value being recognized in the statement of profit or loss over the period of the borrowing on an effective interest basis. Gains or losses on early redemption are recognized in the statement of profit or loss upon redemption.

4.21 Impairment of asset

The Group assesses whether there is an indication that any assets may be impaired. If any such indication exists, the Group makes an estimate of the assets recoverable amount. Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in the statement of profit or loss. An asset recoverable amount is the higher of fair value less cost to sell and value in use.

4.22 Income tax

Income tax expense for the year comprises current and deferred taxes. Current and deferred taxes are recognized in profit or loss, except to the extent that it relates to items recognized directly in equity or other comprehensive income.

*Current income tax*

Current income tax is the expected tax payable or income tax benefit on the taxable profit for the period, using income tax rate enacted at the end of the reporting period, and any adjustment to income tax payable in respect of previous years, which is different from profit or loss in the financial statements. The income tax in the consolidated and separate financial statements includes income tax of overseas entities which are calculated based on the cash collection, the revenues or the net profit based on tax rate, whichever is higher.

*Deferred tax*

Deferred taxes are calculated on temporary differences between the accounting amounts of assets and liabilities and the amounts used for tax computation purpose. Deferred taxes are calculated at the income tax rates that are expected to be applied to the temporary differences when they reverse, using income tax rates enacted or substantively enacted at the end of the reporting period.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and if they are intended to be settled on a net basis or when tax assets and liabilities will be realized simultaneously.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that the related tax benefit will be realized.

4.23 Foreign currencies

Foreign currency transactions are translated into Baht at the exchange rates ruling on the transaction dates. Financial assets and liabilities, denominated in foreign currencies, which are outstanding at the reporting date, are translated into Baht at the exchange rates ruling on the reporting date. Gains and losses on exchange are included in the statement of profit or loss.

4.24 Employee benefits

*Short-term employment benefits*

Salaries, wages, bonuses and contribution to the social security are recognized as expenses when incurred on the accrual basis.

*Post-employment benefits (Defined contribution plan)*

The Group, and their employees have jointly established a provident fund plan whereby monthly contribution are made by employees and by the Group. The fund's assets are held in a separate trust fund from the Company's and subsidiaries' assets. The Company's and subsidiaries' contributions to the fund are recognized as expenses when incurred.

*Post-employment benefits (Defined benefit plan)*

The Company and its subsidiaries have obligations in respect of the severance payments they must make to employees upon retirement under the labour law.

The obligations under the defined benefit plan are determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains or losses for the computation of post-employee benefits are recognized in other comprehensive income.

The defined benefits liability comprises the present value of the defined benefit obligation, fair value of plan assets and actuarial gains (losses).

The expected rate of return of plan assets is the Group's expectation of the average long-term rate of return expected on investments of the fund during the estimated term of obligations. Plan assets are measured at fair value as at the reporting date.

4.25 Segment reporting

Segment results that are reported to the Group's executive committee (the chief operating decision makers) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

4.26 Dividend payment

Dividend payment is recorded in the financial statements in the year in which they are approved by the Shareholders or Board of Directors.

4.27 Basic earnings per share

Basic earnings per share are determined by dividing the profit for the year by the weighted average number of ordinary shares outstanding during the year.

#### 4.28 Diluted earnings per share

For the purpose of calculating diluted earnings per share, the weighted average number of outstanding ordinary shares is assumed to be converted to common shares that dilute the total number of shares.

A calculation is done to determine the potential number of shares that could have been acquired at market price (determined as the average share price of the Company's shares during the year) based on the outstanding warrants to determine the number of potential ordinary shares to be additionally issued.

#### 4.29 Provision for liabilities and expenses, and contingent assets

The Group recognized provision for liabilities and expenses in the financial statements when they have present legal or constructive obligations as a result of past events with probable future outflows of resources to settle the obligations, and where a reliable estimate of the amount can be made. The contingent asset will be recognized as a separate asset only when the realization is virtually certain.

#### 4.30 Fair value measurement of financial instruments

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into 3 levels of a fair value hierarchy. The 3 levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 : inputs other than quoted prices included within Level 1 that are observable comparable for the asset or liability, either directly or indirectly
- Level 3 : no observable inputs for the asset or liability.

### 5. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTION AND JUDGMENT

The preparation of the financial statements requires management to undertake judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management.

Critical accounting estimates, assumption and judgments are as follows:

#### 5.1 Construction revenues

The consideration of performance obligation on the contracts with customers required management's judgment to identify the performance obligation on each contract. In addition, the revenues from contract modification which have not yet been determined for the corresponding change in price also requires the management's judgment to estimate the change to transaction prices and amount which the Group will be entitled to receive based on the reasonable consideration of all available information. In addition, the level of progress of performance under the obligation to complete the construction over time for each construction contract requires management assessment based on information available at the reporting date. In this process, management carries out significant judgments about milestones, actual work performed and the estimated costs to complete the work. Significant assumptions are required to estimate the total contract costs and the recoverable variation works that will affect the stage of completion. Actual outcomes in terms of actual costs or revenues may be higher or lower than estimates at reporting date, which would affect the revenue and profit recognized in future years as an adjustment to the amounts recorded to date.

#### 5.2 Claims income

A claim is an amount that the Group seeks to collect from their customers or another party as reimbursement for costs not included in the contract price. A claim income may arise from, for example, customer who caused delays, errors in specifications or design, and disputed variations in contract work. The measurement of the amounts of revenue arising from claims is subject to a high level of uncertainty and often depends on the outcome of negotiations.

#### 5.3 Allowance for loss on construction projects

The Group reviews their construction work-in-progress to determine whether there is any indication of foreseeable losses. Identified foreseeable losses are recognized immediately in the statement of profit or loss when it is probable that total contract costs will exceed total contract revenue as determined by the management.

#### 5.4 Impairment of receivables and contract assets

The Group accounts for allowance for impairment loss equal to the estimated collection losses that may incur in the collection of receivables and contract asset. The estimated losses are based on historical collection experience coupled with a review of outstanding receivables at reporting date.

#### 5.5 Allowance for obsolete, slow-moving and defective inventories

The Group provides allowances for obsolete, slow-moving and defective inventories to reflect impairment of inventories. The allowance is based on consideration of inventory turnover and deterioration of each category and such requires management judgment.

#### 5.6 Allowance for diminution in value of cost of property development projects and land held for development

The Group treats cost of property development projects and land held for development, as diminution when the management judges that there have been significant or prolonged declines in the fair value below their cost. The management determines the devaluation of such cost of property development projects and land held for development based on net realizable value. The determination of what is "significant" or "prolonged" and such devaluation requires management judgment.

#### 5.7 Allowance for impairment of investments

The Group treats investments as impaired 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 management judgment.

#### 5.8 Impairment of goodwill

The Company annually reviews goodwill from investments in subsidiary companies to determine whether it is impaired or not. The recoverable amounts of cash-generating units are determined based on value in use calculations. These calculations require the use of management estimates.

#### 5.9 Impairment of project under development

The Group treats cost of projects under development as diminution when the management judges that there have been significant or prolonged declines in the fair value below their cost. The management determines the devaluation of such cost of projects under development based on net realizable value. The determination of what is "significant" or "prolonged" and such devaluation requires management judgment.

#### 5.10 Joint arrangements

Management applied judgment to determine the type of joint arrangement, based on consideration of the rights and obligations arising from the arrangement.

#### 5.11 Property, plant and equipment and intangible assets

Management determines the estimated useful lives and residual values for plant and equipment and intangible assets and will revise the depreciation and amortization charge where useful lives and residual values previously estimated have changed or subject to be written off for their technical obsolescence or if they are no longer in use.

#### 5.12 Investment property

The Group presents investment property at the fair value estimated by an independent appraiser, and recognize changes in the fair value in profit or loss. The fair values of investment properties are determined by the independent valuer using the market approach. The valuation involves certain assumptions and estimates.

#### 5.13 Allowances for impairment of assets

The Group regularly considers allowances for impairment of assets when there is an indication that an asset may be impaired. If any such indication exists when there has been a significant decline in the fair value below their cost, the Group, make an estimate of the assets recoverable amount. The determination of recoverable amount requires management judgment.

#### 5.14 Post-employment benefits under defined benefit plans

Obligation under defined benefit plans is determined based on actuarial techniques. Inherent within these calculations are assumptions as to discount rates, future salary increases, mortality rates and other demographic factors. Actual post-retirement costs may ultimately differ from these estimates.

#### 5.15 Deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Group's future taxable income against which the deductible temporary differences can be utilized. In addition, management judgment is required in assessing the impact of any legal or economic limits or uncertainties in tax jurisdictions.

#### 5.16 Contingent liabilities from litigation

The Group normally has contingent liabilities as a result of disputes and litigation. Management use judgment to assess the results of the disputes and litigation and recognize reasonable provision for losses in the accounts at the reporting date. However, actual results could differ from the estimates.

#### 5.17 Fair valuation of financial assets and derivatives

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. Details of key assumptions used are included in Note 47.

#### 5.18 Lease

##### *Determining the lease term*

The Group exercises judgement in determining whether it is reasonably certain to exercise option to terminate or extend a lease in determining the lease term which considered all relevant facts and circumstances that create an economic incentive to exercise the option to extend the lease or not to exercise the option to terminate the lease.

##### *Determining of discount rate*

The discount rate, which was used to calculate the lease liability, is the rate implicit in the leases if it can be readily determined, or the lessee's incremental borrowing rate if not. The Company used the rate implicit in the lease for hire purchase leases and incremental borrowing rate for other leases. The Company estimated interest rate closely to incremental borrowing rate.

## 6. FINANCIAL ASSETS AND LIABILITIES

### 6.1 Categories of financial assets and financial liabilities

The carrying amount of financial assets and financial liabilities in each category are as follows:

Transactions	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
<b>Financial assets</b>				
<i>Financial assets measured at amortized cost</i>				
Cash and cash equivalents	3,453,111	3,553,615	1,861,945	1,702,066
Fixed deposits less than one year	605,150	810,990	-	-
Restricted deposits with banks	967,134	878,788	561,804	569,274
Current portion of promissory notes receivable	50,000	50,000	50,000	50,000
Trade accounts receivable unrelated parties	10,267,213	11,051,915	8,064,535	9,238,061
Trade and other accounts receivable related parties	3,553,628	1,466,899	5,647,919	3,688,729
Current portion of Finance lease receivable – subsidiary	-	-	6,373	6,239
Contract assets (Retention receivable)	3,907,014	3,934,209	2,268,827	2,433,649
Short-term loans and advances to related parties	506,510	359,491	606,103	648,469
Finance lease receivable – subsidiary	-	-	24,669	26,882
Promissory notes receivable	235,939	285,939	235,939	285,939
Long-term loans and advances to related parties	970,743	1,112,512	876,489	657,724



Transactions	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
<i>Financial assets measured at fair value through profit or loss (FVTPL)</i>				
Other current assets (Derivative assets)	3,485	76,880	3,485	76,880
Other long-term investments	789,647	789,647	385,744	585,744
<i>Financial assets measured at fair value through Comprehensive income (FVOCI)</i>				
Other long-term investments	322,494	467,918	303,362	440,655
<b>Total Financial assets</b>	<b>25,632,068</b>	<b>24,838,803</b>	<b>20,897,194</b>	<b>20,410,311</b>
<b>Financial liabilities</b>				
<i>Financial liabilities measured at amortized cost</i>				
Bank overdrafts and short-term loans from financial institutions	6,419,015	7,255,513	4,092,974	4,560,619
Liabilities under trust receipts	3,127,776	2,749,862	3,012,105	2,749,862
Trade and other accounts payable - unrelated parties	24,469,663	21,263,657	17,436,560	15,826,098
Trade and other accounts payable - related parties	3,045,281	2,338,462	3,907,321	2,980,555
Short-term loans and advance from related parties	-	29,838	1,632,231	950,039
Current portion of lease liabilities	518,757	696,737	338,767	554,292
Current portion of long-term loans	12,936,634	14,060,347	11,813,146	13,160,908
Current portion of debentures	4,003,045	5,998,585	4,003,045	5,998,585
Current portion of liabilities payable as concession certificate	145,392	-	-	-
Retentions payable	1,156,227	1,072,862	1,093,208	1,024,109
Current portion of other financial liabilities	708,052	569,810	655,691	519,201
Other accounts payable - unrelated parties	-	1,188,081	-	1,188,081
Lease liabilities	953,242	1,037,599	325,861	428,309
Long-term loans	6,411,123	6,884,894	2,714,206	3,903,838
Debentures	10,389,395	8,416,954	10,389,395	8,416,954
Other financial liabilities	988,661	1,235,506	848,541	1,043,025
Liabilities payable as concession certificate	969,898	-	-	-
<i>Financial liabilities measured at fair value through profit or loss (FVTPL)</i>				
Other non-current liabilities (Derivative liabilities)	-	79,235	-	-
<b>Total Financial liabilities</b>	<b>76,242,161</b>	<b>74,877,942</b>	<b>62,263,051</b>	<b>63,304,475</b>

6.2 Financial assets measured at amortized costs

Financial assets measured at amortized costs comprises with trade accounts receivable and the debt instruments.

6.3 Financial assets measured at fair value through profit or loss

Financial assets at fair value through profit or loss comprise with equity instrument which are not held for trading. The Group has made the irrevocable election to present subsequent change in the fair value of equity instruments in non-marketable securities through profit or loss.

6.4 Financial assets measured at fair value through comprehensive income

Financial assets at fair value through other comprehensive income comprise with equity instrument which are not held for trading. The Group has made the irrevocable election to present subsequent change in the fair value of equity instruments in marketable securities through other comprehensive income.

6.5 Derivative financial instruments and hedge accounting

The Group has the financial derivative as following:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
<b>Derivative assets</b>				
Derivative assets were not designated as a hedging instrument				
- Forward contract	3,485	76,880	3,485	76,880
<b>Derivative liabilities</b>				
Derivative liabilities designated as a hedging instrument				
- Interest rate swap	-	79,235	-	-
<b>Total</b>	<b>-</b>	<b>79,235</b>	<b>-</b>	<b>-</b>



## 7. FINANCIAL INSTRUMENTS RISK

### 7.1 Risk management objectives and policies

The Group has main financial instruments for each item of financial assets and liabilities as discussed in note 6. Risk management is integral to the business of the Group. The Group has a system of controls in order to create an acceptable balance of risk levels. It is considered between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

The Group is exposed to various types of risks related to these financial instruments. The major risks include credit risk, liquidity risk and market risk. These consist of foreign exchange risk and interest rate risk. The Group has risk management policies as follow;

#### **Credit risk**

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The group is exposed to credit risk from financial assets including cash and cash equivalents, trade and other receivables, contractual cash flow of investment in debt instrument, which is measured at amortized cost, measured at fair value through other comprehensive income and measured at fair value through profit and loss, derivative including credit risk from account receivables, other receivables, and loans.

#### Credit risk management

The management manages risk by establishing appropriate credit control policies and procedures. Therefore, the Group does not expect to suffer any significant losses from credit granting. Since the granting of credit is made in advance. The maximum amount that a company may incur on credit is the book value of the receivable shown in the statement of financial position.

#### Impairment loss of financial assets

#### Trade and other account receivable

The Group considers the simplified approach in accordance with Thai Financial Reporting Standard No. 9 to measure expected credit losses over the life of all trade receivables and contractual assets. As such transactions do not contain any significant financial elements. In determining the expected credit loss. Management has classified customers on a common credit risk profile basis and according to groups of overdue periods.

An estimate of the expected credit loss rate is based on past service and sales history and experience of credit losses incurred from 2014 to the end of the accounting period updated to reflect current information.

#### Loans and advances to related parties

The Group has loans to related parties measured at amortized cost. The Group recognizes expected credit losses over the next 12 months on loans that do not incur a significant credit risk increase. The Company has recognized the expected credit loss over the life of the loans with significant increase in credit risk.

#### Other debt instrument

The Group has cash and cash equivalents retentions receivables and other receivables which are required to determine the impairment loss according to Thai Financial Reporting Standard No. 9. However, the Group has determined that the impairment amount is insignificant.

#### **Liquidity risk**

Liquidity risk is that the Group might be unable to meet its obligations. The Group manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities as well as forecast cash inflows and outflows due in day-to-day business. The data used for analyzing these cash flows is consistent with that used in the contractual maturity analysis below:

As at 31 December 2022, the Group's non-derivative financial liabilities maturity (Including contractual interest payments (if any)) as follows:

	(Unit : Thousand Baht)				
	Consolidated F/S				
	Within 1 year	1 – 2 years	2 - 5 years	Over 5 years	Total
Bank overdrafts and short-term loans from financial institutions	6,419,015	-	-	-	6,419,015
Liabilities under trust receipts	3,127,776	-	-	-	3,127,776
Trade and other accounts payable - unrelated parties	24,469,663	-	-	-	24,469,663
Trade and other accounts payable - related parties	3,045,281	-	-	-	3,045,281
Lease liability	518,757	953,242	-	-	1,471,999
Long-term loans	12,936,634	6,185,754	225,369	-	19,347,757
Debenture	4,003,045	4,438,740	5,950,655	-	14,392,440
Other financial liabilities	708,052	988,661	-	-	1,696,713
Retentions payable	1,156,227	-	-	-	1,156,227
<b>Total</b>	<b>56,384,450</b>	<b>12,566,397</b>	<b>6,176,024</b>	<b>-</b>	<b>75,126,871</b>

	(Unit : Thousand Baht)				
	Separate F/S				
	Within 1 year	1 – 2 years	2 - 5 years	Over 5 years	Total
Bank overdrafts and short-term loans from financial institutions	4,092,974	-	-	-	4,092,974
Liabilities under trust receipts	3,012,105	-	-	-	3,012,105
Trade and other accounts payable - unrelated parties	17,436,560	-	-	-	17,436,560
Trade and other accounts payable - related parties	3,907,321	-	-	-	3,907,321
Short-term loans and advance from related parties	1,632,231	-	-	-	1,632,231
Lease liability	338,767	325,861	-	-	664,628
Long-term loans	11,813,146	2,488,837	225,369	-	14,527,352
Debenture	4,003,045	4,438,740	5,950,655	-	14,392,440
Other financial liabilities	655,691	848,541	-	-	1,504,232
Retentions payable	1,093,208	-	-	-	1,093,208
<b>Total</b>	<b>47,985,048</b>	<b>8,101,979</b>	<b>6,176,024</b>	<b>-</b>	<b>62,263,051</b>

#### Market risk

The Group exposures to market risk through its use of financial instruments and specifically to currency risk, interest rate risk and certain other price risks, which result from both its operating and investing activities.

##### Interest rate risk

The Group exposures to interest rate risk relates primarily to their cash at banks, bank overdrafts, loans, lease liabilities and debentures. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the current market rate, therefore the Group's interest rate is at low risk level.

##### Sensitivity Analysis

Cash-flow sensitivity analysis of financial instruments with variable interest rate at the end of reporting period may resulted the gain or loss from such analysis. However, the Group has determined that the result from sensitivity analysis is not significant.

##### Foreign currency risk

Group exposures to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into forward exchange contracts when it considers appropriate.

As at 31 December 2022, the balances of financial assets and liabilities denominated in foreign currencies of the subsidiaries are summarized below :

	Consolidated F/S		
	Million USD	Million EUR	Million LAK
Trade accounts receivable and retention	9	-	-
Trade accounts receivable and loans related parties	45	-	-
Trade account payable	1	3	77

	Separate F/S		
	Million USD	Million EUR	Million BDT
Trade accounts receivable and loans related parties	56	-	1,123
Trade account payable	1	1	-

As at 31 December 2022, the Group has forward exchange contracts outstanding as summarized below

Foreign currency	Balance (million)	Contractual exchange rate
Euro (Bought)	8	36.2658 – 36.4132

In addition, the Group is exposed to foreign exchange fluctuations arising from Investments in subsidiaries, associated and joint control companies, and joint ventures which does not hedge such risk.

#### 7.2 Capital management risk

The primary objective of the Group capital management is to ensure that they have appropriate capital structure in order to support their business and maximize shareholder value to reduce the financial cost of capital and to maintain the debt-to-equity ratio in accordance with the terms of the loan and debenture agreements.

In order to maintain or revise the capital structure, The Group may adjust the dividend payment policy. Issuance of new shares or issuing new debentures to pay off existing debts or selling assets to reduce debt burden.

## 8. PROMISSORY NOTES

	(Unit : Thousand Baht)	
	Consolidated and Separate F/S	
	31 December 2022	31 December 2021
Promissory Notes	285,939	335,939
Less : Current portion	(50,000)	(50,000)
Net	235,939	285,939

In the year 2018, the Company entered into an agreement with a debtor for the repayment of construction work. Such debtor agreed to settlement the debt by issuing promissory notes to the Company for installment payments of 10 years with interest at 4.18 percent per annum.

The Company has long-term loan from a local financial institution which has balance as at 31 December 2022 of Baht 285.94 million (2021: Baht 335.94 million). Such loan bears interest at 4 percent per annum. The principal and interest are repayable when the Company received debt settlement for the promissory notes from the debtor mentioned above. (As discussed in Note 30)

## 9. TRADE ACCOUNTS RECEIVABLE – UNRELATED PARTIES

Trade accounts receivable balances as at 31 December 2022 and 2021 are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Trade accounts receivables	11,359,665	12,197,430	8,345,960	9,519,340
Less : Allowance for impairment losses	(1,092,452)	(1,145,515)	(281,425)	(281,279)
Net	10,267,213	11,051,915	8,064,535	9,238,061

Allowance for impairment losses of trade accounts receivables - unrelated parties classify by outstanding ages are as follows:

Outstanding ages	(Unit : Thousand Baht)			
	Consolidated F/S			
	2022		2021	
	Carrying amounts	Allowance for impairment losses	Carrying amounts	Allowance for impairment losses
Less than 3 months	8,167,016	(218)	8,709,297	(1,374)
3 – 6 months	219,830	(9)	234,684	(3)
6 – 12 months	514,348	(4,502)	159,064	(1,980)
More than 12 months	2,458,471	(1,087,723)	3,094,385	(1,142,158)
Total	11,359,665	(1,092,452)	12,197,430	(1,145,515)

Outstanding ages	(Unit : Thousand Baht)			
	Separate F/S			
	2022		2021	
	Carrying amounts	Allowance for impairment losses	Carrying amounts	Allowance for impairment losses
Less than 3 months	6,485,168	(218)	7,313,173	(1,374)
3 – 6 months	146,558	(9)	18,396	(3)
6 – 12 months	156,244	(4,502)	83,799	(1,980)
More than 12 months	1,557,990	(276,696)	2,103,972	(277,922)
Total	8,345,960	(281,425)	9,519,340	(281,279)

A reconciliation of loss on impairment trade accounts receivable – unrelated parties for the year ended 31 December 2022 are as follows:

	(Unit : Thousand Baht)	
	Consolidated F/S	Separate F/S
As at 1 January 2022	1,145,515	281,279
Recognize increase allowance for impairment losses	55,218	146
Reversal of impairment loss	(107,207)	-
Translation adjustment for foreign currency financial statement	(1,074)	-
As at 31 December 2022	1,092,452	281,425

The Company recognizes the impairment of receivables by forward-looking “expected credit loss” (ECL) model, except for the following receivables:

- As at 31 December 2022 and 2021, the consolidated and separate financial statements included trade accounts receivable from a State Enterprise in respect of a construction project totalling Baht 1,125.79 million which is the remaining construction amount completed in September 2019. The Company is in the negotiation process to receive the payment of such remaining construction amount deducted by the employer, since the employer has claimed for the penalty from the construction work completed after the key completion dates and also after the final completion

date of the contract.

The Company had ever argued about the consideration of the extension of the completion dates for some cases of the delay causes from employer and the Company received the approval letter for the extension of a construction project from cases of the delay causes. Resulting, the Company received the partial payment of construction amount in September 2020. However, the Company has still argued the consideration of the extension of the completion dates from cases of the delay causes which was approved by the employer in November 2020. The company has prepared the letter to reserve the right to request reduction or waiver of all remaining find and presented to the employer in November 2020, the supervisor of the employer has a letter to report the opinion to the employer for reviewing the consideration of the company's claims. During the year, the employer's representative has considered the project consultation's opinion letter and there was an opinion consistent with the project consultation's suggestion that the employer considered the date deviating from the appropriate and fair principles. Therefore, all remaining penalty totalling Baht 1,125.79 million should be returned to the Company which the employer's representative has proposed to the employer to consider according to the steps and regulations of the employer.

Meanwhile, on 20 April 2022, the Company filed an indictment at the Central Administrative Court and the Court accepted it on 22 June 2022 for request the employer to defray the penalty as well as paying damages and interest to the Company totaling Baht 1,817.91 million. During the period, the Central Administration Court has ordered relevant persons to give testimony regarding the case. At present, the case is under consideration by the Central Administrative Court.

The Company's management is unable to assess the impact of such matter which depends on the result of the consideration made by the Central Administration Court and the employer that cannot presently be concluded.

- As at 31 December 2022, the Group has outstanding trade receivables from the government sectors totalling Baht 302.75 million and receivables from the private sectors totalling Baht 26.57 million (2021: Baht 689.58 million and Baht 145.20 million, respectively) for various construction projects in both of Thailand and overseas which is under the negotiation process for the debt collection for the construction work. Such construction projects have been certified by the project consultant and the employer. Therefore, the Group's management believes that they are able to collect such outstanding in full amount.

#### 10. TRADE AND OTHER ACCOUNTS RECEIVABLE – RELATED PARTIES

The outstanding balances as at 31 December 2022 and 2021 are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
<b>Accounts receivable</b>				
Subsidiaries	-	-	3,161,276	2,700,671
Associated and joint control companies and joint ventures	1,897,358	1,657,576	881,568	1,238,822
Related parties	2,203,518	387,334	2,111,132	295,526
<b>Total</b>	<b>4,100,876</b>	<b>2,044,910</b>	<b>6,153,976</b>	<b>4,235,019</b>
Trade and other accounts receivable - related parties	4,100,876	2,044,910	6,153,976	4,235,019
Less : Allowance for impairment loss	(547,248)	(578,011)	(506,057)	(546,290)
<b>Net</b>	<b>3,553,628</b>	<b>1,466,899</b>	<b>5,647,919</b>	<b>3,688,729</b>

Allowance for impairment losses of trade accounts receivables - related parties classify by outstanding ages are as follows:

Outstanding ages	(Unit : Thousand Baht)			
	Consolidated F/S			
	2022		2021	
	Carrying amounts	Allowance for impairment losses	Carrying amounts	Allowance for impairment losses
Less than 3 months	2,432,746	(29)	173,060	(1)
3 – 6 months	126,474	(28)	109,584	-
6 – 12 months	162,480	-	25,123	(2)
12 – 24 months	369,354	(4,184)	479,412	(56,317)
More than 24 months	1,009,822	(543,007)	1,257,731	(521,691)
<b>Total</b>	<b>4,100,876</b>	<b>(547,248)</b>	<b>2,044,910</b>	<b>(578,011)</b>

Outstanding ages	(Unit : Thousand Baht)			
	Separate F/S			
	2022		2021	
	Carrying amounts	Allowance for impairment losses	Carrying amounts	Allowance for impairment losses
Less than 3 months	3,232,589	(963)	570,436	(817)
3 – 6 months	192,389	(600)	66,945	(1,119)
6 – 12 months	558,339	(1,480)	440,109	(1,588)
12 – 24 months	509,079	(7,648)	1,321,234	(13,307)
More than 24 months	1,661,580	(495,366)	1,836,295	(529,459)
<b>Total</b>	<b>6,153,976</b>	<b>(506,057)</b>	<b>4,235,019</b>	<b>(546,290)</b>

A reconciliation of loss on impairment for trade and other accounts receivables - related parties for the year ended 31 December 2022 are as follows:

	(Unit : Thousand Baht)	
	Consolidated F/S	Separate F/S
As at 1 January 2022	578,011	546,290
Recognize increase allowance for impairment losses	57	6,820
Reversal of impairment loss	(32,885)	(47,053)
Translation adjustment for foreign currency financial statement	2,065	-
As at 31 December 2022	547,248	506,057

# 11. CONTRACT ASSETS AND CONTRACT LIABILITIES

The Group has an outstanding balances of contract assets and contract liabilities with customers as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
<b>Contract assets</b>				
<u>Contract assets - current</u>				
Earned revenues not yet billed - net	25,608,660	24,558,525	19,536,538	19,505,832
Retentions receivable	3,907,014	3,934,209	2,268,827	2,433,649
Costs to fulfil a contract asset	173,987	66,411	156,749	66,411
Total contract assets - current	29,689,661	28,559,145	21,962,114	22,005,892
<u>Contract assets – non-current</u>				
Costs to fulfil a contract asset	1,806,979	1,856,591	1,795,487	1,856,591
Total contract assets – non-current	1,806,979	1,856,591	1,795,487	1,856,591
<b>Total contract assets – non-current</b>	<b>31,496,640</b>	<b>30,415,736</b>	<b>23,757,601</b>	<b>23,862,483</b>
<b>Contract liabilities</b>				
<u>Contract liabilities - current</u>				
Receipts in excess of contracted work in progress	3,669,047	2,509,236	341,786	30,584
Customer advances under construction contracts due for revenue recognition within 1 year	8,488,309	7,297,970	8,031,131	6,410,600
Total contract liabilities - current	12,157,356	9,807,206	8,372,917	6,441,184
<u>Contract liabilities – non - current</u>				
Customer advances under construction contracts - net	10,028,578	6,787,706	6,298,036	4,807,847
Total contract liabilities – non - current	10,028,578	6,787,706	6,298,036	4,807,847
<b>Total contract liabilities</b>	<b>22,185,934</b>	<b>16,594,912</b>	<b>14,670,953</b>	<b>11,249,031</b>

## 11.1 Earned revenues not yet billed

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Earned revenues not yet billed	25,691,434	24,603,330	19,619,312	19,550,637
Less : Allowance for impairment losses	(82,774)	(44,805)	(82,774)	(44,805)
Net	25,608,660	24,558,525	19,536,538	19,505,832

As at 31 December 2022, the Group and the Company has an outstanding balance of earned revenues not yet billed expected to bill with customers within 1 year Baht 22,967.86 million and Baht 16,557.32 million, respectively (2021: the Group and the Company has an outstanding balance of earned revenues not yet billed expected to bill with customers within 1 year Baht 20,848.60 million and Baht 15,799.99 million respectively).

A reconciliation of loss on impairment earned revenues not yet billed for year ended 31 December 2022 as follows:

	(Unit : Thousand Baht)	
	Consolidated F/S	Separate F/S
As at 1 January 2022	44,805	44,805
Recognize increase allowance for impairment losses	37,969	37,969
As at 31 December 2022	82,774	82,774

As at 31 December 2022, the consolidated financial statements included the Company's portion of earned revenues but not yet billed of Baht 246.85 million (Rupees 587.88 million) (2021: Baht 263.15 million (Rupees 587.91 million)) for a construction project with a State Enterprise of an overseas joint venture between the Company and an overseas subsidiary. The Joint Venture has completed the construction work in December 2018 and received the Taking Over Certificate from the employer in the year 2019 and received the Performance Certificate on 24 December 2020.

In June 2021, the employer made the partial payment for the construction work to the joint venture. However, the joint venture is currently under the negotiation with the employer to claim the remaining construction work done. The joint venture's management has assessed the realization based on information from the legal opinion of an independent counsel and believes that they will get the full payment from the employer. The recoverability of such earned revenues not yet billed is dependent on the outcome from the negotiation with the employer which cannot presently be concluded.

## 11.2 Costs to fulfil contracts

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Current	<b>214,980</b>	66,411	<b>186,250</b>	66,411
Non - current	<b>1,765,986</b>	1,856,591	<b>1,765,986</b>	1,856,591
Total	<b>1,980,966</b>	1,923,002	<b>1,952,236</b>	1,923,002

Movement of costs to fulfill contracts for the year ended 31 December 2022 and 2021 are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Beginning balance	<b>1,923,002</b>	76,334	<b>1,923,002</b>	76,334
Add : Increase	<b>1,243,154</b>	2,051,105	<b>1,201,496</b>	2,051,105
Ending balance	<b>3,166,156</b>	2,127,439	<b>3,124,498</b>	2,127,439
Less : Accumulated amortization costs	<b>(1,185,190)</b>	(204,437)	<b>(1,172,262)</b>	(204,437)
Net	<b>1,980,966</b>	1,923,002	<b>1,952,236</b>	1,923,002

## 11.3 Revenue recognized in relation to contract balances

During the year 2022, the Group recognized revenues which was included in the contract liabilities balance at the being period of Baht 9,807.21 million (Separate F/S : Baht 6,441.18 million).

## 11.4 Revenue to be recognized for the remaining performance obligations

As at 31 December 2022, the Group expects to recognized revenue in the future in respect of performance obligations which are unsatisfied with customers for the significant contract and contract which has duration more than one-year totalling Baht 241,744.44 million (Separate F/S: Baht 128,846.06 million).

## 12. SHORT-TERM LOANS AND ADVANCES TO RELATED PARTIES

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Subsidiaries	-	-	<b>1,332,871</b>	1,362,023
Associated companies and joint ventures	<b>515,661</b>	368,642	<b>250,281</b>	244,283
Related companies	<b>16,489</b>	15,944	-	-
Total	<b>532,150</b>	384,586	<b>1,583,152</b>	1,606,306
Less : Allowance for impairment loss	<b>(25,640)</b>	(25,095)	<b>(977,049)</b>	(957,837)
Short-term loans and advances to related parties - net	<b>506,510</b>	359,491	<b>606,103</b>	648,469

Movements in the short - term loans and advances to subsidiaries and related parties for the year ended 31 December 2022 are as follows:

	(Unit: Thousand Baht)					
	Consolidated F/S					
	1 January 2022	During the year				31 December 2022
		Increase	Decrease	Reclassification	Translation adjustment	
Associated company and joint venture	368,642	149,472	(2,453)	-	-	515,661
Related companies	15,944	-	-	-	545	16,489
Total	384,586	149,472	(2,453)	-	545	532,150

	(Unit: Thousand Baht)					
	Separate F/S					
	1 January 2022	During the year				31 December 2022
		Increase	Decrease	Reclassification	Translation adjustment	
Subsidiaries	1,362,023	59,549	(86,485)	-	(2,216)	1,332,871
Associated company and joint venture	244,283	8,025	(2,027)	-	-	250,281
Total	1,606,306	67,574	(88,512)	-	(2,216)	1,583,152

A reconciliation of loss short-term loans and advances to subsidiaries and related parties for the year ended 31 December 2022 and 2021 are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
As at 1 January	25,095	26,495	957,837	905,855
Recognize increase allowance for impairment losses	-	-	31,216	101,069
Reversal of allowance for impairment loss	-	(3,014)	(9,788)	(52,167)
Translation adjustment for foreign currency financial statement	545	1,614	(2,216)	3,080
As at 31 December	25,640	25,095	977,049	957,837

### 13. INVENTORIES AND WORK IN PROCESS

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Work in process	148,383	76,824	-	-
Materials and inventories	5,007,713	4,568,561	2,088,050	2,290,785
Total	5,156,096	4,645,385	2,088,050	2,290,785
Less : Allowance for obsolete inventories	(145,513)	(141,807)	(133,315)	(119,177)
Net	5,010,583	4,503,578	1,954,735	2,171,608

During the years 2022 and 2021, movements in allowance for obsolete inventories are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Balance as at 1 January	141,807	130,471	119,177	114,465
Add : Additional allowance	8,389	11,377	14,138	4,236
Less : Reversal of allowance	(4,191)	(760)	-	-
Add : Translation adjustment	(492)	719	-	476
Balance as at 31 December	145,513	141,807	133,315	119,177

### 14. COSTS OF PROPERTY DEVELOPMENT PROJECTS

	(Unit : Thousand Baht)	
	Consolidated F/S	
	2022	2021
Land	186,220	187,301
Cost of property development projects	366,071	306,877
Utilities installation	64,225	55,809
Capitalized borrowing costs	12,185	9,199
Total	628,701	559,186
Less : Amounts transferred to cost of sales	(267,584)	(260,452)
Net	361,117	298,734

As at 31 December 2022 and 2021, the above land and constructions have been pledged as collaterals for overdraft, loan and credit facilities with local banks as discussed in Note 27.

During the years 2022 and 2021, the Company capitalized interest amounting to Baht 4.61 million and Baht 3.84 million, respectively, to the cost of property development project. The capitalization rates of interest are based on the borrowing costs as discussed in Note 27.



The changes in cost of property development projects for the years ended 31 December 2022 and 2021 are as follows:

	(Unit : Thousand Baht)	
	Consolidated F/S	
	2022	2021
Balance as at 1 January	298,734	305,629
Add : Cost of property development	329,967	253,557
Less : Cost of sales	(267,584)	(260,452)
Balance as at 31 December	361,117	298,734

# 15. RESTRICTED DEPOSIT WITH BANKS

15.1 During the year 2019, a project office in India had deposited cash with bank of Baht 237.33 million as collateral for the issuance of performance bonds to the employer. The period of guarantee will be extended until further orders of the Court with regard to the dispute between the Project Office and the employer. Currently, the outcome of the lawsuit not yet finalize.

15.2 During the year 2021, the Company has entered into agreements to pledge the deposits and its interest as collateral with two banks are as follows:

- Deposit with a local bank of Baht 150.39 million as business collateral in order to secure the repayment obligations of the Company and an overseas subsidiary.
- Deposit with an overseas bank of USD 5 million (equivalents to Baht 174.08 million) as collateral for an overseas subsidiary for issuing Standby Letter of Credit according to the conditions in the loan agreement for their project under development as discussed in Note 26.

# 16. INVESTMENTS IN SUBSIDIARIES, ASSOCIATED AND JOINT CONTROL COMPANIES, AND JOINT VENTURES

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Investment in subsidiaries	-	-	11,690,855	11,690,855
Investment in associated and joint control companies	1,877,252	2,621,117	3,766,308	2,794,559
Investment in joint ventures	542,356	380,276	-	-
Total	2,419,608	3,001,393	15,457,163	14,485,414

The Group regularly assesses the values of investments in subsidiaries, associated and joint control companies, and joint ventures. An allowance for impairment is promptly taken up when there is a reliable indication that the decline value can be determined.

## 16.1 Investment in subsidiaries

	(Unit : Thousand Baht)	
	Separate F/S	
	2022	2021
Investment in subsidiaries	16,222,787	16,216,496
Less : Allowance for impairment	(4,531,932)	(4,525,641)
Investment in subsidiaries – net	11,690,855	11,690,855

Movements in investment in subsidiaries for the years ended 31 December 2022 and 2021 are as follows:

	(Unit : Thousand Baht)	
	Separate F/S	
	2022	2021
Balance as at 1 January	11,690,855	11,788,289
Add : Additional investments during the year	-	130,000
Add : Transfer debt to equity during the year	6,291	-
Less : Allowance for impairment	(6,291)	(227,434)
Balance as at 31 December	11,690,855	11,690,855

Investment in subsidiaries as at 31 December 2022 and 2021 comprise investments as follows:

	Nature of business	(Unit : Thousand Baht)				
		Paid-up Capital	Percentage of shareholding (%)		Separate F/S	
					Cost	
			2022	2021	2022	2021
<b><u>Investment in subsidiaries</u></b>						
Italian-Thai International Co., Ltd.	Holding company	4,710,000	99.99	99.99	4,710,000	4,710,000
Less : Allowance for impairment					(677,818)	(677,818)
Net					4,032,182	4,032,182
Bhaka Bhumi Development Co., Ltd.	Real estate development	20,000	99.99	99.99	20,000	20,000

		(Unit : Thousand Baht)				
	Nature of business	Paid-up Capital	Percentage of shareholding (%)		Separate F/S Cost	
			2022	2021	2022	2021
Thai Pride Cement Co., Ltd.	Manufacture and distribution of cement	1,300,000	99.99	99.99	1,585,000	1,585,000
Nha Pralan Crushing Plant Co., Ltd.	Rock quarrying, processing and distribution	31,000	99.99	99.99	30,999	30,999
Less : Allowance for impairment					(30,999)	(30,999)
Net					-	-
Siam Concrete and Brick Products Co., Ltd.	Manufacture and distribution of concrete products	126,000	99.80	99.80	124,296	124,296
Italhai Marine Co., Ltd.	Production and sale of vessels and equipment	810,000	92.59	92.59	430,000	430,000
Less : Allowance for impairment					(430,000)	(430,000)
Net					-	-
Italhai Trevi Co., Ltd.	Foundation and piling work services	80,000	90.94	90.94	84,189	84,189
Asian Steel Product Co., Ltd.	Manufacture and distribution of large steel pipes	20,000	69.90	69.90	7,004	7,004
Thai Maruken Co., Ltd.	Lease and sale of sheet piles and beams for foundation construction work	20,000	50.96	50.96	10,196	10,196
Italian-Thai Land Co., Ltd.	Not yet operational	422,000	99.99	99.99	412,050	412,050
Palang Thai Kaowna Co., Ltd.	Not yet operational	459,000	99.99	99.99	458,650	458,650
Less : Allowance for impairment					(206,146)	(206,146)
Net					252,504	252,504
Palit Palang Ngan Co., Ltd.	Not yet operational	123,000	78.16	78.16	95,440	95,440
Italian Thai Power Co., Ltd.	Production and distribution of electricity	650,000	99.99	99.99	650,000	650,000
Less : Allowance for impairment					(650,000)	(650,000)
Net					-	-
Saraburi Construction Technology Co., Ltd.	Manufacture, distribution and installation of concrete sheet	250	99.93	99.93	250	250
Asia Logistics Development Co., Ltd.	Not yet operational	1,000	99.93	99.93	999	999
Asia Industrial and Port Corporation Co., Ltd.	Not yet operational	1,000	99.93	99.93	999	999
Myanmar Italian-Thai Power 1 Co., Ltd.	Not yet operational	250	99.95	99.95	250	250
Italian – Thai Hongsa Co., Ltd.	Coal mining contractor	250	99.97	99.97	250	250
APPC Holding Co., Ltd.	Holding company	4,279,987	64.52	64.52	2,761,592	2,761,592
Asian Rail Co., Ltd.	Construction services	100,000	99.99	99.99	100,000	100,000
ITD-ARC Joint Venture	Construction services	-	10.00	10.00	-	-
ITD – VCB Joint Venture	Construction services	-	70.00	70.00	-	-
<b>Overseas subsidiary companies</b>						
PT. Thailindo Bara Pratama	Coal mining contractor	1,038,674 Million IDR	99.99	99.99	2,286,218	2,286,218
Less : Allowance for impairment					(2,286,218)	(2,286,218)
Net					-	-
ITD Cementation India Limited	Construction services in India	172 Million INR	46.64	46.64	2,143,951	2,143,951
ITD–Madagascar S.A.	Mining business	20 Million MGA (2021: 3,567 Million MGA)	99.98	99.98	234,279	227,988
Less : Allowance for impairment					(234,279)	(227,988)
Net					-	-
ITD Construction SDN.BHD.	Construction services in Malaysia	0.75 Million MYR	99.99	99.99	7,312	7,312
Less : Allowance for impairment					(7,312)	(7,312)
Net					-	-

	Nature of business	Paid-up Capital	(Unit : Thousand Baht)			
			Percentage of shareholding (%)		Separate F/S Cost	
			2022	2021	2022	2021
ITD Bangladesh Company Limited	Construction services in Bangladesh	4 Million BDT	<b>99.99</b>	99.99	<b>1,546</b>	1,546
Italian-Thai Development Vietnam Co., Ltd.	Not yet operational	6,000 Million VND	<b>80.00</b>	80.00	<b>9,160</b>	9,160
Less : Allowance for impairment					<b>(9,160)</b>	(9,160)
Net					-	-
ITD Mozambique Limitada	Construction services in the Republic of Mozambique	1,373,615 USD	<b>99.00</b>	99.00	<b>46,121</b>	46,121
Thai Mozambique Logistica SA.	Concession for constructing Port and Railway in the Republic of Mozambique	364,999 USD	<b>60.00</b>	60.00	<b>12,036</b>	12,036
Total investment in subsidiaries - net					<b>11,690,855</b>	11,690,855

#### NON-CONTROLLING INTERESTS

Subsidiaries with material non-controlling interests are as follows:

Name	(Unit : Million Baht)					
	Proportion of ownership interests held by the NCI (Percentage)		Other comprehensive income (loss) allocated to NCI		Accumulated NCI	
	2022	2021	2022	2021	2022	2021
Italthai Trevi Co., Ltd.	<b>9.06</b>	9.06	-	1	<b>76</b>	68
Asian Steel Product Co., Ltd.	<b>30.10</b>	30.10	-	-	<b>57</b>	52
Thai Maruken Co., Ltd.	<b>49.04</b>	49.04	-	-	<b>224</b>	230
ITD Cementation India Limited	<b>53.36</b>	53.36	<b>54</b>	216	<b>2,641</b>	2,604
Italthai Marine Co., Ltd.	<b>7.41</b>	7.41	-	(1)	<b>(31)</b>	(30)

During the year 2022, subsidiaries paid dividends to the non-controlling interests of Baht 17.10 million (2021 : Baht 39.90 million).

Significant financial information of the subsidiaries with material non-controlling interest in the aggregate amounts before eliminations are summarized as follows:

	(Unit : Million Baht)									
	For the years ended 31 December									
	Italthai Trevi Co., Ltd.		Asian Steel Product Co., Ltd.		Thai Maruken Co., Ltd.		ITD Cementation India Limited		Italthai Marine Co., Ltd.	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Current assets	<b>1,030</b>	930	<b>200</b>	159	<b>378</b>	299	<b>15,069</b>	13,392	<b>20</b>	28
Non-current assets	<b>361</b>	481	<b>42</b>	47	<b>1,361</b>	1,733	<b>4,566</b>	3,253	<b>22</b>	24
Current liabilities	<b>368</b>	499	<b>38</b>	19	<b>414</b>	738	<b>10,182</b>	9,155	<b>455</b>	462
Non-current liabilities	<b>182</b>	167	<b>14</b>	14	<b>870</b>	825	<b>4,503</b>	2,160	-	1
Equity attributable to the Company's shareholder	<b>765</b>	678	<b>133</b>	121	<b>231</b>	239	<b>2,309</b>	2,276	<b>(382)</b>	(380)
Non-controlling interests	<b>76</b>	68	<b>57</b>	52	<b>224</b>	230	<b>2,641</b>	2,604	<b>(31)</b>	(30)
Revenue	<b>969</b>	795	<b>196</b>	90	<b>770</b>	814	<b>20,826</b>	16,183	-	173
Profit (loss) for attributable to the Company's shareholders	<b>87</b>	53	<b>11</b>	(7)	<b>(7)</b>	(7)	<b>223</b>	216	<b>(3)</b>	95
Profit (loss) for attributable to non-controlling interests	<b>9</b>	5	<b>5</b>	(3)	<b>(6)</b>	(6)	<b>256</b>	247	-	8
Profit (loss) for the year	<b>96</b>	58	<b>16</b>	(10)	<b>(13)</b>	(13)	<b>479</b>	463	<b>(3)</b>	103
Other comprehensive income (loss)	-	14	-	-	-	(1)	<b>(100)</b>	405	-	(8)
Other comprehensive income (loss) attributable to the Company's shareholder	-	13	-	-	-	(1)	<b>(154)</b>	189	-	(7)
Other comprehensive income (loss) attributable to non-controlling interests	-	1	-	-	-	-	<b>54</b>	216	-	(1)
Total comprehensive income (loss) for the year	<b>96</b>	72	<b>16</b>	(10)	<b>(13)</b>	(14)	<b>379</b>	868	<b>(3)</b>	(95)

	(Unit : Million Baht)				
	For the year ended 31 December 2022				
	Italthai Trevi Co., Ltd.	Asian Steel Product Co., Ltd.	Thai Maruken Co., Ltd.	ITD Cementation India Limited	Italthai Marine Co., Ltd.
Net cash from (used in) operating activities	(112)	21	157	1,803	(15)
Net cash from (used in) investing activities	(28)	(2)	-	(1,252)	2
Net cash from (used in) financing activities	(16)	-	(165)	(325)	11
Net cash increase (decrease)	(156)	19	(8)	226	(2)

## 16.2 Investment in associated and joint control companies

### Significant judgment and assumptions

Associates are those companies in which the Company has significant influence, but not control over the financial and operating policies. The Company normally has share with voting right between 20% - 50% of total voting right, excepted Siam Pacific Holding Co., Ltd. which the company holding 46.69% and a subsidiary holding 4.30% (totalling 50.99%) because the Company has no control such companies and classifies as associated companies.

The Company has investment in First Dhaka Elevated Expressway Co., Ltd. which the Company held 51% of shares. The Company classifies such investment as joint control company since the Company has jointly control in this entity with other shareholders either financial policy or operating policies, which the decision in such activities requires the unanimous consent from all shareholders.

Investment in associated and joint control companies is initially recorded at cost and adjusted thereafter to recognize profit or loss by the proportion of shareholder have the Company in the associated companies.

Movements in investment in associated and joint control companies, which are accounted for by the equity method in the consolidated financial statements, for the years ended 31 December 2022 and 2021 are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Balance as at 1 January	2,621,117	2,333,075	2,794,559	2,369,980
Add : Additional investment	638,942	424,579	695,954	424,579
Add : Transfer debt to equity	275,795	1,266	275,795	-
Less : Share of profit from associated and joint control companies	(1,329,156)	(66,339)	-	-
Less : Dividend from associated companies	(8,132)	(4,379)	-	-
Less : Elimination profit from construction services for project under development of joint control company	(140,578)	(175,459)	-	-
Add (less) : Translation adjustment for foreign currency financial statements	(180,736)	108,374	-	-
Balance as at 31 December	1,877,252	2,621,117	3,766,308	2,794,559

A reconciliation of the condensed financial information for the carrying amounts of the investment in associated and joint control companies are as follows:

	(Unit : Thousand Baht)									
	31 December 2022									
	ATO-Asia Turnouts Co., Ltd.	Siam Pacific Holding Co., Ltd.	Bangkok Steel Wire Co., Ltd.	Oriental Residence Bangkok Co., Ltd.	MCRP Construction Corporation, Philippines	Sino Lao Aluminum Corporation Limited	MCRP Holding	First Dhaka Elevated Expressway Co., Ltd.	Dawei LNG Terminal Co., Ltd.	Total
Total net assets of associated companies	51,727	56,423	552,495	(44,495)	-	1,797	-	3,615,600	1,369	4,234,916
Proportion of ownership interests held by the Company (%)	48.99	46.69	19.98	8.52	24.00	50.00*	24.00	51.00	50.00	-
Net assets by the Company's proportion	25,341	26,344	110,389	(3,791)	-	899	-	1,843,956	685	2,003,823
Other adjustment	-	2,525	864	3,791	-	166,278	-	(300,029)	-	(126,571)
Carrying amount of the investment in associated and joint control companies	25,341	28,869	111,253	-	-	167,177	-	1,543,927	685	1,877,252
Dividend received from associated company	-	-	8,132	-	-	-	-	-	-	8,132

	(Unit : Thousand Baht)									
	31 December 2021									
	ATO-Asia Turnouts Co., Ltd.	Siam Pacific Holding Co., Ltd.	Bangkok Steel Wire Co., Ltd.	Oriental Residence Bangkok Co., Ltd.	MCRP Construction Corporation, Philippines	Sino Lao Aluminum Corporation Limited	MCRP Holding	First Dhaka Elevated Expressway Co., Ltd	Dawei LNG Terminal Co., Ltd.	Total
Total net assets of associated companies	64,017	56,513	608,415	(29,251)	-	219,752	-	5,312,600	1,292	6,233,338
Proportion of ownership interests held by the Company (%)	48.99	46.69	19.98	8.52	24.00	50.00*	24.00	51.00	50.00	-
Net assets by the Company's proportion	31,362	26,386	121,561	(2,492)	-	109,876	-	2,709,426	646	2,996,765
Other adjustment	-	2,525	866	2,492	-	131,406	-	(512,987)	50	(375,648)
Carrying amount of the investment in associated and joint control companies	31,362	28,911	122,427	-	-	241,282	-	2,196,439	96	2,621,117
Dividend received from associated company	-	-	4,379	-	-	-	-	-	-	4,379

\* The Company had paid for share capital for its portion of 34% in accordance with agreement but a shareholder has not paid for its share capital in accordance with shareholder agreement. As a result, the Company's interest become 50% of share capital.

Unrecognized gain (loss) from associated company

	(Unit : Thousand Baht)	
	2022	2021
Unrecognized gain (loss) from associated company	(1,669)	(8,248)
Cumulative unrecognized share of gain (loss) from associated company	(4,530)	(2,861)

Investment in associated and joint control companies as at 31 December 2022 and 2021 comprise investments as follows:

	Nature of business	(Unit : Thousand Baht)						
		Paid-up Capital	Percentage of shareholding (%)		Consolidated F/S		Separate F/S	
					Equity		Cost	
			2022	2021	2022	2021	2022	2021
<b>Investment in associated companies</b>								
ATO-Asia Turnouts Co., Ltd.	Production and distribution of turnouts for railway projects	5,000	48.99	48.99	25,341	31,362	2,450	2,450
Siam Pacific Holding Co., Ltd.	Holding company	58,625	46.69	46.69	26,344	26,386	27,373	27,373
Bangkok Steel Wire Co., Ltd.	Production and distribution of P.C. wire	313,000	19.98	19.98	111,253	122,427	71,603	71,603
Oriental Residence Bangkok Co., Ltd.	Real estate development	880,620	8.52	8.52	-	-	75,000	75,000
<b>Overseas companies</b>								
MCRP Construction Corporation, Philippines	Construction contractor in Philippines	25 Million Peso	24.00	24.00	12,000	12,000	12,000	12,000
Less : Allowance for impairment Net					(12,000)	(12,000)	(12,000)	(12,000)
					-	-	-	-
MCRP Holding Corporation, Philippines	Holding company in Philippines	5 Million Peso	24.00	24.00	3,000	3,000	3,000	3,000
Less : Allowance for impairment Net					(3,000)	(3,000)	(3,000)	(3,000)
					-	-	-	-
Sino Lao Aluminum Corporation Limited	Bauxite mine business in Laos	32 Million USD	34.00	34.00	167,177	241,282	521,537	521,537
<b>Investment in associated companies held by subsidiaries</b>								
Siam Pacific Holding Co., Ltd.	Holding company	58,625	4.30	4.30	2,525	2,525	-	-
Dawei LNG Terminal Company Limited.	Dawei Concession Project	75,000 USD	50.00	50.00	685	696	-	-
Total investment in associated companies - net					333,325	424,678	697,963	697,963

	Nature of business	(Unit : Thousand Baht)						
		Paid-up Capital	Percentage of shareholding (%)		Consolidated F/S		Separate F/S	
					Equity		Cost	
			2022	2021	2022	2021	2022	2021
<u>Investment in joint control company</u>								
First Dhaka Elevated Expressway Co., Ltd.	Concession for constructing elevated expressway in Bangladesh	17,995 Million BDT (2021: 11,095 Million BDT)	51.00	51.00	1,543,927	2,196,439	3,068,345	2,096,596
Total investment in associated joint control companies – net					1,877,252	2,621,117	3,766,308	2,794,559

Significant financial information of the associate and joint control companies in the aggregate amounts are summarized as follows:

(Unit : Million Baht)								
	For the years ended 31 December							
	Current assets		Non - current assets		Current liabilities		Non - current liabilities	
	2022	2021	2022	2021	2022	2021	2022	2021
	2022	2021	2022	2021	2022	2021	2022	2021
ATO-Asia Turnouts Co., Ltd.	61	67	19	25	29	28	-	-
Bangkok Steel Wire Co., Ltd.	948	964	240	248	605	574	31	30
Oriental Residence Bangkok Co., Ltd.	2,182	2,158	894	933	2,265	2,253	855	868
Sino Lao Aluminum Corporation Limited	-	-	548	823	362	357	185	246
Siam Pacific Holding Co., Ltd.	-	-	62	62	-	-	6	6
First Dhaka Elevated Expressway Co., Ltd.	250	404	18,686	13,228	5,016	4,129	10,305	4,190
Total	3,441	3,593	20,449	15,319	8,277	7,341	11,382	5,340

(Unit : Million Baht)						
	For the years ended 31 December					
	Revenues		Profit (loss)		Other comprehensive income	
	2022	2021	2022	2021	2022	2021
	2022	2021	2022	2021	2022	2021
ATO-Asia Turnouts Co., Ltd.	87	121	(12)	(8)	-	-
Bangkok Steel Wire Co., Ltd.	1,518	1,396	8	85	(4)	-
Oriental Residence Bangkok Co., Ltd.	239	111	(19)	(97)	-	-
Sino Lao Aluminum Corporation Limited	-	-	(180)	(74)	(45)	(33)
First Dhaka Elevated Expressway Co., Ltd.	-	2	(2,468)	(107)	(269)	66
Total	1,844	1,630	(2,671)	(201)	(318)	33

The significant projects under development which the Company invested through associated and joint control companies are as follows:

**Bauxite Mining and the construction of Alumina Production Plant Project**

The Company had investment through Sino Lao Aluminum Corporation which is located in Lao People's Democratic Republic. This associated company obtained the concession right from the Government of Lao People's Democratic Republic for bauxite mining in the year 2008. The Company has investment in associated, trade accounts receivable, retentions receivable and loans to associated company in order to invest in such project totalling Baht 1,202.32 million. The associated company has been in process to obtain approval for the ESIA Certificate of the project. The associated company has already complied with the regulation of Minerals law and submitted documentation to the Office of Natural Resources and Environment Policy and Planning, Ministry of Natural Resources and Environment.

However, the associated company received a letter from the Office of the Prime Minister of the Lao People's Democratic Republic in January 2021 to support the project and assign the relevant departments to review the condition in the agreement in order to comply with the current applicable policies and laws.

**Dhaka Elevated Expressway Project**

The Company invested through First Dhaka Elevated Expressway Co., Ltd. which is the joint control company was established in the People's Republic of Bangladesh.

In the year 2011, the joint control company has entered into the concession agreement with Bangladesh Bridge Authority of the Government of the People's Republic of Bangladesh which has the concession rights to constructs and operates of the Dhaka Elevated Expressway. The concession value is approximately Baht 41,192 million and the period is 25 years included 42 months of construction period by starting concession age since 1 January 2020 which was the Joint control company has received the construction commencement letter.

As of 31 December 2022, the Company has investment in associated and accounts receivable in such project totalling Baht 3,068.34 million. The progress of construction work of 1st Tranche distance of 7.45 kilometers is 92.15%, the 2nd and 3rd Tranche totally distances of 12.28 kilometers is 47.23% and the Central Control Building is 78.45%.

During the year 2022, the joint control company made a payment for the capital increase of the joint venture in the amount of BDT 1,789.83 million (equivalent to Baht 695.95 million) and transferred debt to equity in the amount of BDT 727.88 million (equivalent to Baht 275.79 million). There is no change in investment proportion for this additional investment.

### 16.3 Investment in joint ventures

Movements in investment in joint ventures, which are accounted for by the equity method in the consolidated financial statements, during the years ended 31 December 2022 and 2021 are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Balance as at 1 January	380,276	342,721	-	-
Add : Share of profit from joint ventures	201,670	142,034	-	-
Less : Cash receipts for the profit sharing from joint venture	-	(141,391)	-	-
Less : Translation adjustment on foreign currency financial statements	(39,590)	36,912	-	-
Balance as at 31 December	542,356	380,276	-	-

Investments in joint ventures as at 31 December 2022 and 2021, comprise investments in the following entities:

	Nature of business	Percentage of shareholding (%)		(Unit : Thousand Baht)			
				Consolidated F/S		Separate F/S	
				Equity		Cost	
				2022	2021	2022	2021
<b>Investments in joint ventures</b>							
IOT Joint Venture	Construction services	40.00	40.00	-	-	-	-
CMC/ITD/SONG DA Joint Venture	Construction services	30.00	30.00	179,332	179,332	-	-
ITD SINOHYDRO Joint Venture	Construction services	51.00	51.00	144,653	133,105	-	-
ITD – CREC Joint Venture	Construction services	51.00	51.00	1,267	-	-	-
Total investments in joint venture – net				325,252	312,437	-	-
<b>Investments in joint ventures held by subsidiaries</b>							
CEC-ITD Cem-TPL Joint Venture	Construction services	18.66	18.66	217,104	67,839	-	-
Total investments in joint venture held by subsidiaries – net				217,104	67,839	-	-
<b>Total investments in joint ventures - net</b>				<b>542,356</b>	380,276	-	-
<b>Total investments in subsidiaries, associated companies and joint control companies and joint ventures</b>				<b>2,419,608</b>	3,001,393	<b>15,457,163</b>	14,485,414

A reconciliation of the condense financial information to the carrying amounts of the investment in joint ventures are as follows:

	(Unit : Million Baht)									
	For the years ended 31 December									
	IOT Joint Venture		CMC/ITD/SONGDA Joint Venture		ITD-SINOHYDRO Joint Venture		CEC-ITD CEM-TPL Joint Venture		ITD – CREC Joint Venture	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Total net assets of joint venture	-	-	598	598	284	261	365	113	3	-
Proportion of ownership Interest (%)	40	40	30	30	51	51	19	19	51	51
Net assets by proportion	-	-	179	179	145	133	73	21	1	-
Other adjustment	-	-	-	-	-	-	144	47	-	-
Carrying amount of the investment (obligation)	-	-	179	179	145	133	217	68	1	-



Significant financial information of the joint ventures in the aggregate amounts are summarized as follows:

	(Unit : Million Baht)											
	For the years ended 31 December											
	IOT Joint Venture		CMC/ITD/ SONGDA Joint Venture		ITD -SINOHYDRO Joint Venture		CEC-ITD CEM-TPL Joint Venture		ITD – CREC Joint Venture		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Cash and cash equivalents	-	-	97	97	30	8	1,046	472	1	15	1,174	592
Other current assets	-	-	1,634	1,634	538	999	957	1,000	404	334	3,533	3,967
Total current assets	-	-	1,731	1,731	568	1,007	2,003	1,472	405	349	4,707	4,559
Non-current assets	-	-	1,107	1,107	22	38	53	187	6	5	1,188	1,337
Other current liabilities (including trade payables and provision)	-	-	2,240	2,240	306	784	1,690	1,543	408	354	4,427	4,921
Total current liabilities	-	-	2,240	2,240	306	784	1,690	1,543	408	354	4,427	4,921
Non-current liabilities	-	-	-	-	-	-	1	3	-	-	1	3
Net assets	-	-	598	598	284	261	365	113	3	-	1,250	972

	(Unit : Million Baht)									
	For the years ended 31 December									
	Revenues		Profit (loss)		Other comprehensive income (loss)		Depreciation and amortization		Tax	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
ITD-SINOHYDRO Joint Venture	638	1,461	73	89	-	-	12	23	17	161
CEC – ITD CEM – TPL Joint Venture	1,449	1,616	271	207	-	-	12	49	129	168
ITD – CREC Joint Venture	291	195	3	-	-	-	1	1	1	-
Total	2,378	3,272	347	296	-	-	25	73	147	329

As at 31 December 2022 and 2021, the consolidated financial statement included investments in a joint venture accounted for by the equity method of Baht 179.33 million for which the figures are based on financial information of a joint venture as of 30 September 2019 which had been reviewed by the joint venture's auditor. The joint venture's management was unable to prepare the financial information up to date since the joint venture and the project owner have been in dispute regarding the termination of construction contract.

On 20 November 2019, CMC/ITD/SONGDA Joint Venture and the employer have been in dispute regarding the termination of construction contract. The Joint Venture and its employer have been appointed the Dispute Adjudication Board (DAB) to consider the dispute between counter parties. However, on 15 January 2021, DAB has considered the outcome of the dispute which conclude that the Notice of Termination from the employer is invalid and requiring the employer to release the performance securities to the Joint Venture.

In April 2021, the joint venture submitted a letter to the employer for further discussions in order to claim the right to receive the settlement regarding the value of construction work which has been done by the joint venture including the value of materials and supplies, and machinery which belong to the joint venture which it has located in the construction project. However, this matter was failed. The joint venture sent a letter to DAB requesting a decision dated 1 October 2021. With its decision published on 5 August 2022, DAB has decided that the employer is entitled to the payments with respect to the works completed by the joint venture and damages caused by the employer's wrongful termination. However, the employer is taking this decision into consideration. The employer reviewed the ruling and preliminary concluded that it would pay approximately amount of USD 75 million for the remainder of the construction work and damages within June 2024. However, the joint venture's management believed that such payments will be received within the specified period.

## 17. OTHER LONG-TERM INVESTMENTS

Other long-term investments are financial assets for equity instruments which are not held for trading, the Group made an election to present subsequent change in the fair value of equity instruments in non-marketable securities through profit or loss and made an election to present subsequent change in the fair value of equity instruments in marketable securities through other comprehensive income:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Investment at fair value through profit or loss	789,647	789,647	385,744	585,744
Investment at fair value through other comprehensive income	322,494	467,918	303,362	440,655
Other long-term investments	1,112,141	1,257,565	689,106	1,026,399

Movements in other long-term investments during the years ended 31 December 2022 and 2021 are as follows:

17.1 Investments at fair value through profit or loss

	(Unit : Thousand Baht)	
	Consolidated F/S	Separate F/S
Balance as at 1 January 2022	789,647	585,744
Less : Disposal during the year	-	(200,000)
Balance as at 31 December 2022	789,647	385,744

17.2 Investments at fair value through other comprehensive income

	(Unit : Thousand Baht)	
	Consolidated F/S	Separate F/S
Balance as at 1 January 2022	467,918	440,655
Less : Disposal during the year	(6,414)	(6,414)
Less : Loss on change in fair value of investments	(139,010)	(130,879)
Balance as at 31 December 2022	322,494	303,362

Other long-term investments as at 31 December 2022 and 2021 comprise investments as follows:

	Nature of business	Percentage of Shareholding (%)		(Unit : Thousand Baht)			
				Consolidated F/S		Separate F/S	
		2022	2021	2022	2021	2022	2021
<b>Investments in other companies</b>							
<b>a) Investment at fair value through profit or loss</b>							
M-Home SPV 3 Co., Ltd.	Real estate development	<b>11.54</b>	11.54	<b>12</b>	12	<b>12</b>	12
Less : Allowance for impairment				<b>(12)</b>	(12)	<b>(12)</b>	(12)
Net				-	-	-	-
Siam Steel Syndicate Plc.	Manufacture and distribution for construction	<b>1.15</b>	1.15	<b>55,885</b>	55,885	<b>55,885</b>	55,885
Less : Loss from change in fair value of investment				<b>(50,600)</b>	(50,600)	<b>(50,600)</b>	(50,600)
Net				<b>5,285</b>	5,285	<b>5,285</b>	5,285
Bell Development Co., Ltd.	Real estate development	<b>2.29</b>	2.29	<b>47,313</b>	47,313	<b>47,313</b>	47,313
Add : Profit from change in fair value of investment				<b>23,993</b>	23,993	<b>23,993</b>	23,993
Total				<b>71,306</b>	71,306	<b>71,306</b>	71,306
The Bangkok Club Co., Ltd.	Entertainment services	<b>0.44</b>	0.44	<b>3,000</b>	3,000	<b>3,000</b>	3,000
Less : Allowance for impairment				<b>(2,500)</b>	(2,500)	<b>(2,500)</b>	(2,500)
Net				<b>500</b>	500	<b>500</b>	500
Nishio Rent All (Thailand) Co., Ltd.	Construction machinery Rental	<b>15.00</b>	15.00	<b>7,500</b>	7,500	<b>7,500</b>	7,500
Asia Era One Co., Ltd.	Joint investment	-	2.57	-	200,000	-	200,000
Praram 9 Square Co., Ltd.	Real estate development and rental	<b>6.32</b>	6.32	<b>200,000</b>	200,000	<b>200,000</b>	200,000
Add : Gain on change in fair value of investment				<b>101,153</b>	101,153	<b>101,153</b>	101,153
Net				<b>301,153</b>	301,153	<b>301,153</b>	301,153
Total Investment at fair value through profit or loss – net				<b>385,744</b>	585,744	<b>385,744</b>	585,744
<b>b) Investment at fair value through other comprehensive income</b>							
Charoong Thai Wire and Cable Plc.	Manufacture and distribution of wire and cable	<b>12.71</b>	12.90	<b>304,103</b>	308,715	<b>304,103</b>	308,715
Add : Unrealized gain on changes in fair value of investments				<b>(741)</b>	130,132	<b>(741)</b>	130,132
Total				<b>303,362</b>	438,847	<b>303,362</b>	438,847
TTCL Plc.	Construction services	-	0.07	-	400	-	400
Add : Unrealized gain from changes in fair value of investments				-	1,408	-	1,408
Total				-	1,808	-	1,808
Total Investment in other listed companies – net				<b>303,362</b>	440,655	<b>303,362</b>	440,655
Total investments at fair value through other comprehensive income – net				<b>689,106</b>	1,026,399	<b>689,106</b>	1,026,399

	Nature of business	Percentage of Shareholding (%)		(Unit : Thousand Baht)			
				Consolidated F/S		Separate F/S	
		2022	2021	2022	2021	2022	2021
<b>Investments held by subsidiaries</b>							
a) <u>Investment at fair value through profit or loss</u>							
Bell Development Co., Ltd.	Real estate development	6.55	6.55	135,226	135,226	-	-
Add : Unrealized gain from changes in fair value of investments				68,677	68,677	-	-
Total				203,903	203,903	-	-
Asia Era One Co., Ltd.	Joint investment	2.57	-	200,000	-	-	-
Total investment at fair value through profit or loss				403,903	203,903	-	-
b) <u>Investment at fair value through other comprehensive income</u>							
Charoong Thai Wire and Cable Plc.	Manufacture and distribution of wire and cable	0.80	0.80	19,178	19,178	-	-
Add : Unrealized gain from changes in fair value of investments				(46)	8,085	-	-
Total				19,132	27,263	-	-
Total investment held by subsidiaries – net				423,035	231,166	-	-
<b>Total other long-term investments – net</b>				<b>1,112,141</b>	<b>1,257,565</b>	<b>689,106</b>	<b>1,026,399</b>

# 18. LONG-TERM LOANS AND ADVANCES TO RELATED PARTIES

The outstanding balances as at 31 December 2022 and 2021 are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Subsidiaries	-	-	972,955	763,832
Joint Venture	15,588	1,157	15,588	1,157
Joint control companies	955,155	1,111,355	-	-
Total	970,743	1,112,512	988,543	764,989
Less : Allowance for impairment loss	-	-	(112,054)	(107,265)
Net	970,743	1,112,512	876,489	657,724

Significant movements in the long-term loans and advances to related parties for the year ended 31 December 2022 are as follows:

	(Unit: Thousand Baht)					
	Consolidated F/S					
	1 January 2022	During the year				31 December 2022
Increase		Decrease	Reclassification	Translation adjustment		
Joint Venture	1,157	14,431	-	-	-	15,588
Joint control companies	1,111,355	-	-	-	(156,200)	955,155
Total	1,112,512	14,431	-	-	(156,200)	970,743

	(Unit: Thousand Baht)					
	Separate F/S					
	1 January 2022	During the year				31 December 2022
		Increase	Decrease	Reclassification	Translation adjustment	
Subsidiaries	763,832	284,575	(75,452)	-	-	972,955
Joint Venture	1,157	14,431	-	-	-	15,588
Total	764,989	299,006	(75,452)	-	-	988,543

A reconciliation of loss on impairment on the long-term loans and advances for the year ended 31 December 2022 and 2021 are as follows:

	(Unit : Thousand Baht)	
	Separate F/S	
	2022	2021
As at 1 January	107,265	67,379
Recognized allowance for impairment losses	6,737	43,480
Reversal of impairment losses	(1,948)	(3,594)
As at 31 December	112,054	107,265

#### 19. LAND AWAITING DEVELOPMENT

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Land awaiting development - As at 1 January	316,855	323,943	-	-
Add : Purchase during the year	-	-	-	-
Less : Disposal during the year	-	(2,327)	-	-
Land awaiting development – As at 31 December	316,855	321,616	-	-
Less : Impairment loss	-	(4,761)	-	-
Land awaiting development – net	316,855	316,855	-	-

As at 31 December 2022 and 2021, land awaiting of development of the Group of Baht 284.49 million and Baht 284.49 million, respectively, are the land for using in Potash Mining Project in Udon Thani province.

#### 20. INVESTMENT PROPERTIES

As at 31 December 2022, investment properties presented at fair value consist of:

	(Unit : Thousand Baht)	
	Consolidated F/S	Separate F/S
Land	2,006,655	494,444
Building	341,285	341,285
Total	2,347,940	835,729

Investment properties was subsequent measurement at fair value which assess by independent appraisers under the market approach.

Movements in investment properties for the years ended 31 December 2022 and 2021 are as follows:

(Unit : Thousand Baht)	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Net book value as at 1 January	2,612,532	2,510,466	1,284,359	1,182,293
Add : Additional during the year	-	107,896	-	107,896
Less : Disposal during the year	(448,630)	(5,830)	(448,630)	(5,830)
Add : Gain on revaluation of assets	184,038	-	-	-
Net book value as at 31 December	2,347,940	2,612,532	835,729	1,284,359

#### 21. PROPERTY, PLANT AND EQUIPMENT

	(Unit : Thousand Baht)					
	Consolidated F/S					
	Land	Building and factories	Machinery, Office equipment, Furniture and vehicle	Site office and temporary camps	Machinery and equipment under installation	Total
<b>Cost</b>						
1 January 2021	2,554,093	7,765,100	43,529,968	1,147,315	1,708,314	56,704,790
Acquisitions / Transfer in	50,936	602,632	2,827,227	4,278	1,072,825	4,557,898
Transfer from right-of-use assets	-	-	415,082	-	-	415,082
Disposals / Transfer out	-	(50,732)	(1,568,548)	(6,450)	(1,841,269)	(3,466,999)
Translation adjustment	2,117	15,755	662,714	6	1,853	682,445

	(Unit : Thousand Baht)					
	Consolidated F/S					
	Land	Building and factories	Machinery, Office equipment, Furniture and vehicle	Site office and temporary camps	Machinery and equipment under installation	Total
<b>31 December 2021</b>	2,607,146	8,332,755	45,866,443	1,145,149	941,723	58,893,216
Acquisitions / Transfer in	2,967	331,423	2,016,536	11,035	1,855,988	4,217,949
Transfer from right-of-use assets	-	-	1,043,768	-	-	1,043,768
Disposals / Transfer out	-	(13,271)	(2,171,943)	(11,248)	(1,099,908)	(3,296,370)
Translation adjustment	(1,523)	(27,969)	(626,097)	(4)	(22,839)	(678,432)
<b>31 December 2022</b>	2,608,590	8,622,938	46,128,707	1,144,932	1,674,964	60,180,131
<b>Accumulated depreciation</b>						
<b>1 January 2021</b>	-	5,397,689	20,714,909	952,620	-	27,065,218
Depreciation for the year	-	405,601	3,585,325	40,381	-	4,031,307
Transfer from right-of-use assets	-	-	162,460	-	-	162,460
Accumulated depreciation for disposals	-	(34,871)	(1,201,933)	(1,048)	-	(1,237,852)
Translation adjustment	-	5,659	394,789	6	-	400,454
<b>31 December 2021</b>	-	5,774,078	23,655,550	991,959	-	30,421,587
Depreciation for the year	-	466,475	3,457,012	34,165	-	3,957,652
Transfer from right-of-use assets	-	-	433,388	-	-	433,388
Accumulated depreciation for disposals	-	(11,086)	(1,615,644)	(9,286)	-	(1,636,016)
Translation adjustment	-	(13,225)	(372,287)	(4)	-	(385,516)
<b>31 December 2022</b>	-	6,216,242	25,558,019	1,016,834	-	32,791,095
<b>Less Allowance for impairment</b>						
31 December 2021	15,219	1,818	46,803	-	-	63,840
31 December 2022	15,219	-	18,824	-	-	34,043
<b>Net book value</b>						
<b>31 December 2021</b>	2,591,927	2,556,859	22,164,090	153,190	941,723	28,407,789
<b>31 December 2022</b>	2,593,371	2,406,696	20,551,864	128,098	1,674,964	27,354,993
<b>Depreciation for the year 2021</b>						4,031,307
<b>Depreciation for the year 2022</b>						3,957,652

	(Unit : Thousand Baht)					
	Separate F/S					
	Land	Building and factories	Machinery, office equipment, furniture and vehicle	Site office and temporary camps	Machinery and equipment under installation	Total
<b>Cost</b>						
<b>1 January 2021</b>	2,327,856	6,029,375	25,233,421	990,568	1,646,347	36,227,567
Acquisitions / Transfer in	50,856	371,890	1,776,883	3,850	843,603	3,047,082
Transfer from right-of-use assets	-	-	415,082	-	-	415,082
Disposals / Transfer out	-	(1,040)	(522,400)	(6,450)	(1,573,118)	(2,103,008)
Translation adjustment	-	2,542	168,746	6	-	171,294
<b>31 December 2021</b>	2,378,712	6,402,767	27,071,732	987,974	916,832	37,758,017
Acquisitions / Transfer in	-	309,030	623,617	10,828	828,613	1,772,088
Transfer from right-of-use assets	-	-	1,043,768	-	-	1,043,768
Disposals / Transfer out	-	-	(1,320,559)	(11,248)	(588,983)	(1,920,790)
Translation adjustment	-	(5,417)	(266,818)	(4)	(22,296)	(294,535)
<b>31 December 2022</b>	2,378,712	6,706,380	27,151,740	987,550	1,134,166	38,358,548

	(Unit : Thousand Baht)					
	Separate F/S					
	Land	Building and factories	Machinery, office equipment, furniture and vehicle	Site office and temporary camps	Machinery and equipment under installation	Total
<b>Accumulated depreciation</b>						
<b>1 January 2021</b>	-	4,237,937	11,170,109	884,915	-	16,292,961
Depreciation for the year	-	291,646	2,337,360	30,202	-	2,659,208
Transfer from right-of-use assets	-	-	162,460	-	-	162,460
Accumulated depreciation for disposals	-	(717)	(470,442)	(1,048)	-	(472,207)
Translation adjustment	-	1,058	102,219	6	-	103,283
<b>31 December 2021</b>	-	4,529,924	13,301,706	914,075	-	18,745,705
Depreciation for the year	-	310,743	2,212,144	24,032	-	2,546,919
Transfer from right-of-use assets	-	-	433,388	-	-	433,388
Accumulated depreciation for disposals	-	-	(911,737)	(9,286)	-	(921,023)
Translation adjustment	-	(3,400)	(181,977)	(4)	-	(185,381)
<b>31 December 2022</b>	-	4,837,267	14,853,524	928,817	-	20,619,608
<b>Net book value</b>						
<b>31 December 2021</b>	2,378,712	1,872,843	13,770,026	73,899	916,832	19,012,312
<b>31 December 2022</b>	2,378,712	1,869,113	12,298,216	58,733	1,134,166	17,738,940
<b>Depreciation for the year 2021</b>						2,659,208
<b>Depreciation for the year 2022</b>						2,546,919

As at 31 December 2022 and 2021, the Company has assets under construction for precast and limestone production to support the project under development of Baht 122.44 million. The Company's management believes that these assets are not impaired.

As at 31 December 2022 and 2021, certain building, machinery and equipment items of the Group have been fully depreciated but are still in use. The original cost, before deducting accumulated depreciation, of those assets amounted to Baht 22,600.85 million and Baht 15,408.57 million, respectively (Separate F/S: Baht 11,278.32 million and Baht 10,999.35 million, respectively).

As at 31 December 2022 and 2021, land and construction thereon, machinery and equipment of the subsidiaries company are under the guarantee as collaterals for loans from banks (Notes 27 and 30).

Changes in property, plant and equipment paid by cash during the year ended 31 December 2022 and 2021 are detailed as follows:

	(Unit: Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Purchases of assets	<b>3,174,042</b>	2,704,630	<b>1,240,474</b>	1,473,965
Changes in payables for purchases of assets	<b>(940,815)</b>	839,239	<b>(1,035,271)</b>	542,651
Changes in advance for purchase of machinery	<b>27,398</b>	30,964	<b>26,800</b>	(5,339)
Paid by cash	<b>2,260,625</b>	3,574,833	<b>232,003</b>	2,011,277

## 22. LEASE

*Leases - where the Group is the lessee*

### 22.1 Right-of-use

	(Unit : Thousand Baht)					
	Consolidated F/S					
	Land	Building and factories Building	Machinery, Office equipment	Vehicles	Other	Total
<b>Cost</b>						
<b>As at 1 January 2021</b>	697,223	43,427	2,018,804	801,142	161,286	3,721,882
Increase	103,104	1,462	162,151	108,156	5,924	380,797
Decrease / Disposal	(1,097)	-	(311)	(7,599)	(6,888)	(15,895)
Decrease from lease modification	(45,950)	-	-	-	-	(45,950)
Transfer to property, plant and equipment	-	(2,425)	(259,737)	(152,920)	-	(415,082)
Translation adjustment for foreign currency financial statements	13,317	-	15,825	-	15,178	44,320

	(Unit : Thousand Baht)					
	Consolidated F/S					
	Land	Building and factories Building	Machinery, Office equipment	Vehicles	Other	Total
<b>As at 31 December 2021</b>	766,597	42,464	1,936,732	748,779	175,500	3,670,072
Increase	51,882	4,024	138,265	102,981	138,257	435,409
Decrease / Disposal	(171,317)	(5,542)	-	(10,082)	(141,265)	(328,206)
Reclassification	(933)	-	-	933	-	-
Transfer to property, plant and equipment	-	-	(838,595)	(205,172)	-	(1,043,767)
Translation adjustment for foreign currency financial statements	(18,551)	-	(16,297)	-	(10,861)	(45,709)
<b>As at 31 December 2022</b>	627,678	40,946	1,220,105	637,439	161,631	2,687,799
<b>Accumulated depreciation</b>						
<b>As at 1 January 2021</b>	175,560	8,761	511,102	138,608	43,835	877,866
Depreciation for the period	135,101	7,890	242,563	93,169	27,648	506,371
Decrease / Disposal	(1,097)	-	(3,285)	(3,786)	(5,000)	(13,168)
Transfer to property, plant and equipment	-	(485)	(115,647)	(46,328)	-	(162,460)
Decrease from lease modification	(18,380)	-	-	-	-	(18,380)
Translation adjustment for foreign currency financial statements	8,935	-	11,482	-	4,925	25,342
<b>As at 31 December 2021</b>	300,119	16,166	646,215	181,663	71,408	1,215,571
Depreciation for the period	108,777	8,035	218,828	88,353	25,566	449,559
Decrease / Disposal	(167,042)	(5,542)	-	(4,046)	-	(176,630)
Reclassification	(78)	-	-	78	-	-
Accumulated depreciation for disposals	(4,275)	-	-	(787)	(56,472)	(61,534)
Transfer to property, plant and equipment	-	-	(363,974)	(69,414)	-	(433,388)
Translation adjustment for foreign currency financial statements	(15,351)	(1,086)	(13,179)	-	(5,949)	(35,565)
<b>As at 31 December 2022</b>	222,150	17,573	487,890	195,847	34,553	958,013
<b>Net Book Value</b>						
<b>As at 31 December 2021</b>	466,478	26,298	1,290,518	567,115	104,092	2,454,501
<b>As at 31 December 2022</b>	405,528	23,373	732,215	441,592	127,078	1,729,786
<b>Depreciation for the year 2021</b>						506,371
<b>Depreciation for the year 2022</b>						449,616

	(Unit : Thousand Baht)				
	Separate F/S				
	Land	Building and factories Building	Machinery, Office equipment	Vehicles	Total
<b>Cost</b>					
<b>As at 1 January 2021</b>	234,485	7,126	1,767,383	786,287	2,795,281
Depreciation for the period	90,391	1,462	81,171	108,156	281,180
Decrease / Disposal	-	-	(311)	(7,599)	(7,910)
Transfer to property, plant and equipment	-	(2,425)	(259,737)	(152,920)	(415,082)
Translation adjustment for foreign currency financial statements	8,968	-	-	-	8,968
<b>As at 31 December 2021</b>	333,844	6,163	1,588,506	733,924	2,662,437
Increase	33,022	4,024	120,197	98,760	256,003
Decrease / Disposal	(86,324)	(5,542)	-	(8,561)	(100,427)
Reclassification	(933)	-	-	933	-
Transfer to property, plant and equipment	-	-	(838,595)	(205,172)	(1,043,767)
Translation adjustment for foreign currency financial statements	(17,539)	-	-	-	(17,539)



	(Unit : Thousand Baht)				
	Separate F/S				
	Land	Building and factories Building	Machinery, Office equipment	Vehicles	Total
<b>As at 31 December 2022</b>	262,070	4,645	870,108	619,884	1,756,707
<b>Accumulated depreciation</b>					
<b>As at 1 January 2021</b>	81,059	3,101	391,320	133,907	609,387
Depreciation for the period	99,367	2,275	171,632	89,785	363,059
Decrease / Disposal	-	-	(3,285)	(3,786)	(7,071)
Transfer to property, plant and equipment	-	(485)	(115,647)	(46,328)	(162,460)
Translation adjustment for foreign currency financial statements	4,638	-	-	-	4,638
<b>As at 31 December 2021</b>	185,064	4,891	444,020	173,578	807,553
Depreciation for the period	82,844	2,356	164,563	84,568	334,331
Decrease / Disposal	(86,324)	(5,542)	-	(3,312)	(95,178)
Reclassification	(78)	-	-	78	-
Transfer to property, plant and equipment	-	-	(363,974)	(69,414)	(433,388)
Translation adjustment for foreign currency financial statements	(14,310)	(1,086)	-	-	(15,396)
<b>As at 31 December 2022</b>	167,196	619	244,609	185,498	597,922
<b>Net Book Value</b>					
<b>As at 31 December 2021</b>	148,780	1,272	1,144,486	560,346	1,854,884
<b>As at 31 December 2022</b>	94,874	4,026	625,499	434,386	1,158,785
<b>Depreciation for the year 2021</b>					363,059
<b>Depreciation for the year 2022</b>					334,331

## 22.2 Lease Liabilities

The outstanding of lease liabilities as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Lease Liabilities	<b>1,471,999</b>	1,734,336	<b>664,628</b>	982,601
Less : Current portion	<b>(518,757)</b>	(696,737)	<b>(338,767)</b>	(554,292)
<b>Net</b>	<b>953,242</b>	1,037,599	<b>325,861</b>	428,309

Analysis of maturity of lease liabilities are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Not over one year	<b>561,604</b>	726,600	<b>352,456</b>	573,011
Over one year but not over five years	<b>793,868</b>	1,049,903	<b>341,529</b>	432,949
Over 5 years	<b>285,839</b>	9,885	<b>4,549</b>	4,990
<b>Total</b>	<b>1,641,311</b>	1,786,388	<b>698,534</b>	1,010,950
Less : Deferred interest	<b>(169,312)</b>	(52,052)	<b>(33,906)</b>	(28,349)
<b>Net</b>	<b>1,471,999</b>	1,734,336	<b>664,628</b>	982,601

The Group and the Company recognized finance cost relate to lease contracts totalling Baht 82 million and Baht 43 million, respectively (2021: Baht 99 million and Baht 51 million)

### Rental payment not recognized as lease liabilities

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The expense related that contract not recognize for the year ended 31 December 2022 are as follows:

	(Unit : Thousand Baht)	
	Consolidated F/S	Separate F/S
Short-term lease	<b>369,919</b>	<b>284,384</b>
Leases of low-value assets	<b>25,757</b>	<b>11,938</b>
<b>Total</b>	<b>395,676</b>	<b>296,322</b>

### 22.3 Other financial liabilities

Other financial liabilities recognize contract from sale and leaseback transactions is satisfied of asset which is not a sale in accordance with TFRS15 "Revenue from Contracts with Customers". The Company therefore continue recognizes such transfer assets as fixed assets in the financial statement and recognizes liabilities from sale and leaseback as other financial liabilities equal to the transfer proceeds of assets.

Present value of other financial liabilities as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Other financial liabilities	1,696,713	1,805,316	1,504,232	1,562,226
Less : Current portion	(708,052)	(569,810)	(655,691)	(519,201)
Net	988,661	1,235,506	848,541	1,043,025

Analysis of maturity of other financial liabilities are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Not over one year	755,159	620,087	697,106	562,034
Over one year but not over five years	1,022,204	1,282,099	876,891	1,078,733
Total	1,777,363	1,902,186	1,573,997	1,640,767
Less : Deferred interest	(80,650)	(96,870)	(69,765)	(78,541)
Net	1,696,713	1,805,316	1,504,232	1,562,226

The Group and the Company recognized finance cost relate to other financial liabilities totalling Baht 35 million and Baht 28 million, respectively. (2021: Baht 56 million and Baht 47 million, respectively)

### Leases - where the Group is the lessor

#### 22.4 Finance lease receivable – subsidiary

	(Unit : Thousand Baht)	
	Separate F/S	
	2022	2021
Not over one year	25,280	21,440
Over one year but not over five years	19,200	19,200
Over 5 years	12,480	16,320
Total	56,960	56,960
Less : Unearned finance income	(8,638)	(10,399)
Total	48,322	46,561
Less : Loss on impairment	(17,280)	(13,440)
Total	31,042	33,121
Less : Current portion	(6,373)	(6,239)
Net	24,669	26,882

The above finance leases payable are for machinery and equipment leases with scheduled repayment terms of 15 years.

## 23. GOODWILL

As at 31 December 2022 and 2021, the outstanding balance of goodwill are as follows :

	(Unit : Thousand Baht)	
	Consolidated F/S	
	2022	2021
Balance as at 1 January	860,167	869,173
Less : Translation adjustment for foreign currency financial statements	(5,518)	7,667
Balance as at 31 December	854,649	876,840
Less : Allowance for impairment	-	(16,673)
Net	854,649	860,167

Key assumptions used in the recoverable amount assessment include:

	Cement business		Construction business in India	
	2022	2021	2022	2021
Growth rate (%)	0	0	7	7
Discount rate (%)	6	6	20	18.76

The Group assesses recoverable value from Potash Mining Project by considering project feasibility and internal rate of return (IRR) with the discount rate of 8% which management considered appropriate. Based on this assessment, the recoverable value from the project is higher than the carrying amount of investment.

#### Growth rate

Weighted average growth rate is based on the industry growth. Weighted average growth rate is used to extrapolate cash flows after cash flow projection of 5 years.

#### Discount rate

Discount rate reflect the current market assessments of the time value of money and risks specific to assets.

The Company recognizes impairment losses on goodwill in the statement of profit or loss when the recoverable amounts of cash generate unit is lower than book value and cannot reverse in the future.

Based on impairment test for goodwill by increasing discount rate for 0.5%, the Company does not have to recognize an impairment of goodwill in the consolidated financial statements for the year end 31 December 2022.

## 24. DEVELOPMENT COSTS FOR CONCESSION RIGHT – DAWEI PROJECT

As at 31 December 2022 and 2021, the Group has costs for acquisition of the concession right and development costs for industrial estate and infrastructure in Dawei Special Economic Zone (“DSEZ”) as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Concession right	174,127	168,371	-	-
Costs of project under development	7,677,161	7,675,974	5,205,964	5,205,964
Total	7,851,288	7,844,345	5,205,964	5,205,964

Movements in the development costs for concession right – Dawei project for the year ended 31 December 2022 are as follows:

	(Unit : Thousand Baht)	
	Consolidated F/S	Separate F/S
Balance as at 1 January 2022	7,844,345	5,205,964
Add : Adjustment from translation of reporting currency	6,943	-
Balance as at 31 December 2022	7,851,288	5,205,964

As at 31 December 2022, the Company and its subsidiaries have project costs for developing the industrial estate and related infrastructure and utilities in the Dawei Special Economic Zone (“DSEZ”) for obtaining concession right of Baht 7,851.29 million and Baht 5,205.96 million, respectively. The Company has investment in subsidiary and granted long-term loan to the group of subsidiaries totaling of Baht 2,476.27 million and Baht 105.34 million, respectively, in the separate financial statement.

Italian-Thai Development Public Company Limited (the “Company”) has obtained the concession right to develop the project from the Republic of Union of Myanmar’s government entity (which is managed by Dawei Special Economic Zone Management Committee: “DSEZ MC”). Moreover, the Group has begun the development of the area since 2010. In 2013, the project has been supported by the governments of Thailand and the Republic of the Union of Myanmar which had established the Special Purpose Vehicle (Dawei SEZ Development Company Limited or calling the “SPV”) to mutually promote the project and determine the development policies of the project. The DSEZ MC and the SPV has determined the right for the Group to reimburse the previous investment for development under the Tripartite Memorandum. The Group will receive the reimbursement from the new investor of each concession project, moreover, the amount received will be according to the Due Diligence of the cost that has been invested by the Group, which is evaluated by the independent party, selected, and authorized by the SPV.

The Company, the DSEZ MC and SPV has mutually agreed that the Due Diligence evaluated result will be directly send to the SPV to summarize the amount as per Term of Reference (TOR) relating to the investing auction for new investors of each project. The Group currently does not have right to access the details of the Due Diligence to claim the right from the other parties at present.

In 2015, the DSEZ MC has considered the development plan of DSEZ project demarcating it as the Dawei Special Economic Zone Initial Phase (“DSEZ Initial Phase”), in order to develop 27 square kilometers of industrial estate land and its related infrastructure and utilities, and the Dawei Special Economic Zone Full Phase (“DSEZ Full Phase”).

On 5 August 2015, the indirect subsidiaries in overseas and the investors (“the Concessionaires”) has signed 7 concession agreements for the rights to develop 8 concession projects of the Dawei Special Economic Zone Initial Phase (“DSEZ Initial Phase”) with the DSEZ MC. At same time, the DSEZ MC, the SPV and the Company are entered into the Supplemental Memorandum of Understanding to the Tripartite Memorandum to define the terms and conditions to the Company in order to obtain the Land Right Option for develop and operate the DSEZ Initial Phase and also to compensate the previous investment of the Group. However, the Company shall exercise the Land Right Option when the Concessionaires and the DSEZ MC has fulfilled the Conditions Precedent of the DSEZ Initial Phase.

The Concessionaires have fulfilled all conditions except the Land Lease Agreements signing and concession fees payment because these are not agreed between the Concessionaires and the DSEZ MC on the details of Land lease agreements. The Concessionaires has report to the DSEZ MC to pay the concession fees of each project along with interest to the DSEZ MC when the Land Lease Agreements of each project have been agreed.

The details of situation and progress of each phase are as follows:

### 1. Dawei Special Economic Zone Initial Phase (DSEZ Initial Phase)

#### 1.1 Land Lease Agreements from the Government of the Republic of Union of Myanmar and the annual concession fees

After obtained the concessions right, the Concessionaires have discussion with the DSEZ MC to all Land Lease Agreements which have mutually consensus contents prior to further project development. So far only the Land Lease Agreement for the Initial Industrial Estate and Two-lane Road Connects the Dawei Special Economy Zone and the Thai – Myanmar border (Initial Industrial Estate and Two-lane

Road) were sent to the Concessionaire, while the remaining infrastructure and utilities land lease agreements still have yet to be sent by the DSEZ MC. The Concessionaire therefore paid the Concession Fee plus interests to the DSEZ MC for such concession since the concession has a progress related to the discussion of Land Lease Agreements.

In addition, the Company also requested for the remaining draft 6 Land Lease Agreements for concessions related to the infrastructure and utilities are critical components integral in supporting the overall development success for the DSEZ Initial Phase and also informed the DSEZ MC that each concessionaire will pay each concession fee including interests to DSEZ MC upon receiving of its Land Lease Agreement which the respective content has been mutually agreed.

On 30 December 2020, the Concessionaires received the Notice of Termination for all Concession Agreements of the DSEZ Initial Phase from the DSEZ MC claiming that the Concessionaires had breached the conditions of the concession agreement relevant to the payment of annual concession fee and the conditions of the concession agreement for the Initial Industrial Estate and Two-lane Road which additional determined by the DSEZ MC. This requires the Concessionaires to enforce Italian-Thai Development Public Company Limited to sign the document releasing the Group's right to reimburse the previous investments under the Tripartite Memorandum which is a condition set by DSEZ MC unilaterally. However, the Company does not agree with the reason for termination of the Concession Agreements and in order to protect the right to reimburse investment costs mentioned in the aforementioned memorandum, the Concessionaires along with the consultation from its legal advisor, submitted the rebuttal of the Notice of Termination to elucidate to the DSEZ MC on 19 January 2021 and proposed a discussion on this matter. Thereafter, on 4 April 2021, the Concessionaires reiterated and submitted once again the confirmation for the rebuttal of the Notice of Termination to the DSEZ MC.

As the DSEZ is a project of strategic importance to the region and fully supported by both the Thai and the Republic of the Union of Myanmar Governments through the signed memorandums between the two governments as well as official meetings over the years to support and encourage its development along with the fact that Thai investors stay in overseas are protected from its foreign investment (Protection of Investment) under the bilateral and regional treaties. Given these factors, the Company also submitted an official letter to the Thai Government explaining the current situation and updating the project progress while consulting the relevant Thai government agencies accordingly.

Due to the current political situation in the Republic of Union of Myanmar and COVID-19 pandemic, these have caused the delay in the negotiation between the Group and the Republic of Union of Myanmar Authority in order to find a common ground acceptable to all parties concerned. Nevertheless, in January 2023, a meeting took place amongst the DSEZ MC, the Company, and the Concessionaires. All parties agreed to continue the amicable discussions going forward.

## 1.2 Government Support for Construction of the Two-lane Road Connects the Special Economy Zone and the Thai - Myanmar border

In the meetings and ongoing cooperation between the Thai and the Republic of the Union of Myanmar governments, it is publicly known that the Thai Government has the policy to offer the soft loan to the Republic of the Union of Myanmar Government for the construction of the Two-lane Road Connects the Special Economy Zone and the Thai – Myanmar border. Such detailed discussions are ongoing regarding to the terms and conditions.

## 2. Dawei Special Economic Zone Full Phase

Even the right for reimbursement of the Group's previous investments for development of Industrial Estate and related infrastructure and utilities in the DSEZ is still accorded to the Tripartite Memorandum. However, the reimbursement amount relies on the Due Diligence report prepared by the independent advisor selected and authorized by the SPV which at the present, the Company does not have the right to access such Due Diligence report. In addition, it depends on the progress of the development of the DSEZ Full Phase which was supported by the government of Thailand and Myanmar to promote the other concession projects in the future as well as the investment from new investors who are interested in each concession project. The Group's management believe that the right to reimbursement under the Tripartite Memorandum and Supplemental Memorandum of Understanding to the Tripartite Memorandum which were jointly signed between the Company, DSEZ MC and SPV remains valid. Because of there are government agencies of Thailand and Myanmar which are included 1) Joint High-Level Committee, 2) Joint Cooperation Committee (JCC) and 3) Joint Task Force (JTF) still exist in order to push such projects in according to the government's policy.

## 25. POTASH MINING RIGHT AND DEFERRED EXPLORATION AND DEVELOPMENT COSTS

The Company invested in potash mining project through the group of subsidiary companies. The Company holds 90% and the Ministry of Finance holds 10% of the registered share capital. The Company has costs of acquiring right to survey and development the potash mining totalling Baht 2,293.49 million.

The subsidiary company has the right to do potash exploration in Udon Thani Province in Northeast of Thailand and has successfully identified two large potash resources at South Udon and North Udon. Such subsidiary has incurred exploration and development costs as at 31 December 2022 and 2021 as follows:

	(Unit : Thousand Baht)	
	Consolidated F/S	
	2022	2021
Exploration expense		
Beginning balance	567,258	566,570
Expenditure during the year	485,198	688
Ending balance	1,052,456	567,258
Application for potash mining concessions expense		
Beginning balance	388,424	386,995
Expenditure during the year	1,319,196	1,429
Ending balance	1,707,820	388,424
Total deferred exploration and development cost	2,760,076	955,682

The subsidiary filed an application for a mining concession certificate to the Department of Primary Industries and Mines (DPIM) in 2004. On 23 September 2022, the subsidiary was granted the third type mining concession, underground mining Potash type. According to the require for a concession certificate underground mining No. 1-4/2547 from the Director General of the DPIM for 4 plots of the South Udon mineral field, totaling the area 25,446 rai, 1 ngan, 49 square wa, which concession certificates has period of 25 years since 23 September 2022 and can require to extend the concession certificates additional for 5 years. On 7 October 2022, the subsidiary received all 4 certificates and paid for compensation amount of USD 5 million (equivalent to Baht 187.43 million) as conditions in obtaining the certificate. As of 31 December 2022, the subsidiary has commitments regarding such compensation and recorded as deferred expenses, in the account “Deferred exploration and development costs” and as accrued expense in the statement of financial position.

To be able to start a mining business, the subsidiary must comply with conditions for issuing concession certificates and other related laws, for example, mining operations must be opened within a year from the date the certificate is issued, insurance, rehabilitation of the mine area etc. If the specified conditions are not met without any justifiable reason, the subsidiary must agree to revoke the concession certificate without any claims. However, the subsidiary is gradually complied with some of those conditions already.

As at 31 December 2022, the subsidiary has obligations under one of the conditions stipulated in the concession certificate by paying compensation to the owner or right to possess the land in the total amount of Baht 1,115.29 million. The subsidiary recognized the compensation in deferred expense which is recorded in the account “Deferred concession cost and cost of project under development” and is a liability which is recorded in the account “Liabilities payable as concession certificate” (note 32 to consolidate financial statement) in the statement of financial position.

The management of the group company believed that subsidiary will be able to operate under the specified conditions and able to operate mining business on time. Therefore, the Company’s management believe that investment will not be impaired.

## 26. DEFERRED CONCESSION COST AND COSTS OF PROJECT UNDER DEVELOPMENT

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Concession cost	199,980	193,369	-	-
Costs of project under development	2,280,019	2,228,870	2,115,432	2,074,899
Total	2,479,999	2,422,239	2,115,432	2,074,899

As at 31 December 2022, the Company and its subsidiaries have deferred concession costs and costs of project under development in the Republic of Mozambique of Baht 2,480.00 million and Baht 2,115.43 million, respectively. The Company has investment in subsidiary and granted long-term loan to the group of subsidiaries totaling of Baht 58.16 million and Baht 429.28 million, respectively, in the separate financial statement.

In 2013, an overseas subsidiary signed two Concession agreements with the Ministry of Transportation and Communications, Government of the Republic of Mozambique for the construction and operation of a Heavy Haul Railway Line and associated Deep-Sea Port in Macuse for the export of coal and other goods. The project investment costs were estimated at USD 3,200 million (equivalents to Baht 96,000 million), allowing for the concession period of 30 years (including construction period). Project details as following :

1. Construction of a Heavy Haul Railway Lines from Moatize to Macuse Port, the approximate length of the standard gauge railways is about 613 kilometers.
2. Construction of a Deep-Sea Port at Macuse with the starting port capacity, for exporting coal, of 40 million tons annually to the maximum capacity of 100 million tons annually.
3. Operation of the Heavy Haul Railway Lines and Macuse Deep Sea Port on the Concession Agreement of 30 years (including the Construction period) and the concession period could be extended for another 10 years.

Due to challenges in the coal export business including the decline in the market price of coal along with economic slowdown caused by Corona virus 2019 pandemic, management of the subsidiary decided in 2020 to revise its business plan to develop the project in two phases. Phase 1 is the development of a multi-cargo port to the Macuse Port and Phase 2 includes the construction of the Railway from Moatize-Chitima railway to Macuse port. The advantages from starting the development of Phase 1 first include shorter construction period and lower investment costs. Management of subsidiary will start Phase 2 development when the economics of the project can be justified.

The progress of project development in Phase 1 are as follows:

### *The development of general cargo seaport at Macuse*

During the year 2021, the subsidiary company obtained the Environmental and Social Impact Assessment license (ESIA License) for the construction of such seaport and launched a tender bidding process for the Engineering Procurement and Construction Contractor (EPC Contractor). In addition, the subsidiary’s management has signed the initial loan agreement of USD 25 million, funding for phase 1 development. The Company has used a deposit of USD 5 million. (equivalent to Baht 174.08 million) as collateral for the subsidiary company for issuing Standby Letter of Credit according to the conditions in the agreement. Currently, the subsidiary has started the resettlement activities in order to construct in the port area and received partial loans. In addition, on 7 December 2022, the subsidiary has signed the Head of Agreement with group of interested partners which currently studying the feasibility of the project for their investing in the project development.

## 27. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

The outstanding balances of bank overdrafts and short-term loans from financial institutions as at 31 December 2022 and 2021 are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Bank overdrafts	498,654	747,636	3,993	25,403
Short-term loans from financial institutions	5,920,361	6,507,877	4,088,981	4,535,216
Total	6,419,015	7,255,513	4,092,974	4,560,619

These represent loans obtained from local and overseas financial institutions in the following currencies:

	(Unit : Million)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
THB	4,403	4,531	3,782	3,831
INR	2,884	2,844	-	-
BDT	915	1,805	915	1,805

These loans are subject to interest at domestic market rates for Thai Baht currency loans and at the market rates of each Country.

As at 31 December 2022 and 2021, part of loans amounting to Baht 2,165.38 million and Baht 2,531.41 million, respectively, have been used to finance certain specific projects (Project Finance). The lending banks had set a condition for the Company to process the cash transactions from the projects through the Company's accounts with those banks.

As at 31 December 2022 and 2021, bank overdrafts and short – term credit facilities that have not been drawn down amounted to Baht 9,530.69 million and Baht 12,899.14 million, respectively.

## 28. TRADE ACCOUNTS PAYABLE – RELATED PARTIES

The outstanding balances as at 31 December 2022 and 2021 are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Subsidiaries	-	-	923,831	682,720
Associated companies and joint ventures	179,883	128,303	131,905	102,278
Related companies	2,865,398	2,210,159	2,851,585	2,195,557
Total trade accounts payable – related parties	3,045,281	2,338,462	3,907,321	2,980,555

## 29. SHORT-TERM LOANS AND ADVANCE FROM RELATED PARTIES

The outstanding balances as at 31 December 2022 and 2021 are as follow:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Subsidiaries	-	-	1,632,231	950,039
Joint control company	-	29,710	-	-
Joint Ventures	-	128	-	-
Total	-	29,838	1,632,231	950,039

Movements in short-term loans and advance from related parties

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Balance as at 1 January	29,838	76,826	950,039	499,264
Add : Additional borrowings	-	39,442	724,955	841,274
Less : Repayments	(25,662)	(88,229)	-	(434,353)
Less : Translation adjustment for foreign currency financial statements	(4,176)	1,799	(42,763)	43,854
Balance as at 31 December	-	29,838	1,632,231	950,039

## 30. LONG-TERM LOANS

As at 31 December 2022 and 2021, the outstanding balance of long-term loans are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Outstanding balances	19,347,757	20,945,241	14,527,352	17,064,746
Less : Current portion	(12,936,634)	(14,060,347)	(11,813,146)	(13,160,908)
Net	6,411,123	6,884,894	2,714,206	3,903,838

Movements in the long-term loans for the years ended 31 December 2022 and 2021 are summarized as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Balance as at 1 January	20,945,241	21,241,386	17,064,746	17,077,387
Add : Additional borrowings	8,718,392	5,613,982	6,828,647	5,063,915
Less : Repayments	(10,173,292)	(5,988,236)	(9,366,041)	(5,076,556)
Add (less): Translation adjustment for foreign currency financial statements	(142,584)	78,109	-	-
Balance as at 31 December	19,347,757	20,945,241	14,527,352	17,064,746

The outstanding balance of long-term loans as at 31 December 2022 and 2021 are as follows:

Loan	Credit amount (Million Baht)	Interest rate (Percentage)	Repayment condition	Guarantee	(Unit : Million Baht)			
					Consolidated F/S		Separate F/S	
					2022	2021	2022	2021
Parent Company								
	15,044	MLR – 1 per annum	Repayable within 2022 – 2025 or upon completion of the project, whichever is earlier	Assignment of collection from construction contract	14,197	17,065	14,197	17,065
		MLR – 1.25 per annum	Repayable within 2022 – 2023 or upon completion of the project, whichever is earlier	Assignment of collection from construction contract and land				
		MLR – 1.50 per annum	Repayable within 2022 – 2025 or upon completion of the project, whichever is earlier	Assignment of collection from construction contract				
		Market rate per annum	Repayable within 2022 upon completion of the project, whichever is earlier	Bank account opened for receive revenue from construction				
		2.75 per annum	Repayable within 2026	-				
		4 per annum	Repayable per due date of the promissory note from the debtor (Note 8)	-				
		5.25 per annum	Repayable within 2024	Land				
		4.75 per annum	Repayable within 2027	-				
Joint operation								
	530	MLR – 1.50 per annum	Repayable within 60 months after drawdown first time	Assignment of collection from construction contract	330	-	330	-
Subsidiaries								
1	542	MLR – 1 to MLR – 3.15 per annum	Repayable within 2022 – 2025	Guaranteed by parent company, machinery and equipment	186	189	-	-
2	1,210	MLR – 1.50 per annum	Repayable within 34 months after drawdown first time	Assignment of collection from construction contract	1,210	-	-	-
3	1,492	MLR – 1.50 per annum	Repayable within 2022 – 2026	Guaranteed by parent company, machinery and Assignment of collection from construction contract	1,492	2,075	-	-
4	5,600 Million BDT	Floating rate of Bank of Bangladesh plus 6% per annum	Repayable per contract	Guaranteed by parent company	735	856	-	-
5	470	2.51% to 3.25% per annum	Repayable within 2022 – 2025	Guaranteed by shareholders	400	400	-	-
6	1,817 Million Rupee	9.55% per annum	Repayable within 2023	Land	763	360	-	-
7	25 Million USD	0.95% per annum	Repayable within 15 years after drawdown first time	Stand by letter of Credit 5 Million USD	35	-	-	-
				Total	19,348	20,945	14,527	17,065
				Less : Current portion	(12,937)	(14,060)	(11,813)	(13,161)
				Net	6,411	6,885	2,714	3,904



### 31. DEBENTURES

Debenture	Duration	Date of issue	Maturity date	Interest rate	(Unit : Thousand Baht)	
					Consolidated and Separate F/S	
					2022	2021
				(% p.a.)		
1	5 years 3 days	26 June 2017	29 June 2022	4.70	-	5,998,585
2	5 years	15 February 2019	15 February 2024	5.25	1,998,316	1,996,817
3	2 years 9 months	23 September 2020	23 June 2023	5.50	2,461,637	2,454,164
4	2 years 3 days	4 June 2021	7 June 2023	5.10	1,541,407	1,533,107
5	3 years 6 months	4 June 2021	4 December 2024	5.80	2,440,424	2,432,866
6	3 years	29 April 2022	29 April 2025	5.50	5,950,656	-
Total					14,392,440	14,415,539
Less: Current Portion					(4,003,045)	(5,998,585)
Debentures – net					10,389,395	8,416,954

Movements of debentures for the years ended 31 December 2022 and 2021 are as follows:

	(Unit : Thousand Baht)	
	Consolidated and Separate F/S	
	2022	2021
Balance as at 1 January	14,415,539	14,483,399
Add : Newly issued debentures	6,000,000	4,000,000
Less : Redemption of former debentures	(6,000,000)	(4,050,000)
Less : Cost of issuing debentures	(63,700)	(43,194)
Add : Amortization of costs of issuing debentures	40,601	25,334
Balance as at 31 December	14,392,440	14,415,539
Less : Current portion	(4,003,045)	(5,998,585)
Net	10,389,395	8,416,954

At the Annual General Meeting of Shareholders for the year 2022 on 18 April 2022, the Shareholders approved the additional credit line for issuance and offering of debentures in an amount of Baht 10,000 million (or in equivalent amount in other currencies), totally credit line not exceeding Baht 30,000 million (or in equivalent amount in other currencies).

The Company has issued the debentures to specific persons, unsecured, unsubordinated with the representative holders, for a principal amount of Baht 6,000 million with 3 years tenure and with a face value of Baht 1,000. These bear interest at a rate of 5.50 percent per annum which is payable every 3 months. The debentures will be due for redemption on 29 April 2025. The Company has issued the debenture and received the payment from the debenture's holders on 29 April 2022. The Company will use the proceeds from this debenture issuance to repay the debts.

On 4 June 2021, the Company issued new debentures to specific persons, unsecured, unsubordinated with representative holders, for a principal amount of Baht 1,545 million (face value of Baht 1,000 per unit) with 2 years 3 days tenure. These bear interest at the of 5.10% per annum which is payable quarterly. The debentures will be due for redemption on 7 June 2023. The Company used the proceeds from this issuance to repay its debts.

On 4 June 2021, the Company issued new debentures to specific persons, unsecured, unsubordinated with representative holders, for a principal amount of Baht 2,455 million (face value of Baht 1,000 per unit) with 3 years 6 months tenure. These bear interest at the of 5.80% per annum which is payable quarterly. The debentures will be due for redemption on 4 December 2024. The Company used the proceeds from this issuance to repay its debts.

The debentures were issued with covenants relating to various matters such as the maintain financial ratio, restriction of the decrease in share capital, merger, the payment of dividend and limitations on the execution of new loan obligation.

### 32. LIABILITIES PAYABLE AS CONCESSION CERTIFICATE

This provision is the Company's commitment relating to compensation payable to land title deed's owner for the mining Potash project as mentioned in note 25 to the consolidate of financial statement.

Movement of provision for payment under concession certificate for the year ended 31 December 2022 are as follows:

	(Unit : Thousand Baht)
	Consolidated F/S
Balance as at 1 January 2022	-
Addition	1,115,690
Paid during the year	(400)
Balance as at 31 December 2022	1,115,290
Less : Current portion	(145,392)
Net	969,898

### 33. EMPLOYEE BENEFITS OBLIGATION

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Present value of employee benefits obligation as at 31 December	<b>1,856,355</b>	1,858,561	<b>1,312,591</b>	1,332,072
Fair value of plan assets as at 31 December	<b>(139,334)</b>	(141,781)	-	-
Obligation – net	<b>1,717,021</b>	1,716,780	<b>1,312,591</b>	1,332,072
Less : Current portion of liabilities under employee benefits obligation	<b>(657,282)</b>	(708,422)	<b>(569,023)</b>	(601,593)
Net	<b>1,059,739</b>	1,008,358	<b>743,568</b>	730,479
<u>Employee benefits obligation</u>				
Balance as at 1 January	<b>1,858,561</b>	1,944,518	<b>1,332,072</b>	1,422,732
Current service costs	<b>181,187</b>	124,078	<b>134,377</b>	84,339
Interest on obligation	<b>41,893</b>	35,539	<b>19,216</b>	14,271
Actuarial loss	<b>(2,199)</b>	(110,107)	<b>(6,911)</b>	(70,052)
Benefit paid	<b>(205,031)</b>	(159,072)	<b>(166,163)</b>	(119,218)
Translation adjustments for foreign currency financial statements	<b>(18,056)</b>	23,605	-	-
Balance as at 31 December	<b>1,856,355</b>	1,858,561	<b>1,312,591</b>	1,332,072
Less : Current Portion	<b>(657,282)</b>	(708,422)	<b>(569,023)</b>	(601,593)
Net	<b>1,199,073</b>	1,150,139	<b>743,568</b>	730,479
<u>Plan assets</u>				
Balance as at 1 January	<b>141,781</b>	118,488	-	-
Expected returns on plan assets	<b>9,848</b>	8,463	-	-
Contribution	<b>26,796</b>	29,183	-	-
Benefit paid	<b>(24,376)</b>	(25,116)	-	-
Actuarial loss	<b>(5,538)</b>	(730)	-	-
Translation adjustments for foreign currency financial statements	<b>(9,177)</b>	11,493	-	-
Balance as at 31 December	<b>139,334</b>	141,781	-	-

Plan assets invested with two insurance companies as at 31 December 2022 and 2021 are Baht 139.33 million and Baht 141.78 million, respectively. The management believes that the assets in these portfolios are well diversified risk and, as such, the long-term return thereon is expected to be higher than the rate of return on Government Bonds.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The amount of employee benefits obligation, plan assets, the deficit thereof and the experiences of adjustments on plan assets and plan liabilities of overseas entities for the current and previous 3 years are as follows:

	(Unit : Thousand Baht)			
	2022	2021	2020	2019
Employee benefits obligation	<b>274,174</b>	267,677	244,136	225,866
Plan assets	<b>139,334</b>	141,781	118,488	103,455
Deficit	<b>(134,840)</b>	(125,896)	(125,648)	(122,411)
Experience adjustments on plan assets	<b>5,538</b>	730	(14,416)	(3,661)
Experience adjustment on plan liabilities	<b>10,226</b>	11,102	(9,897)	(11,993)

The employee benefit obligations of the Group are measured using actuarial techniques. The estimated amount is computed by the discounted cash flows for amounts to be paid in the future based on the government bond interest rate with a term of maturity that approximates the term of the related obligation. The estimated future cash outflows are based on employee wages, turnover rate, retirement ages, mortality, length of service and others. The employee benefits expenses are recognized in the statement of profit or loss to allocate the expenses through the hiring period. Principal actuarial assumptions are as follows:

	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
<u>Financial assumptions</u>				
Discount rates	<b>0.66 – 8.20% per annum</b>	0.62 – 8.20% per annum	<b>1.98 – 2.96% per annum</b>	1.31 – 1.67% per annum
Future average salary increment rates	<b>0.00 – 8.00% per annum</b>	0.00 – 8.00% per annum	<b>1.67 – 3.31% per annum</b>	1.06 – 3.58% per annum
<u>Demographic assumptions</u>				
Mortality rate	<b>Mortality Table 2017</b>	Mortality Table 2017	<b>Mortality Table 2017</b>	Mortality Table 2017
Normal retirement ages	<b>50 - 60 years</b>	50 - 60 years	<b>60 years</b>	60 years
Weighted average duration of the defined benefit obligation (years)	<b>5 - 28 years</b>	5 - 28 years	<b>6 - 12 years</b>	5 - 7 years

- Defined benefit plan expenses

Amounts recognized in profit or loss related to employee benefits obligation are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Current service cost	154,391	94,895	134,377	84,339
Net interest expense	32,045	27,076	19,216	14,271
Total expenses recognized in profit or loss	186,436	121,971	153,593	98,610

The current service cost is included in employee benefits expense. The net interest expense is included in finance costs.

- Amounts recognized in other comprehensive income related to the employee benefits obligation plans are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Actuarial gain (loss) from changes in experience assumptions	(45,791)	29,388	(17,003)	11,586
Actuarial gain (loss) from changes in demographic assumptions	3,710	3,156	4,596	3,855
Actuarial gain (loss) from changes in financial assumptions	38,491	65,923	19,319	54,611
Translation adjustments for foreign currency financial statement	251	(10,910)	-	-
Total income (loss) recognized in other comprehensive income	(3,339)	109,377	(6,912)	70,052

All expenses summarised above were included in item that will not be reclassified subsequently to profit or loss.

- Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below :

	(Unit : Thousand Baht)							
	Consolidated F/S				Separate F/S			
	2022		2021		2022		2021	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
<b>Discount rate</b>								
Increment (decrement) of employee benefit obligation	(82,188)	209,538	(61,144)	190,161	(31,887)	33,651	(32,191)	33,971
<b>Future salary growth</b>								
Increment (decrement) of employee benefit obligation	209,855	(81,174)	190,487	(66,734)	32,721	(31,342)	33,000	(31,612)

- As at 31 December 2022 and 2021, expected maturity of employee benefits obligation before discount are as follow:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Within 1 year	657,282	672,137	569,022	601,593
Between 2 – 5 years	576,676	514,579	465,928	408,104
Between 6 – 10 years	690,814	597,510	530,017	439,411
Between 11 – 15 years	291,059	343,325	199,914	243,608

#### 34. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The changes in the Group's liabilities arising from financing activities can be classified as follows;

	(Unit : Thousand Baht)					
	Consolidated F/S					
	Lease liabilities	Other finance liabilities	Short - term loans	Long - term loans	Debentures	Total
1 January 2022	1,734,336	1,805,316	6,507,877	20,945,241	14,415,539	45,408,309
Cash-flows:						
- Repayment	(740,489)	(773,031)	(18,866,961)	(10,173,292)	(6,000,000)	(36,553,773)
- Proceeds	164,910	-	18,457,148	8,718,392	5,936,300	33,276,750
Non-cash:						
- Acquisition	448,405	664,428	-	-	-	1,112,833
- decrease from contract termination	(110,287)	-	-	-	-	(110,287)

	(Unit : Thousand Baht)					
	Consolidated F/S					
	Lease liabilities	Other finance liabilities	Short - term loans	Long - term loans	Debentures	Total
- Amortization cost of issuing debentures	-	-	-	-	40,601	40,601
- Translation adjustments for foreign currency financial statement	(25,985)	-	(177,702)	(142,584)	-	(346,272)
31 December 2022	1,470,889	1,696,713	5,920,362	19,347,757	14,392,440	42,828,161

	(Unit : Thousand Baht)					
	Consolidated F/S					
	Lease liabilities	Other finance liabilities	Short - term loans	Long - term loans	Debentures	Total
1 January 2021	2,230,365	1,466,870	6,086,673	21,241,386	14,483,399	45,508,693
Cash-flows:						
- Repayment	(971,395)	(514,805)	(18,291,271)	(5,988,236)	(4,050,000)	(29,815,707)
- Proceeds	-	-	18,687,715	5,613,982	3,956,806	28,283,263
Non-cash:						
- Acquisition	456,033	853,251	-	-	-	1,309,284
- Amortization cost of issuing debentures	-	-	-	-	25,334	25,334
- Translation adjustments for foreign currency financial statement	19,333	-	24,760	78,109	-	97,442
31 December 2021	1,734,336	1,805,316	6,507,877	20,945,241	14,415,539	45,408,309

	(Unit : Thousand Baht)					
	Separate F/S					
	Lease liabilities	Other finance liabilities	Short - term loans	Long - term loans	Debentures	Total
1 January 2022	982,601	1,562,226	4,535,216	17,064,746	14,415,539	38,560,328
Cash-flows:						
- Repayment	(570,967)	(722,423)	(13,794,342)	(9,366,041)	(6,000,000)	(30,453,773)
- Proceeds	-	-	13,447,026	6,828,647	5,936,300	26,211,973
Non-cash:						
- Acquisition	256,002	664,429	-	-	-	920,431
- Amortization cost of issuing debentures	-	-	-	-	40,601	40,601
- Translation adjustments for foreign currency financial statement	(3,008)	-	(98,919)	-	-	(101,927)
31 December 2022	664,628	1,504,232	4,088,981	14,527,352	14,392,440	35,177,633

	(Unit : Thousand Baht)					
	Separate F/S					
	Lease liabilities	Other finance liabilities	Short - term loans	Long - term loans	Debentures	Total
1 January 2021	1,401,004	1,340,306	4,700,787	17,077,387	14,483,399	39,002,883
Cash-flows:						
- Repayment	(744,993)	(467,098)	(17,273,124)	(5,076,556)	(4,050,000)	(27,611,771)
- Proceeds	-	-	17,082,793	5,063,915	3,956,806	26,103,514
Non-cash:						
- Acquisition	326,590	689,018	-	-	-	1,015,608
- Amortization cost of issuing debentures	-	-	-	-	25,334	25,334
- Translation adjustment	-	-	24,760	-	-	24,760
31 December 2021	982,601	1,562,226	4,535,216	17,064,746	14,415,539	38,560,328

### 35. INCOME TAX

Applicable tax rates for the Group are as follows:

	Tax rate (%)	
	2022	2021
Income tax under the Revenue Code of the Company and subsidiary in Thailand	20	20
Corporate income tax in foreign countries	20 - 30	20 - 30

However, the income tax of an overseas entity which is calculated based on local tax regulation that calculate from the cash collection, the revenues or the net profit based on tax rate, whichever is higher.

The analysis of deferred tax assets and liabilities are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Deferred tax assets	271,045	323,043	-	-
Deferred tax liabilities	(968,423)	(1,015,713)	(120,071)	(184,215)
Deferred tax – net	(697,378)	(692,670)	(120,071)	(184,215)

The movements in deferred tax assets and liabilities are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S			
	Recognized as income (expense)			31 December 2022
	1 January 2022	Statement of profit and loss	Shareholders' Equity	
<b>Deferred tax assets</b>				
From allowance for impairment loss	73,191	62	(4,533)	68,720
From allowance for obsolete inventories	751	(533)	-	218
From depreciation of assets	73,437	(6,118)	(4,159)	63,160
From employee benefits obligations	111,635	(19,265)	(552)	91,818
From finance lease payables	60,580	(13,451)	-	47,129
From other timing differences	3,449	(3,441)	(8)	-
Total	323,043	(42,746)	(9,252)	271,045
<b>Deferred tax liabilities</b>				
From unrealized gain on changes in the value of investments through OCI	27,925	-	(27,934)	(9)
From unrealized gain on changes in the value of investments through PL	14,909	-	-	14,909
From finance lease payables	119,318	(26,195)	-	93,123
From depreciation of machinery	153,471	5,487	(8,143)	150,815
From debentures	9,932	4,620	-	14,552
From potash mining right	458,699	-	-	458,699
From investment properties	217,998	4,838	-	222,836
From other timing differences	13,461	925	(888)	13,498
Total	1,015,713	(10,325)	(36,965)	968,423

	(Unit : Thousand Baht)			
	Consolidated F/S			
	Recognized as income (expense)			
	1 January 2021	Statement of profit and loss	Shareholders' Equity	31 December 2021
<b>Deferred tax assets</b>				
From allowance for impairment loss	49,517	18,479	5,195	73,191
From allowance for obsolete inventories	663	88	-	751
From depreciation of assets	130,271	(67,149)	10,315	73,437
Carrying deficit	14,755	(15,689)	934	-
From employee benefits obligations	106,661	9,167	(4,193)	111,635
From finance lease payables	56,720	3,860	-	60,580
From other timing differences	5,348	(2,334)	435	3,449
<b>Total</b>	<b>363,935</b>	<b>(53,578)</b>	<b>12,686</b>	<b>323,043</b>
<b>Deferred tax liabilities</b>				
From unrealized gain on changes in the value of investments through OCI	8,325	-	19,600	27,925
From unrealized gain on changes in the value of investments through PL	-	14,909	-	14,909
From finance lease payables	114,968	4,350	-	119,318
From depreciation of machinery	142,277	738	10,456	153,471
From debentures	6,360	3,572	-	9,932
From potash mining right	458,699	-	-	458,699
From investment properties	202,433	15,565	-	217,998
From other timing differences	12,303	-	1,158	13,461
<b>Total</b>	<b>945,365</b>	<b>39,134</b>	<b>31,214</b>	<b>1,015,713</b>

	(Unit : Thousand Baht)			
	Separate F/S			
	Recognized as income (expense)			
	1 January 2022	Statement of profit or loss	Shareholders' Equity	31 December 2022
<b>Deferred tax liabilities</b>				
From unrealized gain on changes in the value of investments through OCI	26,308	-	(26,308)	-
From unrealized gain on changes in the value of investments through PL	14,909	-	-	14,909
From finance lease payables	53,825	(8,505)	-	45,320
From depreciation of machinery	20,471	(1,981)	-	18,490
From debentures	9,932	4,620	-	14,552
From Investment properties	58,770	(31,970)	-	26,800
<b>Total</b>	<b>184,215</b>	<b>(37,836)</b>	<b>(26,308)</b>	<b>120,071</b>

	(Unit : Thousand Baht)			
	Separate F/S			
	Recognized as income (expense)			
	1 January 2021	Statement of profit or loss	Shareholders' Equity	31 December 2021
<b>Deferred tax liabilities</b>				
From unrealized gain on changes in the value of investments through OCI	7,856	-	18,452	26,308
From unrealized gain on changes in the value of investments through PL	-	14,909	-	14,909
From finance lease payables	61,842	(8,017)	-	53,825
From depreciation of machinery	23,195	(2,724)	-	20,471
From debentures	6,360	3,572	-	9,932
From Investment properties	56,940	1,830	-	58,770
<b>Total</b>	<b>156,193</b>	<b>9,570</b>	<b>18,452</b>	<b>184,215</b>

Income tax consist of

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
<b>Income tax from local entities</b>				
Current income tax	104,346	50,011	71,421	26,925
<b>Income tax from overseas entities*</b>				
Current income tax	561,157	469,173	225,776	309,880
	665,503	519,184	297,197	336,805
<b>Deferred tax</b>				
Change in temporary differences	32,421	92,712	(37,836)	9,570
<b>Total</b>	<b>697,924</b>	<b>611,896</b>	<b>259,361</b>	<b>346,375</b>
<b>Income tax recognized in other comprehensive income</b>				
Unrealized gain (loss) on changes in value of investments	27,934	(19,600)	26,308	(18,452)
Actuarial loss	(552)	(4,193)	-	-
Others	331	5,265	-	-
<b>Total</b>	<b>27,713</b>	<b>(18,528)</b>	<b>26,308</b>	<b>(18,452)</b>

Reconciliation of effective tax rate

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Accounting profit (loss) before income tax	(3,777,414)	705,992	(3,362,980)	(235,242)
Tax rate for parent company (%)	20	20	20	20
Tax expense	(755,483)	141,198	(672,596)	(47,048)
Tax on adjustment for tax – rate difference in foreign jurisdictions	388,920	363,099	188,749	266,599
Tax on adjustment for eliminate transaction	288,105	(8,045)	2,218	56
Tax on exempted for revenue and additional deductible expense under revenue code	(67,180)	(165,420)	(36,263)	(74,600)
Tax on expenses not subject to tax and taxable income for revenue code	116,761	122,236	116,761	95,575
Tax on utilized loss carry forward of previously which deferred tax assets unrecognized loss carry forward	198,020	(97,284)	131,710	(75,379)
Tax on current year losses for which no deferred tax asset was recognized	528,781	256,112	528,782	181,172
Tax expense	697,924	611,896	259,361	346,375

Deferred tax assets arising from temporary differences and unused tax losses that have not been recognized in the financial statement are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Temporary differences	756,624	727,551	724,099	692,988
Unused loss taxable carried forward	214,660	184,596	135,050	93,613
<b>Total</b>	<b>971,284</b>	<b>912,147</b>	<b>859,149</b>	<b>786,601</b>

The tax losses will expire in 2022 to 2026. The deductible temporary differences do not expire under current tax legislation. The Group has not recognized deferred tax assets in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilize the benefits.

### 36. RELATED PARTY TRANSACTIONS

During the year, the Group has significant business transactions with related parties, which have been conducted on commercial terms and based on agreed upon in the ordinary course of businesses between the Company and those related parties, as follows:

Transaction	Pricing policy
Turn - key construction service income	Cost plus margin
Construction service income, exclusive the procurements of materials	Cost or cost-plus margin
Land rental income	Mutually agreed rate
Sales of equipment	Cost or mutually agreed price
Sales of investment	Market price
Purchases of construction materials	Approximate market price
Turn - key construction expenses	Cost plus margin



Transaction	Pricing policy
Hire of construction services, exclusive procurements of materials	Cost
Purchases of investments	Approximate net book value
Purchases of assets	Mutually agreed prices
Interest on loans with related parties	Mutually agreed rate
Rental expenses	Mutually agreed rate

Below are summaries of significant related party transactions during the year :

	(Unit : Million Baht)			
	Consolidated F/S		Separate F/S	
	For the years ended 31 December			
	2022	2021	2022	2021
<u>Transactions with subsidiaries</u>				
Construction services, sales and other income	-	-	1,114	916
Sales of equipment	-	-	3	-
Purchases of construction materials and services	-	-	986	1,185
Purchases of equipment	-	-	-	17
<u>Transactions with associated and joint control companies and joint ventures</u>				
Construction services, sales and other income	656	802	89	54
Purchases of construction materials and services	376	484	120	59
Purchases of equipment	142	50	-	-
<u>Transactions with related parties</u>				
Construction services, sales and other income	3,010	216	2,989	183
Purchases of construction materials and services	3,680	3,148	3,472	3,016
Purchases of equipment	23	24	13	22
Revenue from debt forgiveness	-	119	-	-
<u>Key management personnel compensation</u>				
Short - term employee benefits	184	181	132	135
Post - employment benefits	16	20	3	3

Furthermore, the Company also has significant transactions with its related parties in respect of accounts receivable, loans, advances and accounts payable. The outstanding balances of such transactions are presented as separate items in the statement of financial position.

### 37. RESERVED FOR PROJECTS EXPENSE - NET

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Reserved for projects expense	618	51,260	618	50,770
Less : Classified to current liability	(618)	(51,260)	(618)	(50,770)
Net	-	-	-	-

Movements of reserved for projects expense for the years ended 31 December 2022 and 2021 are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Balance as at 1 January	51,260	45,012	50,770	40,095
Less : Actual expenses during the year	(48,847)	(4,427)	(48,357)	-
Add : Provision for expenses	-	6,684	-	6,684
Add : Translation adjustment for foreign currency financial statement	(1,795)	3,991	(1,795)	3,991
Balance as at 31 December	618	51,260	618	50,770

### 38. PROVIDENT FUND

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company, and subsidiaries, contributed to the fund monthly at the rate of 2.00 – 15.00 percent of basic salary. The fund, which is managed by CIMB - Principal Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the years 2022 and 2021, the Company and its subsidiaries contributed Baht 179.02 million and Baht 127.24 million, respectively (Separate F/S: Baht 27.53 million and Baht 29.20 million, respectively).

**39. LEGAL RESERVE**

Pursuant to Section 116 of the Public Company Act B.E. 2535, the Company is required to set aside as a legal reserve at least 5% of its net income after deducting accumulated deficit brought forward (if any) until the reserve reaches 10% of the registered capital. The legal reserve is not available for dividend distribution.

**40. OTHER INCOME**

Significant other income for the years ended 31 December 2022 and 2021 are as follows:

	(Unit: Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Royalty income	82,809	62,982	82,809	62,982
Rental income	73,614	47,213	46,780	43,072
Insurance claim	35,762	48,528	360	13,449
Gain on disposal of assets	21,417	70,700	1	39,912
Service income	16,568	58,835	121	-
Consulting income	59,050	42,161	31,668	42,161
Bad debt return	17,706	39,960	-	-
Income from sale scrap	112,936	154,646	85,299	150,508
Reversal provision project expense	704	-	-	-
Revenue from lease modification	-	20,234	-	-
Revenue from debt forgiveness	-	98,864	-	-
Pile driving income	11,072	-	-	-
Others	175,985	163,418	129,530	74,707
Total	607,623	807,541	376,568	426,791

**41. EXPENSES BY NATURE**

Significant expenses by nature for the years ended 31 December 2022 and 2021 are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Salaries, wages and other employee benefits	11,533,545	10,572,741	8,306,000	7,824,892
Materials and supplies used	20,354,733	16,015,001	10,665,931	9,454,962
Subcontract costs	21,630,836	15,902,018	13,708,910	10,047,337
Depreciation	4,407,211	4,655,970	2,881,250	3,138,127
Rental expenses	1,647,673	1,572,514	1,195,498	1,215,515
Fuel expenses	1,703,893	1,161,487	1,073,374	740,967
Utilities expenses	1,359,816	1,032,001	410,474	369,379
Transportation expenses	656,551	573,098	280,172	257,679
Professional fee	756,021	626,024	150,234	89,952
Repair and maintenance expenses	511,037	591,736	148,888	185,030
Prebid expenses	20,671	38,024	20,456	37,118
Amortisation	1,288,365	8,335	1,274,628	9,816

**42. FINANCE COST**

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Loans from bank	1,270,450	1,459,910	715,875	838,451
Debentures	863,982	766,587	863,982	766,587
Finance liabilities	109,928	145,121	70,896	99,015
Other	261,881	190,423	174,407	177,620
Total	2,506,241	2,562,041	1,825,160	1,881,673

**43. GUARANTEES**

As at 31 December 2022, the Group has letter of guarantees totalling approximately Baht 84,373.57 million issued by financial institutions on behalf of the Company and subsidiaries in respect of certain performance bonds required in the normal course of business. The Company and subsidiaries do not expect to incur losses from these guarantees.

As at 31 December 2022, the Company has outstanding guarantees approximately Baht 8,307.21 million issued to financial institutions to bank overdraft, loan, letter of guarantee, letter of credit, trust receipt and promissory note by those financial institutions to the subsidiaries and joint venture. The Company issued guarantees in proportion to its shareholding (except for ItalThai Trevi Co. Ltd., ItalThai Marine Co., Ltd., ITD-ITD Cem Joint venture, ITD-Cemindia Joint venture for which the Company issued full guarantees for the credit facilities).

#### 44. COMMITMENTS

- 44.1 As at 31 December 2022, the Company, subsidiaries and joint venture have outstanding commitments with major subcontractors, classified by currencies as follows:

	(Unit : Million Baht)	
	Baht Equivalent	
	Consolidated F/S	Separate F/S
<u>Currency</u>		
THB	10,620.44	9,281.06
INR	11,499.54	-
BDT	609.07	609.07

As at 31 December 2022, the Group have the following outstanding commitments, proportionately, for purchases of materials, machinery, related services, low value leasing, short-term leasing and service contracts with significant amount accorded to business proportion presented by the foreign currency as below;

	(Unit : Million Baht)	
	Baht Equivalent	
	Consolidated F/S	Separate F/S
<u>Currency</u>		
THB	881.89	616.64
USD	692.72	100.14
INR	997.74	-
BDT	7.86	7.86
EUR	28.76	10.57
CNY	0.93	0.93
VND	0.52	0.52
SGD	0.23	-

- 44.2 As at 31 December 2022, the Company has outstanding commitments in respect of the un-call portion of investments in 6 subsidiary companies of Baht 2.25 million, USD 0.31 million, MMK 344.17 million and investment in a joint control company as shareholder agreement of 6,642.32 million.
- 44.3 As at 31 December 2022, a joint control company has outstanding commitments regarding to the agreement with the Government of the People's Republic of Bangladesh, under the clause of Transfer of Technology during the course of the construction period of BDT 65.15 million.
- 44.4 As at 31 December 2022, the Company has outstanding commitments of USD 8.35 million for share purchase agreement with a joint shareholder of an associated company.
- 44.5 A subsidiary company has a commitment to apply for and to obtain a mining concession from the Government of Thailand as follows:
- 44.5.1 The subsidiary company shall pay an annual subsidizing to the Education Fund for the Department of Primary Industries and Mines of USD 0.20 million.
- 44.5.2 The subsidiary must pay subsidies for mining inspections with a limit of Baht 50 million.
- 44.5.3 The subsidiary are required to provide insurance during the mining project throughout the concession period the total amount is not less than Baht 500 million.
- 44.5.4 The subsidiary is required to deposit collateral for rehabilitation of the mining area throughout the project life and to heal those affected by the mining in the total amount of Baht 1,851 million.
- 44.5.5 Subsidiary must establish 7 funds in accordance with the prevention and monitoring environmental impacts, totaling of Baht 1,900 million throughout the project life.
- 44.6 Several indirect subsidiary companies entered into service agreements for project consultant with commitment to pay fee at the rate as specified in agreements.
- 44.7 An overseas subsidiary has a commitment to pay fees for the Environmental and Social Impact Assessment license (ESIA License) for the construction of Deep-Sea Port and Heavy Haul Railway at USD 0.81 million and USD 3.90 million, respectively.
- 44.8 Indirect overseas subsidiaries have a commitment to pay Concession Fee for all concession project of the Dawei Special Economic Zone Initial Phase to Dawei SEZ Management Committee totalling USD 12.96 million and shall pay a recurring annual concession fee as stipulated in Concession Agreements.

#### 45. CONTINGENT LIABILITIES

The Group has received notices from various customers claiming for compensation for breaches of contracts totalling Baht 7,062.23 million (the Company of Baht 6,220.65 million). Currently, these claims are under consideration of Civil Court of Baht 6,813.40 million and Arbitration Tribunal of Baht 248.83 million. The Group is unable to estimate the timings of cash outflows (if any) in respect of such claims since the results of the claims are depending on the decisions of the Court and Arbitration Tribunal which outcome cannot presently be concluded. However, the Group's management

believes that such claims will not cause significant damages to the Group because some cases are brought without proper justifiable grounds. Therefore, the Group does not make any provision for liabilities in the accounts.

#### 46. SEGMENT REPORTING

Consolidated financial statements as at 31 December 2022 and 2021 and for the years ended 31 December 2022 and 2021 combined geographic segment reporting as follows:

	(Unit : Million Baht)			
	Consolidated F/S			
	Revenues from construction work		Non - current assets*	
	2022	2021	2022	2021
<u>Geographic information</u>				
Thailand	33,797	24,890	48,721	56,522
India	21,177	16,187	6,291	3,619
Bangladesh	3,192	4,123	6,188	1,910
Others	1,128	5,386	9,353	7,579
Total	59,294	50,586	70,553	69,630

\* Exclude deferred tax asset and goodwill

External customers of the Group are in Thailand and India which is major markets, revenue have been identified on the basis of the customer's geographical location. Non - current assets are allocated based on their physical location.

#### Revenues

The Group has core revenues from construction service contracts and other service contracts including, manufacturing and selling of construction materials and products and assesses the performance obligation as a single performance obligation, and therefore recognizes revenues according to their natures as follows:

Revenue from contracts	Revenue recognition
Construction services	Over time
Soil and coal extraction and removal services	Over time
Manufacturing and sale of construction materials and products	At a point in time
Real estate development	At a point in time

The Group recognizes revenues from sales and services when satisfies a performance obligation and the customer obtains control of the goods or services at an amount that reflects the consideration to which the Group expect to be entitled to received. The Group will not recognize revenue if the Group are still involved with the goods or if there are significant uncertainties regarding recovery of the consideration due.

The Group operations are mainly engaged in a construction services and are conducted geographical segments for the years ended 31 December 2022 and 2021 as follows:

	(Unit : Million Baht)													
	Consolidated F/S													
	For the years ended 31 December													
	Thailand		India		Bangladesh		Other countries		Total		Eliminate		Grand Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
<u>Revenue from construction work</u>														
Revenues from third parties	33,797	24,890	21,177	16,187	3,192	4,123	1,128	5,386	59,294	50,586	-	-	59,294	50,586
Inter - segment revenues	1,321	1,011	34	45	782	578	-	-	2,137	1,634	(2,137)	(1,634)	-	-
Total gross segment revenues	35,118	25,901	21,211	16,232	3,974	4,701	1,128	5,386	61,431	52,220	(2,137)	(1,634)	59,294	50,586
<u>Revenue from sale and service</u>														
Revenues from third parties	5,815	5,951	-	-	-	-	1,965	2,206	7,780	8,157	-	-	7,780	8,157
Inter - segment revenues	894	1,130	-	-	-	-	-	-	894	1,130	(894)	(1,130)	-	-
Total gross segment revenues	6,709	7,081	-	-	-	-	1,965	2,206	8,674	9,287	(894)	(1,130)	7,780	8,157
Gross profit (loss)	1,300	886	2,102	1,742	(859)	(536)	557	3,366	3,100	5,458	(534)	(443)	2,566	5,015
<u>Revenue disaggregated by pattern of revenue recognition</u>														
At point in time	35,118	25,901	21,211	16,232	3,974	4,701	1,128	5,386	61,431	52,220	(2,137)	(1,634)	59,294	50,586
Over time	6,709	7,081	-	-	-	-	1,965	2,206	8,674	9,287	(894)	(1,130)	7,780	8,157
Total	41,827	32,982	21,211	16,232	3,974	4,701	3,093	7,592	70,105	61,507	(3,031)	(2,764)	67,074	58,743
Interest income	87	56	101	93	-	-	2	6	190	155	(44)	(33)	146	122
Gain on revaluation of investment properties	184	-	-	-	-	-	-	-	184	-	-	-	184	-

	(Unit : Million Baht)													
	Consolidated F/S													
	For the years ended 31 December													
	Thailand		India		Bangladesh		Other countries		Total		Eliminate		Grand Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Gain on fair value measurement of investments	-	143	-	-	-	-	-	-	-	143	-	-	-	143
Gain on hedging instruments	28	31	-	-	-	-	-	-	28	31	-	-	28	31
Depreciation and amortization	(3,428)	(3,624)	(468)	(385)	(18)	(237)	(476)	(425)	(4,390)	(4,671)	(1,306)	-	(5,696)	(4,671)
Allowance for impairment loss	(15)	88	(61)	(71)	-	-	-	(269)	(76)	(252)	8	23	(68)	(229)
Impairment loss on assets	-	-	-	-	-	-	-	(36)	-	(36)	-	-	-	(36)
Allowance for impairment of investment	-	(227)	-	-	-	-	-	-	-	(227)	-	227	-	-
Loss from disposal of investment	(1)	(2)	-	-	-	-	-	-	(1)	(2)	-	-	(1)	(2)
Financial costs	(1,934)	(1,925)	(454)	(426)	(91)	(135)	(163)	(183)	(2,642)	(2,669)	136	107	(2,506)	(2,562)
Share of profit (loss) from investment in associated and joint control companies and joint ventures													(1,127)	75
Income tax expense													(698)	(612)
Profit (loss) for the year													(4,476)	94

	(Unit : Million Baht)													
	Consolidate F/S													
	For the years ended 31 December													
	Thailand		India		Bangladesh		Other countries		Total		Elimination		Grand total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Property, plant and equipment - net	19,178	20,455	3,580	2,659	559	722	4,028	4,577	27,345	28,413	10	(5)	27,355	28,408
Other assets	76,606	70,277	19,473	17,679	9,040	10,222	6,014	6,130	111,133	104,308	(22,631)	(19,478)	88,502	84,830
Total assets	95,784	90,732	23,053	20,338	9,599	10,944	10,042	10,707	138,478	132,721	(22,621)	(19,483)	115,857	113,238
Total liabilities	87,544	80,468	16,375	13,691	2,678	2,718	7,175	7,516	113,772	104,393	(8,926)	(7,378)	104,846	97,015

#### Major Customer

For the year ended 31 December 2022, the Group revenues derived from Government agencies amounting of Baht 44,092.24 million (2021: Baht 41,035.19 million).

#### 47. FAIR VALUE MEASUREMENT

The following table present financial and liabilities assets that are measured at fair value as at 31 December 2022:

	(Unit : Thousand Baht)			
	Consolidated F/S			
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
<u>Financial assets</u>				
Other long – term investments	322,494	-	789,647	1,112,141
Derivatives assets	-	3,485	-	3,485
<u>Non-financial assets</u>				
Investment properties	-	2,347,940	-	2,347,940
<b>Total</b>	<b>322,494</b>	<b>2,351,425</b>	<b>789,647</b>	<b>3,463,566</b>

	(Unit : Thousand Baht)			
	Separate F/S			
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
<u>Financial assets</u>				
Other long – term investments	303,362	-	385,744	689,106
Derivatives assets	-	3,485	-	3,485
<u>Non-financial assets</u>				
Investment properties	-	835,729	-	835,729
<b>Total</b>	<b>303,362</b>	<b>839,214</b>	<b>385,744</b>	<b>1,528,320</b>

The following table present financial and liabilities assets that are measured at fair value as at 31 December 2021:

	(Unit : Thousand Baht)			
	Consolidated F/S			
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
<u>Financial assets</u>				
Temporary investments	-	47	-	47
Other long – term investments	467,918	-	789,647	1,257,565
Derivatives assets	-	76,880	-	76,880
<u>Non-financial assets</u>				
Investment properties	-	2,612,532	-	2,612,532
<b>Total</b>	<b>467,918</b>	<b>2,689,459</b>	<b>789,647</b>	<b>3,947,024</b>
<b>Liability</b>				
<u>Financial liability</u>				
Derivatives liability	-	79,235	-	79,235
<b>Total</b>	<b>-</b>	<b>79,235</b>	<b>-</b>	<b>79,235</b>

	(Unit : Thousand Baht)			
	Separate F/S			
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
<u>Financial assets</u>				
Other long – term investments	440,655	-	585,744	1,026,399
Derivatives assets	-	76,880	-	76,880
<u>Non-financial assets</u>				
Investment properties	-	1,284,359	-	1,284,359
<b>Total</b>	<b>440,655</b>	<b>1,361,239</b>	<b>585,744</b>	<b>2,387,638</b>

During the year 2022 and 2021, there were no transfers within the fair value hierarchy and there were no changes in valuation techniques during the year. Investment properties are carried out using a market approach comparable with market price of the same assets reflects were observed prices for recent market transactions for similar properties and incorporates adjustments for factors specific to the investment properties in question, including plot size, location, encumbrances and current use.

#### 48. AUTHORISATION OF FINANCIAL STATEMENTS

These financial statements have been approved by the Company's Board of Directors on 28 February 2023.

### Attachment 1: Board of Directors and Board of Management

#### Experience of Board of Directors and Board of Management

##### 1 Mr. Pathai Chakornbundit

###### Education:

Bachelor of Engineering, Chulalongkorn University, Thailand

###### Training Programs Certified by IOD:

- Director Certificate Program (DCP) 56/2005

###### Chairman of the Board of Directors:

###### Director and Senior Executive Vice President:

###### Vice Chairman of the Risk Management Committee:

Italian-Thai Development PCL.

###### Director:

Italian-Thai Development PCL.

APPC Holding Co., Ltd.

Aquathai Co., Ltd.

Asia Industrial and Port Corporation Co., Ltd.

Asia Logistics Development Co., Ltd.

Asia Pacific Potash Corporation Co., Ltd.

Bangkok Steel Wire Co., Ltd.

Bhaka Bhumi Development Co., Ltd.

IOT Joint Venture

Italian-Thai Hongsa Co., Ltd.

Italian-Thai Land Co., Ltd.

Italhai Marine Co., Ltd.

Italhai Trevi Co., Ltd.

ITD Myanmar International Co., Ltd.

**Age: 80 years old**

###### Director Position:

Date of the first appointment : March 21, 2003

Date of the latest appointment : July 24, 2020

###### Number and % of Shares held as of Jan 31, 2023

69,540 or 0.001%

ITD-EGC Joint Venture

Myanmar Italian-Thai Power 1 Co., Ltd.

Nha Phralan Crushing Plant Co., Ltd.

Palangthai Kaona Co., Ltd.

Palit Palangngan Co., Ltd.

PT. Thailindo Bara Pratama

Sankyu Thai Co., Ltd.

Sarithorn Co., Ltd.

Sin Rae Muang Thai Co., Ltd.

Southern Industry (1996) Co., Ltd.

Thai Maruken Co., Ltd.

Thai Nippon Steel Engineering & Construction Corp. Co., Ltd.

Thai Pride Cement Co., Ltd.

##### 2 Mr. Premchai Karnasuta

###### Education:

Master of Business Administration

University of Southern California USA.

B.S. in Mining Engineering

Colorado School of Mines, USA.

###### President:

Italian-Thai Development PCL.

###### Director:

Italian-Thai Development PCL.

Charoong Thai Wire & Cable PCL.

Siam Steel Syndicate PCL.

3B Holding Co., Ltd.

Ao Po Grand Marina & Residence Co., Ltd.

Ao Po Grand Marina Co., Ltd.

APPC Holding Co., Ltd.

Aquathai Co., Ltd.

Asia Era One Co., Ltd.

Asia Industrial and Port Corporation Co., Ltd.

Asia Logistics Development Co., Ltd.

Asia Pacific Potash Corporation Co., Ltd.

Asia Thai Mining Co., Ltd.

Asian Rail Co., Ltd.

Asian Steel Product Co., Ltd.

Bhaka Bhumi Development Co., Ltd.,

Bhantuwong Co., Ltd.

**Age: 68 years old**

###### Director Position:

Date of the first appointment : March 24, 1994

Date of the latest appointment: July 24, 2020

###### Number and % of Shares held as of Jan 31, 2023

628,213,626 or 11.90%

Bangkok Steel Wire Co., Ltd.

Lasalle Co., Ltd.

MCRP Construction Corporation Co., Ltd.

MCRP Holding Corporation Co., Ltd.

Myanmar Italian-Thai Power 1 Co., Ltd.

Nahathai Co., Ltd.

Nha Phralan Crushing Plant Co., Ltd.

Palangngan Sakol Co., Ltd.

Palangthai Kaona Co., Ltd.

Palit Palangngan Co., Ltd.

Panoot Co., Ltd.

Phannin Co., Ltd.

Phu Ruea Fragrance Oil Co., Ltd.

Praram 9 Square Co., Ltd.

Praram 9 Square Hotel Co., Ltd.

PT. Thailindo Bara Pratama

Sankyu Thai Co., Ltd.

Saraburi Construction Technology Co., Ltd.



C.P.K. International Co., Ltd.  
 C.P.K. Plantation Co., Ltd.  
 Chantaburi Country Club Co., Ltd.  
 Dithee Co., Ltd.  
 Italian-Thai Hongsa Co., Ltd.  
 Italian-Thai International Co., Ltd.  
 Italian-Thai Land Co., Ltd.  
 Italian-Thai Power Co., Ltd.  
 ItalThai Marine Co., Ltd.  
 ItalThai Trevi Co., Ltd.  
 ITD Bangladesh Co., Ltd.  
 ITD Myanmar International Co., Ltd.  
 Kanika Co., Ltd.  
 Wildemere Co., Ltd.

Sarithorn Co., Ltd.  
 Siam Concrete Brick and Products Co., Ltd.  
 Siam Machinery and Equipment Co., Ltd.  
 Sin Rae Muang Thai Co., Ltd.  
 Sino Lao Aluminum Corporation Limited  
 Southern Industry (1996) Co., Ltd.  
 Takolkiat Co., Ltd.  
 Tayakee Co., Ltd.  
 Thai Mozambique Logistica SA  
 Thai Nippon Steel Engineering & Construction Corp. Co., Ltd.  
 Thai Pride Cement Co., Ltd.  
 Tongkrai Co., Ltd.  
 Tridayuk Co., Ltd.

### 3 Mrs. Nijaporn Charanachitta

#### Education:

M.B.A. (Finance) University of Wisconsin (Madison), USA  
 Bachelor of Arts, Chulalongkorn University, Thailand

#### Training Programs Certified by IOD:

- Director Certification Program (DCP) 56/2005

#### Chairman of the Board of Directors:

OHTL PCL.  
 Amari Co., Ltd.  
 Amari Estate Phuket Co., Ltd.  
 Amari Hotel & Resort Co., Ltd.  
 Amari Hua Hin Co., Ltd.  
 Amari Pattaya Co., Ltd.  
 Amari Watergate Bangkok Co., Ltd.

#### Director and Senior Executive Vice President:

Italian-Thai Development PCL.

#### Director and Member of the Nomination and Compensation Committee:

Charoong Thai Wire & Cable PCL.

#### Director:

Italian-Thai Development PCL.  
 TTCL PCL.  
 Charoong Thai Wire & Cable PCL.  
 Antara Holiday Park Co., Ltd.  
 APPC Holding Co., Ltd.  
 Aquathai Co., Ltd.  
 Asia Industrial and Port Corporation Co., Ltd.  
 Asia Logistics Development Co., Ltd.  
 Asia Pacific Potash Corporation Co., Ltd.  
 Asia Thai Mining Co., Ltd.  
 Asian Rail Co., Ltd.  
 Asian Steel Product Co., Ltd.  
 ATO - Asia Turnout Co., Ltd.  
 Baan Rao Holding Co., Ltd.  
 Baan Rimnaam Chaophraya Co., Ltd.  
 Bangkok Steel Wire Co., Ltd.  
 Bhaka Bhumi Development Co., Ltd.,  
 Bhanuwong Co., Ltd.  
 C.P.K. International Co., Ltd.  
 C.P.K. Plantation Co., Ltd.  
 Dithee Co., Ltd.

#### Age: 71 years old

#### Director Position:

Date of the first appointment : March 24, 1994  
 Date of the latest appointment: May 27, 2021

#### Number and % of Shares held as of Jan 31, 2023

350,815,140 or 6.64%

Amari Estates Co., Ltd.  
 Chao Phraya Development Corporation Co., Ltd.  
 ItalThai Real Estate Co., Ltd.  
 Oriental Residence Bangkok Co., Ltd.  
 Sakdi Sin Prasit Co., Ltd.  
 Siam Steel Syndicate Public PCL.

ITD Bangladesh Co., Ltd.  
 ITD Myanmar International Co., Ltd.  
 Kanika Co., Ltd.  
 Lasalle Co., Ltd.  
 Myanmar Italian-Thai Power 1 Co., Ltd.  
 Nahathai Co., Ltd.  
 Nha Phralan Crushing Plant Co., Ltd.  
 Nishio Rent All (Thailand) Co., Ltd.  
 Ozo Kata Co., Ltd.  
 Ozo Pattaya Co., Ltd.  
 Ozo Watergate Co., Ltd.  
 Palangngan Sakol Co., Ltd.  
 Palangthai Kaona Co., Ltd.  
 Palit Palangngan Co., Ltd.  
 Pan African Mining Corporation  
 Panoot Co., Ltd.  
 Phannin Co., Ltd.  
 Praram 9 Square Co., Ltd.  
 PT. Thailindo Bara Pratama  
 Sankyu Thai Co., Ltd.  
 Saraburi Construction Technology Co., Ltd.

Italian-Thai Hongsa Co., Ltd  
 Italian-Thai International Co., Ltd.  
 Italian-Thai Land Co., Ltd.  
 Italian-Thai Power Co., Ltd.  
 ItalThai Holding Company Co., Ltd.  
 ItalThai Marine Co., Ltd.  
 ItalThai Trevi Co., Ltd.  
 Takolkiat Co., Ltd.  
 Tayakee Co., Ltd.  
 Thai Maruken Co., Ltd.  
 Thai Nippon Steel Engineering & Construction Corp. Co., Ltd.

Sarithorn Co., Ltd  
 Siam Concrete Brick and Products Co., Ltd.  
 Siam Machinery and Equipment Co., Ltd.  
 Sin Rae Muang Thai Co., Ltd.  
 Sino Lao Aluminum Corporation Limited  
 Southern Industry (1996) Co., Ltd.  
 Thai Pride Cement Co., Ltd  
 Tongkrai Co., Ltd.  
 Tridayuk Co., Ltd.  
 Wildemere Co., Ltd.

**4 Assoc. Prof. Dr. Pinyo Meechumna**

**Education:**

Ph.D. Minerals Engineering, University of Leeds, U.K.

**Training Programs Certified by IOD:**

- Audit Committee Program (ACP) 35/2011
- Director Accreditation Program (DAP) 67/2007

**Independent Director:**

**Chairman of the Audit Committee:**

**Chairman of Risk Management Committee:**

Italian-Thai Development PCL.

**Special Instructor:**

Department Of Mining and Petroleum Engineering  
 Faculty of Engineering, Chulalongkorn University

**Director, Professional Level:**

Professional-Level Committees of Environmental Impact  
 Assessment (Mining Project)  
 Office of Natural Resources and Environmental Policy and Planning

**Age: 67 years old**

**Director Position:**

Date of the first appointment : April 22, 2021

Date of the latest appointment: May 27, 2021

**Number and % of Shares held as of Jan 31, 2023**

-0-

**5 Mr. William Lee Zentgraf**

**Education:**

A.B. (cum laude) Harvard College, USA

**Independent Director:**

**Audit Committee:**

Italian-Thai Development PCL.

**Independent Director:**

OHTL PCL.

**Age: 82 years old**

**Director Position:**

Date of the first appointment : March 24, 2005

Date of the latest appointment : April 18, 2022

**Number and % of Shares held as of Jan 31, 2023**

-0-

**6 Mr. Sai Wah Simon Suen**

**Education:**

Master of Bussiness Management,  
 Chaminade University of Honolulu, Hawaii, USA  
 Bachelor of Bussiness Management,  
 The University of Hawaii, Hawaii, USA

**Independent Director:**

**Audit Committee:**

Italian-Thai Development PCL.

**Chairman of Nomination and Remuneration Committee:**

**Independent Director:**

**Audit Committee:**

Charoong Thai Wire & Cable PCL.

**Age: 62 years old**

**Director Position:**

Date of the first appointment : June 15, 2018

Date of the latest appointment : April 18, 2022

**Number and % of Shares held as of Jan 31, 2023**

-0-

<p><b>7 Mr. Virat Kongmaneerat</b></p> <p><b>Education:</b> Bachelor of Engineering King Mongkut's University of Technology Thonburi, Thailand</p> <p><b>Executive Vice President:</b> Italian-Thai Development PCL.</p> <p><b>Director:</b> Italian-Thai Development PCL. Thai Mozambique Ligistica SA</p>	<p><b>Age: 67 years old</b></p> <p><b>Director Position:</b> Date of the first appointment : December 2, 2021 Date of the latest appointment: December 2, 2021</p> <p><b>Number and % of Shares held as of Jan 31, 2023</b> 500,000 or 0.009%</p> <p>Siam Concrete Brick and Products Co., Ltd.</p>
<p><b>8 Mr. Sumate Surabotsopon</b></p> <p><b>Education:</b> Master of Engineering King Mongkut's University of Technology Thonburi, Thailand</p> <p><b>Executive Vice President:</b> Italian-Thai Development PCL.</p> <p><b>Director:</b> ITD Bangladesh Co., Ltd.</p>	<p><b>Age: 58 years old</b></p> <p><b>Number and % of Shares held as of Jan 31, 2023</b> 307,000 or 0.006%</p>
<p><b>9 Mr. Thoranis Karnasuta</b></p> <p><b>Education:</b> Bachelor of Industrial Engineering University of California, Berkeley, USA</p> <p><b>Training Programs Certified by IOD:</b> - Director Accreditation Program (DAP) 173/2020</p> <p><b>Chairman of the Board of Directors:</b> Pan African Mining Corporation</p> <p><b>Executive Vice President and Acting President:</b></p> <p><b>Risk Management Committee:</b> Italian-Thai Development PCL.</p> <p><b>Director:</b> Italian-Thai Development PCL. Siam Steel Syndicate PCL. 3B Holding Co., Ltd. Amari Co., Ltd. Asia Pacific Potash Corporation Co., Ltd. Asian Steel Product Co., Ltd. ATO - Asia Turnout Co., Ltd. Bangkok Steel Wire Co., Ltd. First Dhaka Elevated Expressway Co., Ltd. Italhai Real Estate Co., Ltd.</p>	<p><b>Age: 32 years old</b></p> <p><b>Director Position:</b> Date of the first appointment : April 30, 2014 Date of the latest appointment : July 24, 2020</p> <p><b>Number and % of Shares held as of Jan 31, 2023</b> 28,210,960 or 0.53%</p> <p>ITD Madagascar SA ITD Myanmar International Co., Ltd. LNG Plus International Co., Ltd. Nishio Rent All (Thailand) Co., Ltd. Siam Concrete Brick and Products Co., Ltd. Sumatra Mining Development Limited Thai Maruken Co., Ltd. Thai Mozambique Logistica SA Thai Pride Cement Co., Ltd Italhai Trevi Co., Ltd.</p>
<p><b>10 Mr. Peeti Karnasuta</b></p> <p><b>Education:</b> Applied Economics, University of Saint Andrews, Scotland, UK</p> <p><b>Executive Vice President:</b></p> <p><b>Risk Management Committee:</b> Italian-Thai Development PCL.</p> <p><b>Director:</b> Italian-Thai Development PCL. 3B Holding Co., Ltd. Amari Hotel &amp; Resort Co., Ltd. Asia Thai Mining Co., Ltd. Construction Concrete Co., Ltd. Intrinsic Resources Co., Ltd. Italian-Thai International Co., Ltd.</p>	<p><b>Age: 41 years old</b></p> <p><b>Director Position:</b> Date of the first appointment : March 24, 2008 Date of the latest appointment : April 18, 2022</p> <p><b>Number and % of Shares held as of Jan 31, 2023</b> 1,000,463 or 0.02%</p> <p>Italian-Thai Power Co., Ltd. Italhai Holding Company Co., Ltd. Myanmar Italian-Thai Power 1 Co., Ltd. PAM Sakoa Coal SA Pan African Mining Corporation ITD Madagascar SA</p>

<p>11 <b>Ms. Prachaya Karnasuta</b></p> <p><b>Education:</b> Master of Business Administration, Hawaii Pacific University, USA</p> <p><b>Executive Vice President:</b></p> <p><b>Assistant to Director and Senior Executive Vice President:</b> Italian-Thai Development PCL.</p> <p><b>Director:</b> 3B Holding Co., Ltd. Ao Po Grand Marina &amp; Residence Co., Ltd. Ao Po Grand Marina Co., Ltd. Baan Rao Holding Co., Ltd.</p>	<p><b>Age: 39 years old</b></p> <p><b>Number and % of Shares held as of Jan 31, 2023</b> 38,839,766 or 0.74%</p> <p>LNG Plus International Co., Ltd. MSI (Thailand) Co., Ltd. Oriental Residence Bangkok Co., Ltd.</p>
<p>12 <b>Mr. Piyachai Karnasuta</b></p> <p><b>Education:</b> Master of Business Administration (Civil Engineering), Waseda University, Japan</p> <p><b>Training Programs Certified by IOD:</b> - Director Accreditation Program (DAP) 161/2019</p> <p><b>Chairman of the Board of Directors:</b> ITD Cementation India Co., Ltd.</p> <p><b>Executive Vice President:</b> Italian-Thai Development PCL.</p> <p><b>Director:</b> Italian-Thai International Co., Ltd. Italian-Thai Power Co., Ltd. Myanmar Italian-Thai Power 1 Co., Ltd. ITD Construction SDN.BHD.</p>	<p><b>Age: 47 years old</b></p> <p><b>Number and % of Shares held as of Jan 31, 2023</b> 23,303,438 or 0.44%</p> <p>Napralan Crushing Plant Co., Ltd. Siam Machinery &amp; Equipment Co., Ltd. Italian-Thai Vietnam Development Co., Ltd.</p>
<p>13 <b>Mr. Chatichai Chutima</b></p> <p><b>Education:</b> Master of Economics from Ohio University, USA</p> <p><b>Training Programs Certified by IOD:</b> - Director Certificate Program (DCP) 204/2015 - Director Accreditation Program (DAP) 67/2007 - Successful Formulation &amp; Executive of Strategy 12/2011</p> <p><b>Executive Vice President:</b></p> <p><b>Risk Management Committee:</b></p> <p><b>Executive Vice President (Finance) and Chief Financial Officer:</b> Italian-Thai Development PCL.</p> <p><b>Director:</b> Siam Steel Syndicate PCL. Siam Pacific Electric Wire &amp; Cable Co., Ltd.</p> <p><b>Honorary Council Members</b> University Council of Rajamangala University of Technology Thanyaburi</p>	<p><b>Age: 62 years old</b></p> <p><b>Number and % of Shares held as of Jan 31, 2023</b> - 0 -</p> <p>ITD Bangladesh Co., Ltd.</p>
<p>14 <b>Mr. Sompop Pinijchai</b></p> <p><b>Education:</b> Master of Business Administration (Finance) National Institute of Development Administration (NIDA), Thailand</p> <p><b>Executive Vice President:</b></p> <p><b>Risk Management Committee:</b> Italian-Thai Development PCL.</p> <p><b>Director:</b> Italhai Marine Co., Ltd.</p>	<p><b>Age: 65 years old</b></p> <p><b>Number and % of Shares held as of Jan 31, 2023</b> 115,900 or 0.002%</p>

15	<b>Mr. Woravudh Hiranyapaisarnsakul</b> <b>Education:</b> Master of Business Administration, Thammasart University, Thailand <b>Training Programs Certified by IOD:</b> - Company Secretary Program 29/2009 - Effective Minute Taking 13/2009 <b>Executive Vice President:</b> <b>Secretary and Risk Management Committee:</b> <b>Company Secretary:</b> Italian-Thai Development PCL. <b>Managing Director:</b> <b>Director:</b> Asia Pacific Potash Corporation Co., Ltd. * Please refer to the attachment for the Company Secretary's Qualification	<b>Age: 61 years old</b> <b>Number and % of Shares held as of Jan 31, 2023</b> - 0 -
16	<b>Mr. Prasit Ratanaramig</b> <b>Education:</b> Bachelor of Engineering, Chulalongkorn University, Thailand <b>Executive Vice President:</b> Italian-Thai Development PCL.	<b>Age: 71 years old</b> <b>Number and % of Shares held as of Jan 31, 2023</b> 208,432 or 0.004%
17	<b>Mr. Kriengsak Kovadhana</b> <b>Education:</b> Master of Engineering, LAMAR University, USA <b>Executive Vice President:</b> Italian-Thai Development PCL.	<b>Age: 63 years old</b> <b>Number and % of Shares held as of Jan 31, 2023</b> - 0 -
18	<b>Mr. Sakchai Puetchaiboon</b> <b>Education:</b> Bachelor of Engineering, Prince of Songkla University, Thailand <b>Executive Vice President:</b> Italian-Thai Development PCL.	<b>Age : 65 years old</b> <b>Number and % of Shares held as of Jan 31, 2023</b> 10,000 or 0.00%
19	<b>Mr. Prasart Kosarussawadee</b> <b>Education:</b> Bachelor of Engineering, Chulalongkorn University, Thailand Master of Business Administration, Sukhothai Thammathirat Open University, Thailand <b>Executive Vice President:</b> Italian-Thai Development PCL. <b>Director:</b> Siam Steel Syndicate PCL. PT. Thailindo Bara Pratama	<b>Age : 72 years old</b> <b>Number and % of Shares held as of Jan 31, 2023</b> 5,000 or 0.00%  Thai Pride Cement Co., Ltd
20	<b>Mr. Wichien Roongrujirat</b> <b>Education:</b> Master of Engineering, Asian Institute of Technology, Thailand <b>Executive Vice President:</b> Italian-Thai Development PCL. <b>Director:</b> ITD Bangladesh Co., Ltd.	<b>Age: 63 years old</b> <b>Number and % of Shares held as of Jan 31, 2023</b> - 0 -

---

21	<b>Mr. Prasert Sanor</b> <b>Education:</b> Master of Business Administration, Ramkhamhaeng University, Thailand <b>Executive Vice President:</b> Italian-Thai Development PCL. <b>Director:</b> ITD Madagascar SA	<b>Age: 58 years old</b> <b>Number and % of Shares held as of Jan 31, 2023</b> - 0 -
22	<b>Ms. Kanchana Charoenyot</b> <b>Education:</b> Master of Business Administration (Finance and Banking) Ramkhamhaeng University, Thailand <b>Senior Vice President (Accounting):</b> <b>Chief Accountant:</b> Italian-Thai Development PCL.	<b>Age: 60 years old</b> <b>Number and % of Shares held as of Jan 31, 2023</b> - 0 -

---

**\*Authority and Responsibility of the Company Secretary**

The Company Secretary is required to perform his/her duties with responsibility, caution, and integrity in compliance with the laws, objectives and regulations of the Company, and the resolutions of the Board of Directors and Shareholders as defined in Securities and Exchange Act (No.4) B.E. 2551, Section 89/15 and 89/16 from August 31, 2008 onwards. The Company Secretary shall be responsible for the following proceedings:

1. Prepare and file the following documents:
  - a). The Directors' Register
  - b). The Notification and Minutes of the Board of Directors' Meetings and Annual Reports
  - c). The Notification and Minutes of Annual General Meeting of Shareholder
2. File a report of interests of Directors, Executives and Persons involved, then submit a copy to the Chairman of the Board of Directors and Audit Committee to acknowledge within seven days from the date the report is received in accordance with Section 89/14.
3. Perform other necessities in compliance with the Capital Market Supervisory Board.

**Qualifications of the Company Secretary**

1. To have a comprehensive knowledge and perception of the Company's nature of business, including the roles and duties of the Board of Directors' and the Company's responsibilities, to be well familiar with laws and regulations and importantly, to always follow up all required information.
2. To perform duties in compliance with laws, rules and the Company's regulations with the highest responsibility, caution, integrity and determination in order to achieve the Company's objectives under the proper guidance of Corporate Governance and Code of Ethics.
3. To strictly adhere to moral principles and to be concerned for all stakeholders by not doing anything may cause damage to the Company's reputation.
4. Not derive self-benefit from the Company's business opportunities and to firmly keep the Company's information confidential.
5. To maintain the good relations and social ability in order to coordinate with all others, both inside and outside the Company.

## Attachment 2: Directorship in Subsidiaries

Name	Company	ITD	Subsidiary	Associate	Related Company
<b>1. Mr. Pathai Chakornbundit</b>					
	Italian-Thai Development PCL.	X / //			
	Sankyu Thai Co., Ltd.				/
	Southern Industry (1996) Co., Ltd.				/
	Thai Nippon Steel Engineering & Construction Corp. Co., Ltd.				/
	Thai Maruken Co., Ltd.		/		
	Bangkok Steel Wire Co., Ltd.				/
	Palit Palangngan Co., Ltd.		/		
	Palangthai Kaona Co., Ltd.		/		
	Bhaka Bhumii Development Co., Ltd.		/		
	Thai Pride Cement Co., Ltd.		/		
	Myanmar Italian-Thai Power 1 Co., Ltd.		/		
	Nha Phralan Crushing Plant Co., Ltd.		/		
	Sarithorn Co., Ltd.				/
	Sin Rae Muang Thai Co., Ltd.				/
	Aquathai Co., Ltd.				/
	ItalThai Marine Co., Ltd.		/		
	ItalThai Trevi Co., Ltd.		/		
	Italian-Thai Land Co., Ltd.		/		
	Italian-Thai Hongsa Co., Ltd.		/		
	Asia Pacific Potash Corporation Co., Ltd.				/
	Asia Logistics Development Co., Ltd.		/		
	Asia Industrial and Port Corporation Co., Ltd.		/		
	APPC Holding Co., Ltd.		/		
	ITD Myanmar International Co., Ltd.				/
	ITD-EGC Joint Venture			/	
	IOT Joint Venture			/	
	PT. Thailindo Bara Pratama		/		
<b>2. Mr. Premchai Karnasuta</b>					
	Italian-Thai Development PCL.	/ //			
	Charoong Thai Wire & Cable PCL.				/
	Siam Steel Syndicate PCL.				/
	3B Holding Co., Ltd.				/ //
	Kanika Co., Ltd.				/ //
	Siam Machinery and Equipment Co., Ltd.				/ //
	Chantaburi Country Club Co., Ltd.				/ //
	Sankyu Thai Co., Ltd.				/
	C.P.K. International Co., Ltd.				/ //
	C.P.K. Plantation Co., Ltd.				/ //
	Southern Industry (1996) Co., Ltd.				/ //
	Nahathai Co., Ltd.				/ //
	Dithee Co., Ltd.				/ //
	Tayakee Co., Ltd.				/ //
	Tongkrai Co., Ltd.				/ //
	Tridayuk Co., Ltd.				/ //
	Takolkia Co., Ltd.				/ //



Name	Company	ITD	Subsidiary	Associate	Related Company
	Thai Nippon Steel Engineering & Construction Corp. Co., Ltd.				/
	Phu Ruea Fragrance Oil Co., Ltd.				/ //
	Bhantuwong Co., Ltd.				/ //
	Bangkok Steel Wire Co., Ltd.			//	
	Panoot Co., Ltd.				/ //
	Palit Palangngan Co., Ltd.		/		
	Praram 9 Square Co., Ltd.			/	
	Praram 9 Square Hotel Co., Ltd.			/	
	Palangngan Sakol Co., Ltd.				/
	Palangthai Kaona Co., Ltd.		/		
	Phannin Co., Ltd.				/
	Bhaka Bhumi Development Co., Ltd.		/		
	Thai Pride Cement Co., Ltd.		/		
	Myanmar Italian-Thai Power 1 Co., Ltd.		/		
	Asia Era One Co., Ltd.				/
	Nha Phralan Crushing Plant Co., Ltd.		/		
	Lasalle Co., Ltd.				/ //
	Wildemere Co., Ltd.				/ //
	Siam Concrete Brick and Products Co., Ltd.		/ //		
	Saraburi Construction Technology Co., Ltd.		/ //		
	Sarithorn Co., Ltd.				/
	Sin Rae Muang Thai Co., Ltd.				/
	Asia Thai Mining Co., Ltd.				/
	Aquathai Co., Ltd.				/
	Ao Po Grand Marina Co., Ltd.				/
	Ao Po Grand Marina & Residence Co., Ltd.				/
	ItalThai Marine Co., Ltd.		/		
	ItalThai Trevi Co., Ltd.		/		
	Italian-Thai Power Co., Ltd.		/		
	Italian-Thai Land Co., Ltd.		/		
	Italian-Thai Hongsa Co., Ltd.		/		
	Italian-Thai International Co., Ltd.		/		
	Asia Pacific Potash Corporation Co., Ltd.				/
	Asia Logistics Development Co., Ltd.		/		
	Asia Industrial and Port Corporation Co., Ltd.		/		
	Asian Rail Co., Ltd.		/		
	Asian Steel Product Co., Ltd.		/		
	APPC Holding Co., Ltd.		/		
	MCRP Construction Corporation Co., Ltd.			/	
	MCRP Holding Corporation Co., Ltd.			/	
	ITD Myanmar International Co., Ltd.				/
	ITD Bangladesh Co., Ltd.		/		
	PT. Thailindo Bara Pratama		/		
	Sino Lao Aluminum Corporation Limited			/	
	Thai Mozambique Logistica SA		/		

Name	Company	ITD	Subsidiary	Associate	Related Company
<b>3. Mrs. Nijaporn Charanachitta</b>					
	Italian-Thai Development PCL.	/	//		
	Charoong Thai Wire & Cable PCL.				/
	TTCL PCL.				/
	Siam Steel Syndicate PCL.				X /
	OHTL PCL.				X /
	Kanika Co., Ltd.				/
	Siam Machinery and Equipment Co., Ltd.				/
	Sankyu Thai Co., Ltd.				/
	C.P.K. International Co., Ltd.				/ //
	C.P.K. Plantation Co., Ltd.				/ //
	Southern Industry (1996) Co., Ltd.				/
	Nahathai Co., Ltd.				/ //
	Dithee Co., Ltd.				/ //
	Tayakee Co., Ltd.				/ //
	Tongkrai Co., Ltd.				/ //
	Tridayuk Co., Ltd.				/ //
	Takolkiat Co., Ltd.				/ //
	Thai Nippon Steel Engineering & Construction Corp. Co., Ltd.				/
	Thai Maruken Co., Ltd.		/		
	Nishio Rent All (Thailand) Co., Ltd.				/
	Bhantuwong Co., Ltd.				/
	Bangkok Steel Wire Co., Ltd.				/ //
	Baan Rimnaam Chaophraya Co., Ltd.				/ //
	Baan Rao Holding Co., Ltd.				/ //
	Panoot Co., Ltd.				/ //
	Palit Palangngan Co., Ltd.		/		
	Praram 9 Square Co., Ltd.				/
	Palangngan Sakol Co., Ltd.				/
	Palangthai Kaona Co., Ltd.		/		
	Phannin Co., Ltd.				/ //
	Bhaka Bhumi Development Co., Ltd.		/ //		
	Thai Pride Cement Co., Ltd.		/ //		
	Myanmar Italian-Thai Power 1 Co., Ltd.		/ //		
	Nha Phralan Crushing Plant Co., Ltd.		/ //		
	Lasalle Co., Ltd.				/ //
	Wildemere Co., Ltd.				/ //
	Siam Concrete Brick and Products Co., Ltd.		/ //		
	Saraburi Construction Technology Co., Ltd.		/ //		
	Sarithorn Co., Ltd.				/
	Sin Rae Muang Thai Co., Ltd.				/
	Asia Thai Mining Co., Ltd.				/
	Antara Holiday Park Co., Ltd.				/
	Aquathai Co., Ltd.				/
	Italhai Trevi Co., Ltd.		/		
	Italhai Marine Co., Ltd.		/		
	Italhai Holding Company Co., Ltd.				/
	Italian-Thai Power Co., Ltd.		/		
	Italian-Thai Land Co., Ltd.		/		

Name	Company	ITD	Subsidiary	Associate	Related Company
	Italian-Thai Hongsa Co., Ltd.		/		
	Italian-Thai International Co., Ltd.		/		
	Asia Pacific Potash Corporation Co., Ltd.				/
	Asia Logistics Development Co., Ltd.		/		
	Asia Industrial and Port Corporation Co., Ltd.		/		
	Asian Rail Co., Ltd.		/		
	Asian Steel Product Co., Ltd.				/
	ATO - Asia Turnout Co., Ltd.			/	
	APPC Holding Co., Ltd.		/		
	Ozo Kata Co., Ltd.				/
	Ozo Pattaya Co., Ltd.				/
	Ozo Watergate Co., Ltd.				/
	ITD Myanmar International Co., Ltd.				/
	Sakdi Sin Prasit Co., Ltd.				/
	Amari Co., Ltd.				X /
	Amari Pattaya Co., Ltd.				X /
	Amari Watergate Bangkok Co., Ltd.				X /
	Amari Hua Hin Co., Ltd.				X /
	Amari Estates Co., Ltd.				X /
	Amari Estate Phuket Co., Ltd.				X /
	Amari Hotel & Resort Co., Ltd.				X /
	ItalThai Real Estate Co., Ltd.				X /
	Oriental Residence Bangkok Co., Ltd.				X /
	Chao Phraya Development Corporation Co., Ltd.				X /
	ITD Bangladesh Co., Ltd.		/		
	Pan African Mining Corporation				/
	PT. Thailindo Bara Pratama		/		
	Sino Lao Aluminum Corporation Limited		/		
<b>4. Assoc. Prof. Dr. Pinyo Meechumna</b>	Italian-Thai Development PCL.	/			
<b>5. Mr. William Lee Zentgraf</b>	Italian-Thai Development PCL. OHTL PCL.	/			/
<b>6. Mr. Sai Wah Simon Suen</b>	Italian-Thai Development PCL. Charoong Thai Wire & Cable PCL.	/			/
<b>7. Mr. Virat Kongmaneerat</b>	Italian-Thai Development PCL. Thai Mozambique Logistica S.A. Siam Concrete Brick and Products Co., Ltd.	/ //	/		
<b>8. Mr. Sumate Surabotsopon</b>	Italian-Thai Development PCL. ITD Bangladesh Co., Ltd.	//	/		

Name	Company	ITD	Subsidiary	Associate	Related Company
<b>9. Mr. Thoranis Karnasuta</b>	Italian-Thai Development PCL.	/ //			
	Siam Steel Syndicate PCL.				/
	3B Holding Co., Ltd.				/
	Nishio Rent All (Thailand) Co., Ltd.				/
	Thai Pride Cement Co., Ltd.		/		
	Siam Concrete Brick and Products Co., Ltd.		/		
	Amari Co., Ltd.				/
	ItalThai Real Estate Co., Ltd.				/
	Asia Pacific Potash Corporation Co., Ltd.				/
	Asian Steel Product Co., Ltd.				/
	LNG Plus International Co., Ltd.				/
	ITD Myanmar International Co., Ltd.				/
	ITD Madagascar SA		/		
	Sumatra Mining Development Limited				/
	Thai Mozambique Logistica SA		/		
	First Dhaka Elevated Expressway Co., Ltd.			/	
	ItalThai Trevi Co., Ltd.		/		
	Pan African Mining Corporation				X
	Thai Maruken Co., Ltd.		/		
<b>10. Mr. Peeti Karnasuta</b>	ATO - Asia Turnout Co., Ltd.			/	
	Bangkok Steel Wire Co., Ltd.			/	
	Italian-Thai Development PCL.	/ //			
	3B Holding Co., Ltd.				/
	Myanmar Italian-Thai Power 1 Co., Ltd.		/		
	Asia Thai Mining Co., Ltd.				/
	Amari Hotel & Resort Co., Ltd.				/
	ItalThai Holding Company Co., Ltd.				/
	Construction Concrete Co., Ltd.				/
	Italian-Thai Power Co., Ltd.		/		
	Italian-Thai International Co., Ltd.		/		
	ITD Madagascar SA		/		
<b>11. Ms. Prachaya Karnasuta</b>	Pan African Mining Corporation				/
	PAM Sakoa Coal SA				/
	Intrinsic Resources Co., Ltd.				/
	Italian-Thai Development PCL.	//			
	3B Holding Co., Ltd.				/
	Baan Rao Holding Co., Ltd.				/
	Ao Po Grand Marina Co., Ltd.				/
	Ao Po Grand Marina & Residence Co., Ltd.				/
	MSI (Thailand) Co., Ltd.				/
	LNG Plus International Co., Ltd.				/
	Oriental Residence Bangkok Co., Ltd.				/

Name	Company	ITD	Subsidiary	Associate	Related Company
<b>12. Mr. Piyachai Karnasuta</b>	Italian-Thai Development PCL. ITD Cementation India Co., Ltd. Siam Machinery & Equipment Co., Ltd. Myanmar Italian-Thai Power 1 Co., Ltd. Napralan Crushing Plant Co., Ltd. Italian-Thai Power Co., Ltd. Italian-Thai International Co., Ltd. Italian-Thai Vietnam Development Co., Ltd. ITD Construction SDN.BHD.	//	X / / / / / / /		/
<b>13. Mr. Chatichai Chutima</b>	Italian-Thai Development PCL. ITD Bangladesh Co., Ltd. Siam Pacific Electric Wire & Cable Co., Ltd. Siam Steel Syndicate PCL.	//	/		/
<b>14. Mr. Sompop Pinijchai</b>	Italian-Thai Development PCL. Italhai Marine Co., Ltd.	//	/		
<b>15. Mr. Woravudh Hiranyapaisarnsakul</b>	Italian-Thai Development PCL. Asia Pacific Potash Corporation Co., Ltd.	//			/ //
<b>16. Mr. Prasit Ratanaramig</b>	Italian-Thai Development PCL.	//			
<b>17. Mr. Kriengsak Kovadhana</b>	Italian-Thai Development PCL.	//			
<b>18. Mr. Sakchai Puetpaiboon</b>	Italian-Thai Development PCL.	//			
<b>19. Mr. Prasart Kosarussawadee</b>	Italian-Thai Development PCL. Siam Steel Syndicate PCL. PT. Thailindo Bara Pratama Thai Pride Cement Co., Ltd.	//	/		/
<b>20. Mr. Wichien Roongrujirat</b>	Italian-Thai Development PCL. ITD Bangladesh Co., Ltd.	//	/		
<b>21. Mr. Prasert Sanor</b>	Italian-Thai Development PCL. ITD Madagascar SA	//	/		
<b>22. Kanchana Charoenyot</b>	Italian-Thai Development PCL.	//			

Remark

X = President

/ = Director

// = Executive Director

---

### Attachment 3: Internal Audit Information

**Name** : Mr. Pakpoom Sukkasem  
**Position** : Vice President, Internal Audit Division  
**Education** : Bachelor of Accountancy Program, Kasetsart University  
**Professional experience** : November 1, 2022 – Present: Vice President, Internal Audit Division  
August 1, 2012 – October 31, 2022: Acting Vice President, Internal Audit Division  
September 1, 2004 – July 12, 2022: Senior Internal Auditor

### Attachment 4: Assets for Business Operation and Assets Evaluation

-none-

### Attachment 5: Corporate Governance Policy and Business Ethics

#### 1. Corporate Governance Policy

The detail is shown in section 6. Corporate Governance Policy, subsection 6.1 Corporate Governance from page 56 to 60.

#### 2. Business Ethics

##### Business Ethics

##### ■ Ethics on Law and Human Rights Abiding

The Company is determined to operate the business transparently, and to abide by the law of the country we operate in and by the Universal Declaration of Human Rights. The Company shall ensure to be reliable to all staffs equally by providing fair number of returns both short and long-term, providing appropriate welfare, and arranging potentials development sessions impartially and regularly, to name a few. The Company would also establish safe workplace, and safety system in field work. We would treat all staffs with respect and politeness regard for human dignity. Moreover, several channels to raise the complaints with proper procedures to handle those complaints are effectively set.

##### ■ Ethics on Shareholders Responsibility

The Company aims to operate with responsibility to create the highest benefit for our shareholders, and to cater fair returns. Moreover, we also provide proper and adequate information on which the investors could base their decision in due time.

##### ■ Ethics on Conflict of Interests

It is the Company's objective is to secure the best interests for our shareholders; thus, we regulated a code of conduct. The regulation is set to avoid any conflict of interests and covers 2 aspects as follows:

##### • Related-Party Transaction

The Company is to carefully consider the appropriateness before proceeding any related party transaction and regulating prices and conditions of the related party transaction on the Arm's Length Basis. The Company is to reveal any transactions of the related parties to the Shareholders if the transactions are under the Notification of the Board of Governors of SET, and report to the Board of Director as well as disclose the important details of the connected transactions in Form 56-1 One Report for transparency by the fact that to enter into a connected transaction with significance, it must be considered and approved by the Board of Directors of the Company.

##### • Other Circumstances that Conflict of Interests may Occur

The Company has regulated on conflict-of-interest issues mitigation such as occasions as follows:

##### Normal investment

The Company will not allow staff who hold shares of other company or benefit from other company/partners that the Company is in business with, to participate in decision making on matters that must deal with company/partner in question except they are approved by the president. However, holding shares of any listed companies, or investing in consolidated funds or other investment units are not listed as conflict of interests if the actions do not affect working performance for the Company.

---

### **Gift Receiving**

Staffs should not accept gifts, tickets, accommodations that are offered privately if acceptance means the company will have to oblige by any conditions or to lose in any way.

### **Academic projects, public service participation and positions acceptance.**

Staffs will have to be approved by their line Vice President to work in professional institute, in lecturer position, join in public services, or accept any other position that would increase personnel's vision and experience. The staff who has been approved must be aware that s/he should use his own behalf, not in a name of the Company in whole, or should not claim his own position in the Company in the outside activities, except approval is granted.

## ■ **Ethics on Inside Information Control**

The Company values the importance of the Inside Information control since internal information such as bidding, construction planning, bond and other information that have to do with business operation is one of the factors to the Company's success. This information can affect the business sustainability and the security of career in all levels, the company therefore establish this code to prevent any revelation including those unintended.

### • **Internal Information Management**

#### **Electronic document and memo control**

The Company regulated a code of conduct under ISO system of quality management, environment, and Occupation Health and Safety Management System. This code covers types of controlled document, related persons responsibility and procedure.

#### **Access and Degree of Confidentiality**

Access and Degree of confidentiality are to be sorted under rates of importance. Uses of internal information must be under their responsibility and assignment, as should be known to responsible persons only and must be notified of restriction.

### • **Internal Information Disclosure**

#### **Disclosure to outsider**

Any information to disclose to the public must be approved by the President, and only the President or a staff member assigned by the President is authorized to disclose the information. The information related to joint ventures must also be prior approved by the joint partners. The Corporate Services Division is responsible for disclosing information to the public by coordinating with the activity owner to prepare fact sheets and concluding the information which must be always approved by the President prior to disclosure.

#### **Opinions Expression to Outsiders**

All staffs shall not disclose or express any opinion when asked by outsiders except if it is the duty to answer such questions; if not, refuse to answer them politely, and recommend that they should contact the Corporate Service Department instead.

#### **Personal Data Protection Policy**

Personal data protection, the personal data and information either of the Company's employees or related persons in every process of operation e.g., business partner, business provider, client, and other stakeholders, is the policy specified to set a protection decree for data safety and to be in accordance with the Personal Data Protection Act. The policy covers the manners of data referring including collecting, using, disclosing, and sharing as the Company values the data owners' safety and convenience. The policy specified is applied to all levels from directors, management to employees and business partners, business providers, clients, and other stakeholders. The policy also states the overall measures and procedure regarding collecting, using, disclosing, and sharing including the quality of the data, protection measure, data owner's right and penalty for violation.

---

#### ■ Ethics on Occupational Safety and Health

The Company recognizes an important of occupational safety, health, and working environment which affect to our employees. The Company, therefore, has established the policy on the said issue as follows:

- Abiding by measures, regulations, and laws related to Occupational Safety, Health, and Working Environment.
- Determining to secure workplace safety and good health to prevent accident and sickness caused by workplace environment and to lower risks in all aspects.
- Determining to secure occupational safety, health, and working environment and to continually practice in accordance with Occupational Safety, Health, and Working Environment control.
- Encouraging staff in all levels to acknowledge the importance of staff Occupational Safety, Health, and Working Environment to enhance efficient.
- Revising and developing procedure plans Occupational Safety, Health, and Working Environment consistently to succeed as aimed.

#### ■ Ethics on Procurement

The Company values the importance of procurement procedure which is one of the significant aspects of business operation. Since the procurement procedure and result shall naturally affect the cost, quality, and performance specification, the Company has set the procurement code of ethics that is justified and transparent by considering the most benefit of the Company and interested persons.

- Abiding by measures, regulations, and laws related to the Company's procurement.
- Considering quality, cost, services, speed, and accountability of the provider on the effectiveness of the work.
- Proceeding justly and transparently in procurement procedure on the Ethics basis and the benefit of the Company.
- Retaining from taking part in any procurement procedure which the provider is related to self or related to misconduct or illegal activities.
- Retaining from utilizing information for private activities.
- Retaining from disclosing providers' information or obtaining providers' information for private activities.
- Disclosing the Ethics on procurement to staff of all levels including interested providers.
- Procuring on public services are to base on the ethics on Procurement and to be considered out of business.

#### ■ Ethics on Intellectual Property

To make an intellectual property become efficient, the Board of Directors has defined the ethics as follows:

- Providing some training courses and/or broadcast an existing Intellectual Property law used in Thailand and Thailand still has international trade commitment negotiation which the law shall be issued covered other types of intellectual property in the future.
- Encouraging staffs to be creative and create some works related to intellectual property to benefit to the Company.
- Supporting staffs to help each other take care of intellectual property which owned by the Company or affiliates not let other people take use of it without permission.
- When staffs are terminated, all intellectual properties shall be transferred back to the Company no matter how the information is recorded.



---

■ **Ethics on Clients Relation**

The Company is determined to fabricate the work and service with quality and on standard with reasonable price, including consistently hold clients' information as internal information. Furthermore, it is the priority to maximize our potential to the client benefit. The Company shall abide by regulations regarding to our client and conduct satisfactory survey routinely.

■ **Ethics on Business Partners and Creditors Relation**

The Company is determined to work with partners and creditors with honesty and to abide by the regulations regarding financial use, capital management, payment, to name a few.

■ **Ethics on Business Competitor Relation**

The Company shall operate the business under a fair competition notion; retain from obtaining business information that is confidential by means of corruption or disregarding other's reputation.

■ **Ethics on Environment Responsibility**

The Company aims to raise awareness that every work activity may have effects on the environment: soil, water, air, or sound. Thus, the Company regulate the Ethics on Environment Responsibility as follows:

- Abiding by measures, regulations, and laws related to Environment Responsibility.
- Determining to decrease the effect in terms of waste in every activity:
  - campaign on effective use of resource
  - waste control
- Raising awareness on effective use of resource, raise potential of controlled procedure and prevent impact to the environment.
- Revising and improving work plan the related to environment impact to reach the objectives posted.

All information relevant to Corporate Governance can be downloaded in full version by the link or QR Code below.

[https://www.itd.co.th/document-file/ir/1812658116-EN\\_ITALIAN-THAI-CORPORATE-GOVERNANCE.pdf](https://www.itd.co.th/document-file/ir/1812658116-EN_ITALIAN-THAI-CORPORATE-GOVERNANCE.pdf)





**Italian-Thai Development Public Company Limited**  
**2034/132-161 ItalThai Tower, New Petchburi Road,**  
**Bangkapi, Huaykwang, Bangkok 10310, Thailand**  
 **+66(0)2716-1600 Corporate Services Division Ext : 3802-4**  
 **itd.co.th**  **E-mail : cccs@itd.co.th**