



TRC CONSTRUCTION PLC
บริษัท ทีอาร์ซี คอนสตรัคชั่น จำกัด (มหาชน)



2021 Annual Registration Statement I ANNUAL REPORT (Form 56-1 One Report)

แบบแสดงรายการข้อมูลประจำปี
รายงานประจำปี
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VISION AND MISSION

Vision

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

Mission

Deliver sustainable returns through good governance.

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

Conduct business with good corporate responsibility.

Create best working environment and become the best operational – excellence organization.



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Message of the Chairman



Mrs. Paichit Rattananon
Chairman of the Board of Directors

In 2021, the Covid-19 pandemic was still continually widespread and has severely and constantly impacted on world and domestic economy since 2020 including to construction industry that was consequently affected by the government's preventive measures to manage the new wave of Covid-19 pandemic. In July 2021, the order of the temporary closure of a construction workers camps announced and caused the suspension of the Company's construction sites. Then, although the order of the closure of workers camp was released and allowed to start the construction, the Company has to mobilize manpower and resources to catch up the progress as schedule plan, affecting the operation cost was eventually higher. The Company realized the circumstances and improvised our operation procedure according to the situation and managed project cost to be in line with the plan including to prepare the preventive measures to mitigate and lessen the possible impacts of the pandemic such as Work from Home, Bubble & Seal. And reminded our employees to adapt to the New Normal, following the Company and the government's measures both during work hours and daily life as well as the encouragement of Covid-19 vaccination in employees and workers.

The Company determined to operate business with transparency and integrity according to the good cooperate governance principle and strictly comply with relevant laws and regulations. As a result, the Company received "excellent" rating on the assessment of good corporate governance for the year 2021 from Thai Institute Of Directors for 5 consecutive years.

With realization of the importance of doing business with sustainability. In 2021, the Company imposed framework to make sustainability, covering in economy, society and environment aspects under the good corporate governance principle, to determine strategies and policies for our business operation. The Company continually promoted social and environment activities. For instance, the Hometown project that has been conducted since 2013 to develop our employee's hometown community, the project of improvement of patient's quality of life at Srithanya hospital by building of job and career for the patients, having income, moral support and realizing their self-esteem as well as the social assistance project during the Covid-19 pandemic where the Company prepared happiness-sharing boxes containing food and water for community nearby. We also emphasized to reduce the environmental impact by the efficient consumption of energy and resources to make the most benefits and focused on the operational management to make the least impacts on community as well as prioritizing the working safety of employee and related in construction projects and surrounding community.

Finally, on behalf of the board of directors, we would like to express our gratitude to our shareholders and stakeholders that have always given your trust and support. And thank all directors, executives and employees that has put together your best effort and spirit during difficult time in past year. The Company aimed to achieve our vision, policy and mission to ensure the Company's stability and sustainable growth.

22 February 2022



Part 1

Business Operation and
Operating Results

Operation Structure of the Company Group



1. Operation Structure of the Company Group

1.1 Business Policy and Overview

1.1.1 Business Policy and Overview

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

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



Vision, Mission, Goals and Corporate Values

The Company has a policy to review its vision, mission and goals every year, and the 8/2021 Board of Directors' meeting on 14 December 2021 was of the opinion that the vision, mission, goals and values of the organization maintained the same.

Vision

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

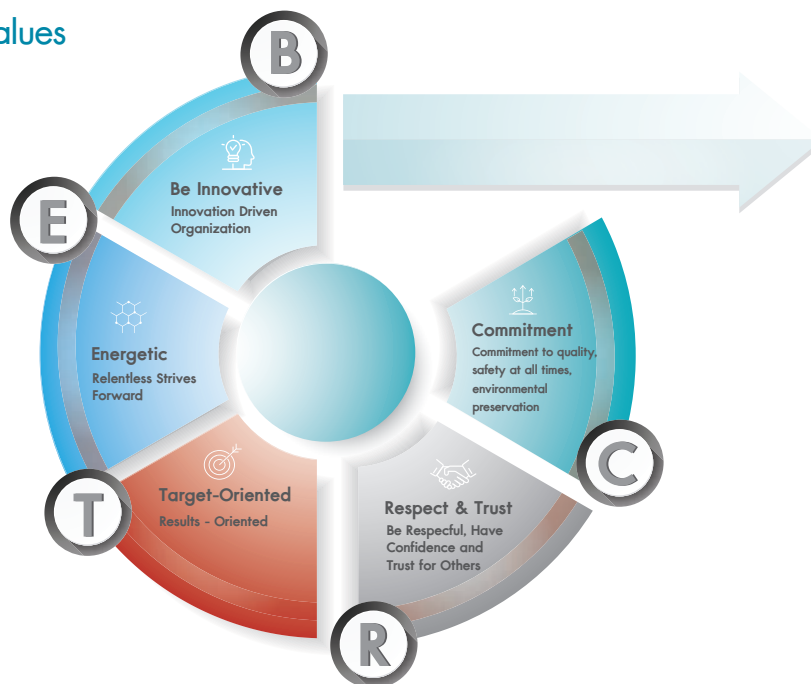
*comprised of Cambodia, Laos, Myanmar (Burma), Vietnam and Thailand

Mission

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



Corporate Values



1.1.2 Significant changes and developments

The Company Group has developed its business expansion and has been subcontracting large projects continuously over the past 5 years as follows:

Year 2017

- The Company and Sahakarn Wisavakorn Company Limited secured 14 construction projects worth a total of Baht 5,357.74 million. The following were key projects:

TRC:

- EPC for RDCC Catalyst Cooler Project Part 2 - Back Pressure Steam and Utilities System awarded by IRPC Public Company Limited, total project value of Baht 492.00 million
- BV 4.19 PIG Launcher and Receiver Installation Project awarded by PTT Public Company Limited, total project value of Baht 229.28 million.
- The Revamp LPG Transfer Pump to Domestic BRP Project awarded by PTT Public Company Limited, total project value of Baht 208.50 million.

Sahakarn Wisavakorn Company Limited:

- Improvement of Pracharuamjai Road – Mitmaitri Road Project awarded by the Bangkok Metropolitan Administration, the Metropolitan Electricity Authority, the Metropolitan Waterworks Authority, and TOT Public Company Limited, total project value of Baht 990.84 million.
- The 7,602-km Kanlapaphruek Road Extension Project awarded by the Department of Highways (Ministry of Transport), the Metropolitan Electricity Authority, and the Metropolitan Waterworks Authority, total project value of Baht 849.72 million.
- The 2017 Annual General Meeting of Shareholders passed its resolutions in relation to the Company's registered capital as follows.
 - Approved for the reduction of registered capital from Baht 726,373,442.88 to Baht 641,998,220 consisting of 5,135,985,760 ordinary shares with par value of Baht 0.125.
 - Approved for, first, the increase of registered capital for Baht 91,714,031.25 equivalent to 733,712,250 ordinary shares, resulting in the Company's registered capital increasing from Baht 641,998,220 to Baht 733,712,251.25 or equivalent to 5,869,698,010 ordinary shares.

- Approved for the allocation of 733,712,250 new ordinary shares to prepare for the Company's obligations arising from the issuance of stock dividends.
- In May 2017, the Company executed transactions in connection with its ordinary shares as follows:
 - Reduced registered capital to Baht 641,998,220
 - Increased registered capital to Baht 733,712,251.25
 - Issued dividend stocks for 2016 operation results at the amount of 733,707,536 shares (7 existing shares to 1 new share)
- At the end of 2017, the Company had registered capital of Baht 733,712,251.25 and paid-up capital of Baht 733,711,662.00.
- In June 2017, the Company established a subsidiary named TRC Utility Company Limited ("TRC-UT") with registered capital of Baht 1,000,000, whose business activities mainly involve investment in projects related to basic infrastructure. The first investment by this newly established entity was the Water Supply Concession Project of Tasit Subdistrict Administration Organization in Pluak Daeng District, Rayong province with investment value Baht 46.50 million. The construction project was completed and operated commercially in March 2018.
- In July 2017, the Company issued debentures through private placement within the limit amount of Baht 100 million maturing in 1 year with interest rate of 4.50% per annum payable every 3 months.
- In October 2017, the Company was certified ISO9001:2015 quality management standard, ISO14001:2015 environmental management system standard, and OHSAS18001:2007 occupational health and safety management system standard from SGS (Thailand) Company Limited.
- In November 2017, Sahakarn Wisavakorn Company Limited, in partnership with Chinese strategic alliance Huayuan Innovative Development (Hong Kong) Company Limited, set up a subsidiary named "SH Crossings Company Limited" in which Sahakarn Wisavakorn holds 51% stake and the other holds 49%. The purpose of



this new subsidiary incorporated with Baht 40 million in registered capital was to do business in construction of underground electrical conduits, including boring and pipe jacking work.

- The Company's stocks became qualified for the calculation of sSET Index – an index representing price movements of common stocks of public companies, apart from constituents in the SET50 Index and SET100 Index, which listed on the Stock Exchange of Thailand, have constant liquidity, and comply with requirements regarding the distribution of shares to minor shareholders. The Company was consistently included in the computation of the SET index in 2017 to 2018 and in the first half of 2019.
- The Company received “Excellent” rating from the Corporate Governance Report of Thai Listed Companies 2017 (CGR 2017) conducted by the Thai Institution of Directors (IOD), up from “very good” rating, and in 2018, the Company maintained its “Excellent” rating for 2 consecutive years.
- During 2017, ASEAN Potash Chaiyaphum Public Company Limited (“APOT”) one of the Company's affiliates has undertaken the following actions to make changes to its registered capital and paid-up capital:
 - In March 2017, APOT received Baht 80 million from the Ministry of Finance as payment for 1,174,860 newly issued ordinary shares at the price of Baht 68.43 per share. After the registration of change in paid-up capital from Baht 2,688,308,700 to Baht 2,805,797,300, TRC Group's shareholding in APOT as of the end of 2017 was down to 25.13% (22.46% shareholding by TRC Investment Limited and 2.67% shareholding by TRC International Limited).
 - In July 2017, a change in capital from Baht 2,805,797,300 to Baht 29,472,035,900 was registered in accordance with APOT's 2017 Annual General Meeting of Shareholders' resolution approving the capital increase.

Year 2018

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

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

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

Sahakarn Wisavakorn Company Limited:

6 projects totaling Baht 2,696.69 million, the significant projects consisting of:

- Bridge construction project (over Ranong intersection), a clarifier pond, underground electrical cable work along Rama 3 road, bridge over Ranong intersection (a project of Bangkok Metropolitan Administration and the Metropolitan Electricity Authority), total project value of Baht 1.52 billion with 900 days project period.
- Design and construction project for PTT Oil and Retail Business Plc's lubrication products distribution center, total project value of Baht 600 million with 450 days project period.
- In March 2018, the Company issued 2-year debentures amounting Baht 180 million (4.80% interests per annum payable every 3 months) to specific individuals.
- In April 2018, significant resolutions of the 2018 Annual General Meeting of Shareholders of pertaining to registered capital are as follows:
 - Approved the reduction of the registered capital from Baht 733,712,251.25 to Baht 733,711,662, divided into 5,869,698,010 ordinary shares at par value of Baht 0.125

Year 2019

- Approved the increase of registered capital of Baht 36,685,583 divided into 293,484,664 ordinary shares from the registered capital of Baht 733,711,662 increased to Baht 770,397,245 divided into 6,163,177,960 ordinary shares.
- Approved the allocation of 6,163,177,960 newly issued ordinary shares to support the issuance of dividend stocks.
- In May 2018, the Company proceeded with transactions in relation to ordinary shares as follows:
 - Reduced registered capital to Baht 733,711,662
 - Increased registered capital to Baht 770,397,245
 - Issued 6,163,177,960 dividend stocks for 2017 operating results at ratio of 20 existing share for 1 new share.
- By the end of 2018, the Company had registered capital of Baht 770,397,245 and paid-up capital of Baht 770,395,728.12.
- In May 2018, APOT submitted a notice to the Company, requesting suspension of all construction activities that the Company had undertaken. APOT also requested to terminate the Refurbishment of the Existing Decline project.
- Uncertainties relating to the current and future business operations of APOT, which TRC Group has 25.13% shareholding, may result the Company in not getting the overdue interim payment for the portion of work completed from APOT, including the expected return on investment. Hence, the Company had to set up reserves for investment, trade receivable and other receivable, including realization of expenses /obligations/others, related to the construction project for APOT which is now a part of the project cost in the financial statements for 2018. This is considered a significant impact to the Company's operations results which contributed to the Company's inability to maintain the financial ratio that had projected for the debentures holders earlier. In March 2018, the Company proceeded to redeem the Baht 180 million debentures ahead of the maturity date.
- In June 2019, significant resolutions of the 1/2019 Extraordinary General Meeting of Shareholders of pertaining to registered capital are as follows:
 - Approved the reduction of the registered capital from Baht 770,397,245 to Baht 770,395,728.12, divided into 6,163,165,825 ordinary shares with a par value of Baht 0.125 per share.
 - Approved the increase of the registered capital of Baht 427,997,626.63 divided into 3,423,981,013 ordinary shares, from the registered capital of Baht 770,395,728.12, increasing to Baht 1,198,393,354.75, divided into 9,587,146,838 ordinary shares.
 - Approved the allocation of 3,423,891,013 new shares at par value of Baht 0.125 per share to be offered to existing shareholders (Right Offering) at the ratio of 9 existing shares to 5 new shares at an offering price of Baht 0.125.
 - Approved to transfer the statutory reserve of Baht 73,371,224.63 and share premium of Baht 1,041,739,823 to offset the Company's retained deficits.
- In July 2019
 - The Company proceeded with transactions in relation to ordinary shares as follows:
 1. Reduced registered capital to Baht 770,395,728.12
 2. Increased registered capital to Baht 1,198,393,354.75
 3. Allocated capital increase ordinary share of 3,423,981,013 shares to existing shareholders at the ratio of 9 existing shares to 5 new shares. At the end of 2019, the Company had Baht 1,198,393,354.75 issued and paid-up registered capital.
 - The Company received full 100 marks in quality evaluation for the arrangement of 2019 Annual General Meeting of Shareholders from Thai Investors Association.



- In August 2019, the Company signed Joint Venture Agreement with Asia Green Energy Company Limited (AGE) and Appliance Technology Supply Company Limited (APTECH) to set up a company to provide public utility supply and services to industrial factory. AT Energy Solution Company Limited was then established at the end of 2019 with registered capital of Baht 200 million and paid-up capital of Baht 50.75. Shareholding proportion between TRC, AGE and APTECH is 50:50:0 respectively.
- In November 2019, the Company received “Excellent” rating from the Corporate Governance Report of Thai Listed Companies 2019 (CGR 2019) conducted by the Thai Institution of Directors (IOD) for 3 consecutive years.
- In December 2019, the 10/2019 Board of Directors’ Meeting resolved to approve the Company to enter into joint venture agreement with XSense Information Service Company Limited for research and development of control system through IoT and jointly established Olive Technology Company Limited (“OLIVE”) to conduct research and development services for inspection, control and analyze system and manage big data analysis.
- The Company and subsidiaries secured 9 construction projects worth a total of Baht 6,660.80 million.

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

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

with 24-month project period.

Sahakarn Wisavakorn Company Limited:

7 projects totaling Baht 4,438.05 million, the significant projects consisting of:

- Construction of Highway Route No. 3304, connecting between Highway Route No. 315 (Don Si Non) – Highway Route No. 331 (Plaeng Yao) Section 2 from Road Construction 2, the Department of Highways. The project’s work value was Baht 558.88 million with 690-day construction period.
- Conversion of Overhead Line to Underground System Project, Ratchadaphisek-Asoke Route from Metropolitan Electricity Authority, total project value of was Baht 2,205.42 million with 1,260-day project period.
- Ditch improvement Vibhavadi Rangsit Road Section 1 Phase km.5+500.000 – km.10+700.00 from the Bureau of Road Construction 1, the Department of Highways, total project value of Baht 633.01 million with 900-day project period.
- Ditch improvement Vibhavadi Rangsit Road Section 3 Phase km.28+030.000 – km.30+300.00 from the Bureau of Road Construction 1, the Department of Highways, total project value of Baht 293.69 million with 720-day project period.
- Conversion of Overhead Line to Underground System Project, Rama IV Route from Metropolitan Electricity Authority, total project value of Baht 517.76 million with 630-day project period.

Year 2020

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

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

- Piping Spool Fabrication Works and Fabrication and Construction of New Storage Tanks project which involve producing of piping and 15 storage tanks for crude oil from joint venture among Petrofac South East Asia Pte. Ltd., Saipem Singapore Pte.Ltd. and Samsung Engineering (Thailand) Company Limited , total project value of Baht 720 million.
- Civil and Structural Work Package for CFP Concurrent Work Project from Thai Oil Public Company Limited, total project value of Baht 93 million.
- EPC Service HDPE Pipeline Package for New Bang Phra Rae Water Line from Thai Oil Public Company Limited, total project value of Baht 254 million.
- Other projects totaling Baht 14 million.

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

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

value of Baht 63 million.

- Construction of patient treatment building, Thabo Crown Prince Hospital, NongKhai province, total project value of Baht 740 million.
- Reconstruction of Inter-Region Highway Network, Highway No. 14 Maisiab-Phattalung, from Depart of Highways, total project value of Baht 890 million.
- Construction of Motorway No.9, Bangkok Outer Ring (West) Phra Pradaeng—Bang Khae, from Depart of Highways, total project value of Baht 514 million.
- Other projects totaling Baht 69 million.
- In August 2020, the Board of Directors' Meeting resolved to approve Olive Technology Company Limited ("Olive"), the Company's subsidiary, to enter into joint venture agreement with Wiwitsarn Company Limited with 59.98% shares held by Olive and 0.02% by TRC's executive and established Mahat Company Limited with objective to provide service for information technology management and platform development.
- In October 2020, the Company changed its Occupational Health and Safety Management System (OHSAS 18001:2007) to ISO 45001:2018.
- In November 2020, the Company received "Excellent" rating from the Corporate Governance Report of Thai Listed Companies 2020 (CGR 2020) conducted by the Thai Institution of Directors (IOD) for 4 consecutive years.



- The Company and subsidiaries received construction work with a total value of over Baht 1,555 million. With the following major projects:

TRC: the significant projects consisting of:

- High Total Dissolved Solids Wastewater Treatment Plant Project from PTT Public Company Limited. The project work value is Baht 169.97 million with 510 days construction period.
- BAPT2 Combined Cycle Cogeneration Plant Project and BAPT3 Combined Cycle Cogeneration Plant Project from Bangchak Biofuel Co., Ltd, total project value of Baht 31.63 million and Baht 123.17 million with 639-day construction period.
- Construction of welding, assembly and installation of oil storage tanks, Phetchaburi depot from Pan Asia Storage and Terminal Co., Ltd, total project value of Baht 186.29 million with 1-year construction period.
- Construction of welding, assembly and installation of oil storage tanks, Bang Prakong depo from Pan Asia Storage and Terminal Co., Ltd, total project value of Baht 116.43 million with 1-year construction period.

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

- Construction of Highway No. 4, Tamnuk Road - Khok Kian Junction Phase 1 from the Department of Highways, total project value of Baht 653.23 million with 840-day construction period.
- Tourism designated area development projects in Pranburi and Sam Roi Yot districts, Prachuap Khiri Khan Province from Department of Public Works and Urban Planning, total project value of Baht 164.48 million with 840-day construction period.

- In August 2021, the 5/2021 Board of Directors' Meeting was resolved as follows:

- Approved TRC Utilities Company Limited ("TRC-UT"), subsidiary the Company holds 99.97%, to increased registered capital from Baht 1,000,000 (10,000 shares at par value of Baht 100 per share) to Baht 50,000,000 (500,000 shares at par value of Baht 100 per share).
- Approved the Company to give up on TRC-UT's newly issued ordinary shares amounting 249,851 shares or equivalent to 49.97% of TRC-UT's total newly issued ordinary shares, to Planet Utilities Company Limited ("Planet UT"), a subsidiary of Planet Communications Asia Public Company Limited, as a new investor. After doing so, the Company will hold a 49.97% stake, resulting in TRC-U's status change from the Company's subsidiary to associates.

- In October 2021, Olive Technology Company Limited ("Olive"), subsidiary of 49.97% holding, increased registered capital from Baht 1,000,000 (10,000 shares at par value of Baht 100 per share) to Baht 10,000,000 (100,000 shares at par value of Baht 100 per share).

- In November 2021, the Company received "Excellent" level of recognition from the Corporate Governance of Thai Listed Companies Survey conducted by Thai Institute of Directors Association for 5 consecutive years.

1.2 Nature of Business

1.2.1 Revenue Structure of the Company and its Subsidiaries

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

Revenue structure	Operated By	% Shareholding	2019		2020		2021	
			Million Baht	%	Million Baht	%	Million Baht	%
1. Construction Services								
Piping Work	TRC		958.60	27.97	958.55	28.01	1,309.42	33.68
	*Hydrotek-Sahakarn Joint Venture	49.00	-	-	-	-	260.16	6.99
Total			958.60	27.97	958.55	28.01	1,569.38	40.37
Engineering Work	TRC		388.57	11.34	254.42	7.43	(27.39)	(0.70)
	Sahakarn Wisavakorn Co.,Ltd.	99.99	-	-	-	-	-	-
Total			388.57	11.34	254.42	7.43	(27.39)	(0.70)
Civil Work	TRC		-	-	128.03	3.74	309.90	7.97
	Sahakarn Wisavakorn Co.,Ltd	99.99	2,017.51	58.88	2,000.86	58.47	1,895.05	48.74
Total			2,017.51	58.88	2,128.89	62.21	2,204.95	56.71
Other Services	TRC		0.72	0.02	2.21	0.06	72.33	1.86
Total construction services revenue			3,365.40	98.21	3,344.07	97.71	3,819.47	98.23
Construction revenue from government jobs			1,826.87	54.28	1,580.05	47.25	2,225.70	58.27
Construction revenue from private sector jobs			1,538.53	45.72	1,764.02	52.75	1,593.77	41.73
2. Other Services								
	**TRC Utilities Co., Ltd.	49.97	13.06	0.38	17.10	0.50	11.67	0.30
	Olive Technology Co., Ltd.	49.97	-	-	3.45	0.10	5.81	0.15
Total revenue from other services			13.06	0.38	20.55	0.60	17.48	0.45
3. Sales								
	Sahakarn Wisavakorn Co., Ltd	99.99	-	-	7.51	0.22	8.40	0.22
Interest income			1.66	0.05	0.89	0.03	0.49	0.01
Other Income			46.49	1.36	49.22	1.44	42.42	1.09
Total Revenue			3,426.61	100.00	3,422.24	100.00	3,888.26	100.00

*49% of Hydrotek Sahakarn Joint Venture holds by Sahakarn Wisavakorn Company Limited

**2021 revenue of TRC Utility Co.,Ltd. from 1 Jan 21-15 Aug 21





1.2.2 Business & Service

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

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

In 2017, a subsidiary namely TRC Utility Company Limited (TRC-UT) was formed to invest in basic utility-related projects. The 1st project was tap water concession awarded by Tasit Subdistrict Administration Organization at Pluag-Daeng district, Rayong province. The construction was completed, and the commercial operation was started in March 2018. Later in August 2018, TRC-UT increased registered capital to Baht 50 million and the Company partially waived the subscription right of ordinary shares of TRC-UT to Planet Utility Co., Ltd ("Planet UT"), subsidiary of Planet Communications Asia Public Company Limited, after this transaction, the Company holds shares in TRC-UT in the proportion of 49.97%.

In 2017, Sahakarn Wisavakorn Company Limited ("SKW"), in partnership with Chinese strategic alliance Huayuan Innovative Development (Hong Kong) Company Limited, set up a subsidiary, SH Crossings Company Limited ("SHC"), with Baht 40 million registered capital. The purpose of this new subsidiary was to do business in construction of underground electrical conduits, including boring and pipe jacking work. At present, SH Crossings Company Limited receives subcontracting projects from SKW.

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

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

1.2.3 Nature of Products and Services

At present, TRC Group consists of subsidiaries, associates, and joint ventures, totaling 19 corporate entities as detailed in "Shareholding Structure of the Company Group", operating in 3 business categories as follows:

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

Construction Business

The Company Group provides various construction services as follows:



Construction and Engineering Design for Piping Work

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

Construction and Engineering Design of Energy and Petrochemical Industries



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



Construction of Basic Utilities and General Construction

Sahakarn Wisavakorn Company Limited (a subsidiary) ("SKW"), formerly known as United Engineering Company Limited, was established by Mr. Pratueng Kamprakob in 1954 with a registered capital of Baht 500,000 to provide construction service. Sahakarn Wisavakorn's business had been continually growing since its founding. However, in 1997, SKW started to have financial problem until had to undergo the rehabilitation program in 2000. After years of





its effort to recover financial position in accordance with the rehabilitation program, SKW was eventually released, by the order of the Central Bankruptcy Court, from the enforcement of rehabilitation program in March 2004.

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

SKW has been a registered contractor by many public entities such as Bangkok Metropolitan Administration, Department of Highways, Department of Rural Roads, Ports Authority of Thailand, Department of Public Works and Town & Country Planning, Metropolitan Electricity Authority and Provincial Waterworks Authority etc. SKW is categorized by the public organizations to eligible to enter into project bidding of construction of building, road and special bridge with no limited credit.

SKW has experience and expertise in providing integrated construction services and civil works. Most projects involved infrastructure construction such as roads, bridges, and buildings for state enterprises/agencies. Other projects consisted of construction of energy and petrochemical plants, as well as installation of machinery and equipment. Some of SKW's past performance were Ethanol production plant for Bio Ethanol Company Limited valued of Baht 2,134 million, sourcing, installing, testing of machinery/ equipment system (M-01/2) for producing

cigarettes and expanding tobacco for the Tobacco Authority of Thailand which under the supervision of the Ministry of Finance valued of Baht 834.14 million.

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

Utilities Business and Investment

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

Utilities Business

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

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

Investment in Government Concessions Business.

The Company invested in a potash mining and processing plant project in Bamnet Narong municipality of Chaiyaphum province by acquiring a 25.13% equity share in ASEAN Potash Chaiyaphum Public Company Limited ("APOT") through overseas subsidiaries. In February 2015, APOT obtained a 25-year underground mining concession from the Ministry of Industry. APOT's project aimed to produce 1.235 million tons/year of potash for primary



potassium fertilizer which would reduce the import of 700,000 to 800,000 tons/year. The excess amount can also be exported to bring in more revenue and worthwhile the investment.

Investment in Energy Business

The Company entered into joint venture agreement with Asia Green Energy Public Company Limited ("AGE") and established a joint venture company namely AT Energy Solution Company Limited ("AT") with registered capital of Baht 200 million where TRC and AGE hold 50:50 of share proportion to provide energy and utility procurement and services especially energy sector to industrial factory i.e., production and distribution of steam, electricity, and



water for industrial use. With expertise and experiences in full construction circle, fuel acquisition, design and maintenance of machinery and equipment related to utility work, both parties would share greater effectiveness and wider range of customer base.

Smart IoT Ecosystem Business

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

1.2.4 Marketing & Competition

1.2.4.1 Marketing

Overall, the global economy in 2021 faces a slowdown due to the COVID-19. Many countries, including Thailand, were under lockdown and put off almost all activities economically. Following project suspension, travel limitation, lockdown and construction worker camps closure that were widely enforced to control the pandemic situation, construction business was unavoidably affected. Not only the projects were either put off or suspended, but supply chain and access to materials or labors were also challenged. Moreover, the fact that both public and private sectors were tightening their policies on budget only accelerated the overall industry to appear stagnant.

Through pandemic, the industry concentrated even more on safety in workplace. Construction contractors were stringent their safety measurement such as shift



scheduling, body temperature checking, and construction site cleaning to prevent the disease and improve employee’s hygiene. Still, construction schedule was inevitable extended by the limit number of labor per shift per site and the longer time required in materials delivery. As a result, competition strategy needed to be adjusted according to the situation.

For Thailand, despite being affected by the COVID-19 pandemic, the trend of construction industry conditions in 2022 is rebounding. Overall construction investment is likely to grow by 5.0 – 6.5%, driven mainly by investment in large-scale public sector projects. Specifically, projects related to the Eastern Economic Zone (EEC), which will induce private construction investment to expand

accordingly. For instance, industrial estates, clean energy development projects and projects related to the basic utility. Gradual economic growth will underpin the construction of residential and commercial buildings, basic utilities such as the transportation network system, water, electricity, and public health systems, which will continue to invest in infrastructure to support economic growth and urbanization.

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

1.2.4.2 Competition

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

A. Significant Marketing on Products and Services

● Marketing Policy in 2021

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

● Competitors in the overview

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

Labor shortage problem in Thailand's construction industry may become more obvious during 2021-2022 when investment in governmental project is expanding, as well as in private sector, which may cause war for talents especially those with expertise and skills. In addition, the enforcement of Foreign Works Act B.E. 2560 (2017) from the second half of 2018 would significantly decrease number of foreign workers in the next 3 years should the employer fails to complete with the registration of such workers. Construction industry's hiring structure relies more than 50% on the foreign workers most of which did not have work permit not to mention that importing foreign workers nowadays is not possible because of the COVID-19 situation.



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

TRC Group is considered medium-sized enterprise. Apart from having a large number of competitors, in 2021, projects that the Company has entered into bidding were affected by the COVID-19 and the project owner decided to delay the investment. As a result, the Company missed out the opportunity and since the number of project open was reducing, competition in term of price has become significantly more intense

- Customer characteristics and relationships

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

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

The Company Group adhere to fulfill customer's needs and manage contract for complete delivery under certified international standards.

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

Average time used in each construction project since the start until complete delivery is more than 12 months; it requires close coordination with project owner. Relationship with customers is as teammates where we together push

the project to accomplishment, and it helps make the relationship healthy and last long. The Company anticipate repetition from existing customers and recommendation to new customers to create more opportunities in the future.

- Target Customers

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

- Significant Services, Proposal and Bidding

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



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

Construction business needs direct contact and approach to customers. Marketing division and Operation division are responsible for developing relationship with target customers and expanding opportunities in project bidding and investment project development. Consequently, the Company comes up with annual plan and strategy to be used as management tools by keeping track of news information of customers' investment or bidding works, developing and improving vendor registration with both governmental and private customers. The Company cumulatively completed vendor registration with 22 customers, all private sectors. In 2021, vendor registration with 2 new customers from private sector has been processed to maintain and increase bidding opportunities. SKW accumulatively completed vendor registration with 13 customers, 6 of which are public sector while other 7 are private sector. In 2021, SKW has proceeded with renewal of every customer to maintain bidding opportunities in the future.

Group of Company's services in 2021 were only for projects in Thailand as works that in midst of processing to be delivered were already in full capacity.

B. Competitive conditions

- Competitive conditions of construction business in 2021

In 2021, pipeline construction business tended to drop. Competition especially in natural gas transmission pipeline construction was more intense due to the economy and COVID-19 pandemic. As PTT Public Company Limited, one of the largest exploration and production companies, reduced their investment in oil and natural gas transmission pipeline business and there were many foreign entities joined the competition, the Company made adjustment by developing other construction businesses such as smart warehouse, underground cable pipeline system, infrastructure system, alternative energy, etc. to make up the income decreased in natural gas transmission pipeline.

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



1.2.5 Major projects undertaken in 2021

- Petrochemical Industry

1. Thai Oil Public Company Limited has been investing in CFP or Clean Fuel Project worth Baht 1.5 billion since 2018. The Company received the opportunity to be the main contractor of the following projects:

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

2. Welding, assembly and installation of oil tanks Size 50,000 tons, diameter 58.23 meters, height 24.38 meters, total 4 tanks of Pan Asia Storage and Terminal Company Limited, Phetchaburi Province

3. Welding, assembly and installation of oil tanks, sizes 10,000 tons, 5,000 tons and 2,000 tons of Pan Storage and Service Company Limited, Chachoengsao Province.

- Size 10,000 tons, diameter 31.50 meters, height 18.0 meters, total 3 tanks
- Size 5,000 tons, diameter 26.2 meters, height 14.75 meters, total 9 tanks
- Size 2,000 tons, diameter 13.3 meters, height 23 meters, total 8 tanks

4. Construction of High Total Dissolved Solids for Gas Separation Plant Unit 5 of PTT Public Company Limited.

5. Construction of natural gas pipeline system and gas pressure measurement and pressure control station of B. Grimm Power (Ang Thong) 2 Company Limited and B. Grimm Power (Ang Thong) 3 Company Limited.

- Utilities and General Construction

1. Reconstruction of Inter-Region Highway Network, Highway No. 41 Maisiab-Phattalung, from Depart of Highways. Scope of works included construction of 4-lane asphalt road for the distance of approximately 32 km., 2 of 50-meter-long bridges and 1 of 15-meter-long bridge. Project delivery date was scheduled in 2023.

2. Construction of Motorway No.9, Bangkok Outer Ring (West) Phra Pradaeng—Bang Khae, from Depart of Highways. Scope of works included construction of 6-lane asphalt road for the distance of approximately 6.5 km. Project delivery date was scheduled in 2022.

3. Design and construction of lubricant product distribution center from PTT Oil and Retail Business Public Company Limited. Scope of works included construction of 14,500 sq. m. warehouse, width 85 m. length 126.5 m. height 46 m. and installation of automatic inventory management system (Auto Motion Works Company Limited

4. Construction for outpatients, inpatients, delivery room, operating room, and ICU building with approximately 28,176 sq. m. utility space at Thabo Crown Prince Hospital located in Thabo, NongKhai province. Project delivery date was scheduled in 2022.
5. Construction of Highway No. 4, Tamnuk Road - Khok Kian Junction, Phase 1, Khuraburi District and Takua Pa District, Phang Nga Province of the Department of Highways. Scope of work includes road construction by extending the road from 2 traffic lanes to 4 traffic lanes distance 10.50 kilometers and electrical lighting installation. Project delivery date was scheduled in 2024.

1.2.6 Procurement of Product or Service

- Raw materials and materials for construction

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

Special materials such as pipe or valve that require certain qualification according to the works, such qualification will be determined by designing engineer and/or project owner and may require importing from foreign distributors or producers. Generally, project owner will provide details of materials that could be sought from various vendors, the Company will then consider appropriate engineering standard and the vendor's before and after sales service. Once the fundamental procurement

is done, the Company will negotiate and confirm price prior to issuing purchase order to the most suitable vendor. Quality of the products and services will be monitored continuously before being certified and recorded in order to apply for the next consideration and selection.

- Machinery and Equipment

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

- Subcontractor

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

1.2.7 Assets used in Business Operations

Details appear in "Attachment 4 Assets used in Business Operation".



1.2.8 Backlog on hand

The details of remaining ongoing works of the Company, subsidiary and joint ventures with the value exceeding 10% of the total revenue based on the consolidated financial statement as at 31 December 2021 as follows:

Project name	Job Description	Project Value (Million Baht)	Estimated Remaining Job Value (Million Baht)	Progress of Remaining Work (%)	Expected Year of Project Completion
TRC Construction Public Company Limited					
1. Raw Water Pipeline System Klong Luang Reservoir-Chonburi	Construction of Water Pipeline System and Pump Station	1,833	224.73	12.26	2022
2. Fabrication and Construction of New Storage Tanks	Fabrication and Construction of New Storage Tanks	503.86	229.10	45.47	2022
Sahakorn Wisavakorn Company Limited					
1. Construction of overpass bridge, Na Ranong Intersection	Construction of overpass bridge, Na Ranong Intersection including lighting system	1,524.37	659.44	43.296	2022
2. Conversion of Overhead Line to Underground System Project, Ratchadaphisek-Asoke Route	Converse of Overhead Line to Underground	2,205.42	1,650.40	74.83	2022
3. Ditch improvement Vibhavadi Rangsit Road Section phase km.5+500.000-km.10+700.00	Improvement of roadside drainage system, lighting system and water supply of Vibhavadi Rangsit Road	699.95	291.15	41.60	2022
4. Conversion of Overhead Line to Underground System Project, Rama IV Route	Converse of Overhead Line to Underground	517.76	357.37	77.68	2022
5. The Construction of the Medical Building for Thabo Crown Prince Hospital Project	Construction of a ten-storey hospital building	694.84	583.09	85.49	2023
6. 3The restoration of highway network connecting region , Highway Route No.41, Ban Mai Siap – Phatthalung	Construction and restoration of highway including lighting system	831.18	519.31	62.48	2023
7. The restoration of Motorway No. 9, Outer Ring Road Western Bangkok	Construction of highways	480.36	379.05	78.91	2022
8 Construction of Highway No. 4, Tamnuk Road - Khok Kian Junction, Phase 1	Construction of highways	653.23	635.25	99.90	2024
Sahahydro Pattaya Joint Venture					
Drainage system on the east side of railway-parallel road Phase 1 Pattaya city, Chonburi Province	Construction of drainage system	580.37	320.22	56.69	2022

1.2.9 Investment policy in subsidiaries Associates and Joint Ventures

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

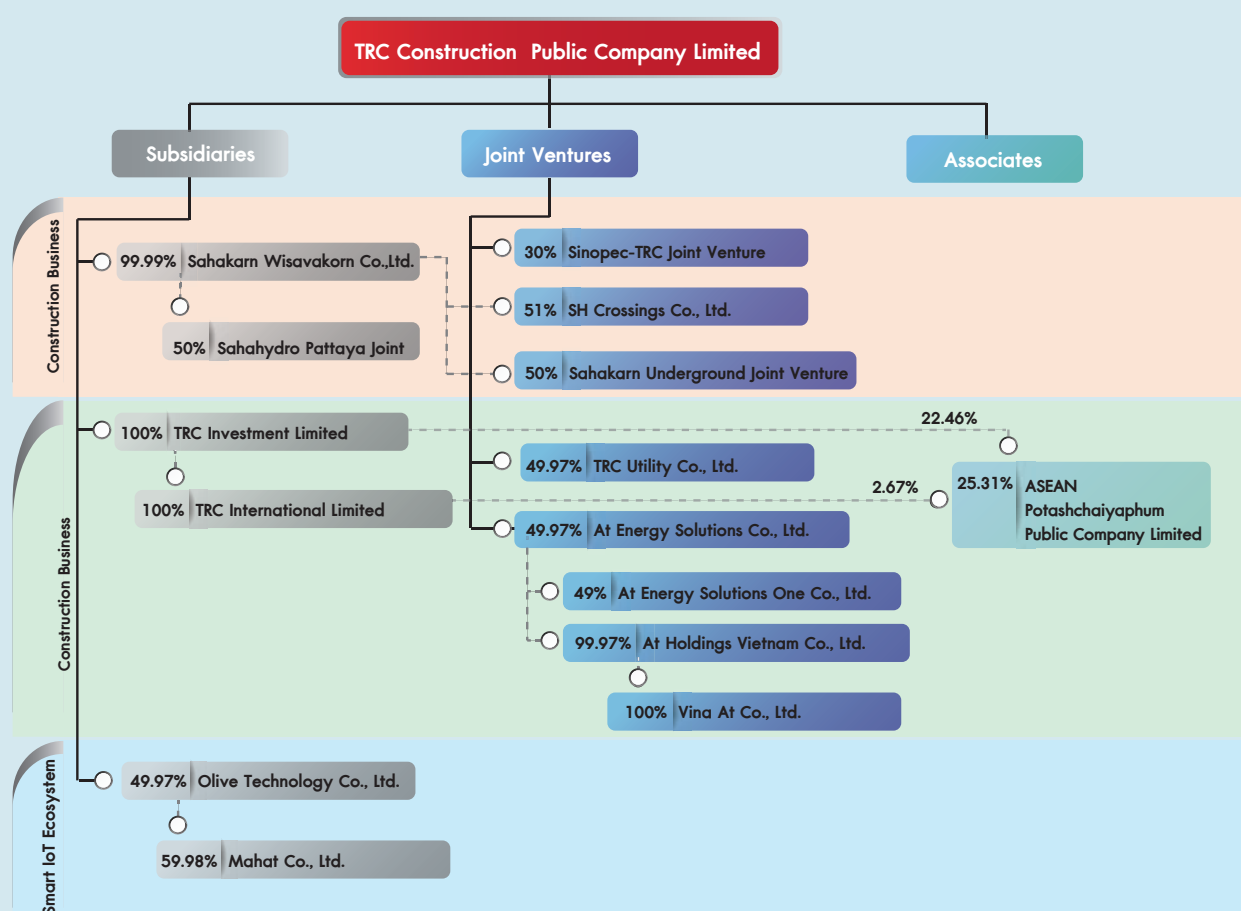
The Company would assign representative to manage the operation according to shareholding proportion with clearly defined duties and responsibilities to ensure decision making and policy planning of each company. The investment proportion and appropriate returns are the key factors in consideration of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

The investment value of the Company and subsidiaries is listed in notes to the financial statements no. 14-16.

1.3 Shareholding Structure of the Company Group

TRC Construction Public Company Limited (“the Company” or “TRC”) was incorporated on 20 November 1998 by group of Mr. Paitoon Goserakwong as a service provider in pipeline engineering system installation and construction for petrochemical industry. Afterwards, on 25 April 2005, the Company transformed into public company limited and listed in the Market for Alternative Investment (MAI) with registered capital of Baht 154.50 million and paid-up capital of Baht 151 million. Then 8 years later, on 23 April 2013, the Company transferred TRC securities to the Stock Exchange of Thailand (SET)’s trading board. From the start as a construction service contractor, the Company continually expanded investment in other relevant affairs and became group of companies that operate its businesses in various industries.

Shareholding Structure



Note: 2 subsidiaries in Sultanate of Oman and 1 joint venture were in midst of liquidation, therefore, excluded in the Shareholding Structure of Company Group.



Subsidiaries

1. Sahakarn Wisavakorn Company Limited (“SKW”) was established on 2 February 1954. Later in 2007, TRC acquired SKW shares from existing shareholders resulting TRC to hold 99.99% of shares. SKW’s current registered and paid-up capital were Baht 500 million. SKW’s business is to provide infrastructure and general construction services.
2. TRC International Limited (“TRC Inter”) was established in Hong Kong on 10 January 2008. TRC indirectly holds 100% of shares through TRC Invest. At present, TRC Inter’s registered capital was HKD 10,000 of which HKD 10 was paid up. TRC Inter’s business is to invest in other companies.
3. TRC Investment Limited (“TRC Invest”) was established in Mauritius on 2 April 2008. TRC holds 100% of shares. Its current registered and paid-up capital was USD 1. TRC Invest’s business is to invest in other companies
4. Olive Technology Company Limited (“OLIVE”) was established on 9 March 2020. TRC holds 49.97% while the management holds 0.03% and Xsense Information Service Company Limited holds 50% of shares. At present, OLIVE’s registered capital was Baht 10 million of which Baht 3.10 million was paid up. OLIVE’s business is to provide research and development services for inspection, control and analysis system including processing of Big Data.
5. MAHAT Company Limited (“MAHAT”) was established on 23 November 2020. TRC indirectly holds 59.98% through OLIVE while the management holds 0.02% and Wiwitsarn Company Limited holds 39.99% of shares. MAHAT’s current registered and paid-up capital was Baht 1 million. MAHAT’s business is to produce, distribute and provide services of information technology management and platform development.
6. Sahahydro Pattaya Joint Venture (“SAHAHYDRO PATTAYA”) consist of SKW (subsidiary), Hydrotek Public Company Limited and Samprasit Limited Partnership that entered into joint venture agreement on 29 April 2020 with investment proportion of 50%, 20% and 30% respectively. Its business is to contract for the project of drainage system on the east side of railway-parallel road Phase 1, Pattaya city, Chonburi Province

Associates

1. ASEAN Potash Chaiphum Public Company Limited (“APOT”) was established in 1991. TRC indirectly holds 25.13% of shares through TRC Invest and TRC Inter at 22.46% and 2.67% respectively. With the Ministry of Finance holds 20% and other shareholders hold 54.87% of shares. APOT’s registered capital was Baht 29,472.04 million of which Baht 2,805.80 million was paid up. APOT’s business is potash mining (not in commercial stage yet).

Joint Ventures

1. SINOPEC-TRC Joint Venture (“SINOPEC-TRC”) consist of TRC and Sinopec International Petroleum Service Corporation (China) that entered into joint venture agreement on 20 November 2013 with investment proportion of 30% and 70% respectively. Its business is to contract for the project of EPC for Provincial Gas Transmission Pipeline Project to Nakorn Ratchasima.
2. SH Crossings Company Limited (“SHC”) was incorporated on 17 November 2017. TRC indirectly holds 51% through SKW and Huayuan Innovative Development (HONGKONG) Company Limited holds 49% of shares. SHC’s current registered and paid-up capital were Baht 40 million. SHC’s business is to operate construction of underground electrical conduits, including and pipe jacking work.
3. AT Energy Solution Company Limited (“AT”) was established on 14 August 2019. TRC holds 49.97% while the management holds 0.03% and Asia Green Energy Public Company Limited holds 50% of shares. AT’s current registered and paid-up capital were Baht 200 million. AT’s business is to provide service on energy and utility to the general industrial factories and power plant
4. AT Energy Solution One Company Limited (“AT One”) was established on 19 February 2020, TRC indirectly holds 49% through AT. AT One’s registered capital is Baht 10 million. AT One’s business is to operates a power plant to generate and sell electricity to public and private agencies.
5. AT Holdings Vietnam Company Limited (“AT Holding”) was established on 19 February 2020. TRC indirectly holds 97.97% with the management holds 0.01%. AT Holding’s registered capital is Baht 1 million. AT Holding’s business is to conduct investments and acquire shares by any means in other juristic persons in the country.
6. Vina At Company Limited is registered in Vietnam on 25 November 2020. TRC indirectly holds 100% through AT Holding with a registered capital of USD 0.31 million. Its business is to operates, invests and acquires shares by any means in other juristic persons in the country.
7. Sahakarn Underground Joint Venture (“SAHAKARN UNDERGROUND”) consist of SKW (subsidiary) and Underground Construction Specialist Company Limited that entered into join venture agreement on 20 April 2020 with investment proportion of 50% each. Its business is to contract for the project of Construction of Manhole and Underground Duct Bank.
8. TRC Utilities Company Limited (“TRC-UT”) was established on 20 June 2017. TRC holds a 49.97% while the management holds 0.03% with registered capital of Baht 50 million and paid-up capital of Baht 13.25 million. Its business is to operates the business of producing and selling water supply.



Information of entities the Company invested in exceeding 10%

● Investment in subsidiaries

Company name and address	Registration No.	Nature of Business	Registered Capital (Baht)	Paid-up Capital (Baht)	Number of paid-up shares (shares)	Share Value (Baht/Share)	Shareholding (%)
Sahakarn Wisavakorn Company Limited 8 Soi Sukhaphiban 5, Soi 32, Tha Raeng, Bangkok, Bangkok 10220 Tel: 0-2022-7777 Fax: 0-2022-7788	0105497000257	Construction of basic utilities and general construction work	500,000,000	500,000,000	50,000,000	10	99.99
TRC Investment Limited 10th Floor, Standard Chartered Tower, 19 Cybercity, Ebene, Republic of Mauritius	079207 C1/GBL (Registered in Mauritius)	Invest in other businesses	USD 1	USD 1	1	USD 1 / share	100.00
TRC International Limited Room 2101, Hong Kong Trade Centre, 161-7 Des Voeux Road, Central, Hong Kong	1202588 (Registered in Hong Kong)	Invest in other businesses	HKD 10,000	HKD 10,000	1	HKD 10 / share	100.00 (Shareholding through TRC Investment Limited)
TRC Middle East LLC* Office No. 41, Fourth Floor, Ghoubra Plaza, Building No. 19, Plot No. 105, Muscat, Sultanate of Oman, P. O. Box 659, Mina Al-Fahal, Muscat P. Code 116	1070009 (Registered in Oman)	Construction Engineering Services	OMR 150,000	OMR 750,000	150,000	OMR 1 / Share	70.00 (Shareholding through TRC International Limited)
TRC Engineering LLC* Office No. 41, Fourth Floor, Ghoubra Plaza, Building No. 19, Plot No. 105, Muscat, Sultanate of Oman, P. O. Box 659, Mina Al-Fahal, Muscat P. Code 116	1108601 (Registered in Oman)	Construction Engineering Services	OMR 250,000	OMR 250,000	250,000	OMR 1 / Share	70.00 (Shareholding through TRC International Limited)
Hydrotek Sahakarn Joint Venture* consist of Sahakarn Wisavakorn Company Limited and Hydrotek Public Company Limited 1 TP&T Building, Floor 14 Soi Vibhavadi Rangsit 19 Chatuchak, Chatuchak, Bangkok 10900 telephone: 0-2936-1661-2 Fax: 0-2936-1669	0993000342674 (Tax ID)	Construction of provincial waterworks expansion improvement. Koh Samui Branch, Koh Samui, Surat Thani					Sahakarn Wisavakorn Company Limited investing 49%
Olive Technology Company Limited 8 Soi Sukhaphiban 5, Soi 32 Tha Raeng, Bangkok, Bangkok 10220 Telephone: 0-2022-7777	0105563043435	Research and Development services for inspection, control, analyze, and manage big data	10,000,000	3,100,000	100,000	100	49.97
Mahat Company Limited 8 Soi Sukhaphiban 5, Soi 32 Tha Raeng, Bangkok, Bangkok 10220 Telephone: 0-2022-7777	0105563170399	Produce, sell, and provide services on Information Technology Management and Platform Development	1,000,000	1,000,000	10,000	100	59.98 (Shareholding through Olive Technology Co., Ltd.)
Hydro Pattaya Joint Venture consist of a Sahakarn Wisavakorn Company Limited, Hydrotek Public Company Limited and SamPrasit Partnership Limited 8 Soi Sukhaphiban 5, Soi 32 Tha Raeng, Bangkok, Bangkok 10220 Telephone: 0-2022-7777 Fax: 0-2022-7755	0993000441923 (Tax ID)	Construction of road drainage system project along the East Railroad Phase 1 Pattaya City Chonburi Province					Sahakarn Wisavakorn Co., Ltd. investing 50%

Note * Under liquidation

● Investment in associates

Company name and address	Registration No.	Business Type	Registered Capital (Baht)	Paid-up Capital (Baht)	Number of shares sold (shares)	Share Value (Baht/Share)	Shareholding (%)
ASEAN Potash Chaiyaphum Public Company Limited 8 TRC Building, 5th Floor, Soi Sukhaphiban 5, Soi 32 Tha Raeng, Bangkok, Bangkok 10220 Telephone: 0-2001-7733 Fax: 0-2001-7739	0107547000478	Potash Mining	29,472,035,900	2,805,797,300	28,057,973	100	25.13 (22.46 Shareholdings through TRC Investment Limited and 2.67 through TRC International Limited)

● Investment in joint ventures

Company name and address	Registration No.	Business Type	Registered Capital (Baht)	Paid-up Capital (Baht)	Number of shares sold (shares)	Share Value (Baht/Share)	Investment share (%)
Sinopec-TRC Joint Venture consist of TRC Construction Public Company Limited and Sinopec International Petroleum Service Corporation 8 Soi Sukhaphiban 5, Soi 32, Tha Raeng, Bang Khen Bangkok Telephone: 0-2022-7777 Fax: 0-2022-7788	0993000315961 (Tax ID)	EPC for Provincial Gas Transmission Pipeline Project to Nakorn Ratchasima					30
SH Company Crossings Company Limited 8 Soi Sukhaphiban 5, Soi 32 Tha Raeng, Bangkok, Bangkok 10220 Telephone: 0-2022 7777 Fax: 0-2022 7788	0105560194041	Construction of underground electrical conduits, pipe pushing and tunnel drilling work	40,000,000	40,000,000	400,000	100	51 (Shareholding through Sahakarn Wisavakorn Company Limited)
At Energy Solutions Company Limited 8 Soi Sukhaphiban 5, Soi 32 Tha Raeng, Bangkok, Bangkok 10220 Telephone: 0-2022 7777 Fax: 0-2022 7755	0105562139846	Procurement and Services on utility to general industrial plants and power plant businesses.	200,000,000	200,000,000	2,000,000	100	49.97
At Energy One Company Limited 8 Soi Sukhaphiban 5, Soi 32 Tha Raeng, Bangkok, Bangkok 10220 Telephone: 0-2022 7777 Fax: 0-2022 7755	0105563030902	Power plant business to generate and sell electricity to public and private agencies	10,000,000	10,000,000	100,000	100	49 (Shareholding through At Energy Solutions Company Limited)
At Holdings Vietnam Company Limited 8 Soi Sukhaphiban 5, Soi 32 Tha Raeng, Bangkok, Bangkok 10220 Telephone: 0-2022 7777 Fax: 0-2022 7755	0105563030953	Invest and acquire shares by any means in other legal entities in the country and abroad	1,000,000	1,000,000	10,000	100	99.97 (Shareholding through At Energy Solutions Company Limited)
Vina At Company Limited No. L17-11, Floor 17, Vincom Center Building, No. 72, Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	0316626604 (Registered in Vietnam)	Invest and acquire shares by any means in other legal entities in the country and abroad	USD 312,500	USD 312,500	(full investment, no shares and share value).	(full investment, no shares and share value).	100 (Invest through At Holdings Vietnam Co., Ltd.)

Company name and address	Registration No.	Business Type	Registered Capital (Baht)	Paid-up Capital (Baht)	Number of shares sold (shares)	Share Value (Baht/Share)	Investment share (%)
Sahakarn Underground Joint Venture consist of Sahakarn Wisavakorn Company Limited and Underground Construction Specialist Company Limited 8 Soi Sukhaphiban 5, Soi 32 Tha Raeng, Bangkok, Bangkok 10220 Telephone: 0-2022 7777 Fax: 0-2022 7755	0093000430859 (Tax ID)	Construction of pits and underground electrical conduits					50 (Shareholding through Sahakarn Wisavakorn Company Limited)
TRC Utility Company Limited 8 Soi Sukhaphiban 5, Soi 32 Tha Raeng, Bangkok, Bangkok 10220 Telephone: 0-2022-7777 Fax: 0-2022-7788	0105560100101	Production and contribution of tap water	50,000,000	13,250,000	50,000	100	49.97

1.4 Securities and Shareholder Information

Number of registered capital and paid-up capital

As of 31 December 2021, TRC Construction Public Company Limited's issued and paid-up registered capital was Baht 1,198,393,354.75, divided into 9,587,146,838 ordinary shares with par value of Baht 0.125 per share.

Shareholder

As of 31 December 2021, the Company's shareholding structure was as follows

	Number of Shareholders	Number of Ordinary Shares	Shareholding
Thai Shareholders	14,331	8,454,335,845	88.18%
Foreign Shareholders	12	1,132,810,993	11.82%
Total	14,343	9,587,146,838	100.00%

List of 10 major shareholders

No.	Name	Number of Shares	Shareholding
1.	Mrs. Paichit Rattananon Group	2,747,711,285	28.660%
1.1	Mrs. Paichit Rattananon	34,913,971	0.364%
1.2	KPK 1999 Co., Ltd. ⁽¹⁾	2,712,797,314	28.296%
2.	UBS AG SINGAPORE BRANCH	465,449,533	4.855%
3.	SMPR Holding Pte. Ltd. ⁽²⁾	348,434,992	3.634%
4.	Thai NVDR Co., Ltd.	298,912,329	3.118%
5.	Mr. Sangchai Wasunthara	218,809,020	2.282%
6.	UBS AG LONDON BRANCH	177,150,697	1.848%
7.	Leesakul group	151,226,103	1.578%
7.1	Mr. Smai Leesakul	117,631,494	1.227%
7.2	Mr. Pasit Leesakul	10,919,998	0.114%
7.3	Ms. Pavita Leesakul	17,645,411	0.184%
7.4	Ms. Pasita Leesakul	5,029,200	0.053%
8.	Mr. Boontham Kraiwattanapong	132,416,665	1.381%
9.	Mr. Janewit Sombatcharoenwong	118,989,628	1.241%
10.	Mr. Thaweesak Weeraprasert	99,000,000	1.033%
Total		4,758,100,252	49.630%

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

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



1.5 Dividend Policy

1.5.1 Dividend Policy of the Company

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

1.5.2 Dividend Policy of Subsidiaries Joint Ventures and Related Companies

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

Historical Dividend Payment Information

	Y 2015	Y 2016	Y 2017	Y 2018	Y 2019	Y 2020 (Restated)	Y 2021
Net (loss) profit margin (Baht per share)	0.07	0.05	0.02	-0.33	-0.04	-0.0457	-0.0060
Dividend payout ratio (Baht per share)	0.0256 ⁽¹⁾	0.0219 ⁽¹⁾	0.0082 ⁽¹⁾	-	-	-	-
Ratio of dividend payment to net profit of the separate financial statement after statutory reserve (%)	30.48%	32.84%	47.86%	-	-	-	-
Dividend payment date	26 May 16	26 May 17	25 May 18	-	-	-	-

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

2. Risk Management

2.1 Risk Management Policies and Plans

Risk management is part of good corporate governance and is fundamental to creating opportunities and avoiding or reducing risks which help for the operation to achieve the objectives of the Company set for shareholders and stakeholders. Therefore, the Company has determined that the risk management process be used as a tool to continuously manage risk factors for effectiveness.

The Company has implemented systematic risk management under the supervision of the Risk Management Committee which is responsible for monitoring and evaluation, reviewing the existing risks that may change and identifying emerging risks in accordance with the environment, both caused by external factors and from internal management, establishing guidelines for risk management as well as conducting communications for executives and employees to understand and realize that everyone owns the risk and it is everyone's responsibility to identify, assess and determine appropriate measures to manage the risks of the unit they are responsible for at an acceptable level.

2.2 Risk Factors for the Company's Business Operations

2.2.1 Risk of the Company's Business

For results of the review of the types of significant risks affecting the Company's business operations in 2021, the Company has considered and reviewed the key risk factors affecting the Company's business operations in various areas such as strategic risks, financial risks, operational risks, regulatory risks. Details as follows:



Strategic Risk

- **Risks assassinated with competition in core businesses**

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

- **Risks associated with economy**

Economy has direct impact to construction industry. Whether the economy grow or shrink, it effects to both government and private sectors' investment, which is the main factor of the Company's source of income. As a result, it is mandatory for the Company to consider risk associated with economy. Nonetheless, the Company has 20 years of experience and expertise in construction, natural gas pipeline and engineering design to companies in petrochemical industry as contractor and subcontractor. The Company receives trust from various organizations from both government and private sectors including from overseas. In parallel, the Company expands customer base to neighboring countries especially in CLMV (Cambodia, Lao PDR, Myanmar and Vietnam) to reduce risk from economy.

- **Risks associated with business sustainability**

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

1. Energy business: i.e. solar farm project
2. Smart Warehouse business: the continuous growth in E-Commerce has given positive force to logistics and transportation industry worldwide. Siam Commercial Bank's strategic unit, Economic Intelligence Center (EIC), evaluated that the complete use of robot and automated system tend to be widespread due to E-Commerce business that expect to grow from Baht 65 billion in 2019 to 85 billion in 2021. (reference from <https://www.scbeic.com/th/detail/product/4863>)
3. Big Data R&D business: described as innovative technology that gather equipment, advanced analysis system and human to work together through network to deliver beneficial-for-decision information at a faster speed
4. Infrastructure business: ie. acquisition of water for consummation

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

Financial Risk

● Risk associated with liquidity

Construction industry needs high volume of working capital for purchasing of materials, equipment, wages and other expenses. The Company would receive payment after each work completion and delivery, therefore, when the payment was delayed or working capital was not properly handled, the ongoing projects will be affected. The Company group's businesses have more customers from public sectors in line with national economic policy that invested in basic structure and infrastructure system, however; public sector requires more procedure than private sector resulted in delay payment later from the given credit term. Therefore, to prevent possible risk, the Company negotiated for payment condition requesting for advance payment from project owner and determining that every related parties preparing cash estimation of each project so that liquidity and contingency can be properly managed. The Company has policy to acquire loan from financial institution such as credit loan and project finance and prepare monthly cash-flow forecast then report actual cash flow statement to executive committee every month with attentive manner for sufficient and appropriate liquidity management that cause minimum financial cost.

● Risks associated with financial stability and ability to get loan

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

Operation Risk

● Risk associated with operation and project delivery

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

● Risk associated with COVID-19 pandemic

The Corona Virus outbreak (COVID-19) has become a public health problem with widespread impact. The rapid outbreak of the virus made people around the world in panic and with that, the government has announced a Declaration of an Emergency Situation pursuant to the Emergency Decree on Public Administration in Emergency Situations and formed of the Centre for the Administration of the Situation due to the Outbreak of the Communicable Disease Coronavirus (COVID-19), resulting in labor mobility problems, or some projects requiring specialist engineers to control work abroad. The Company has a construction project that requires engineers in foreign countries to take over such work. In addition, the Company encountered problems in the transportation of equipment purchased



and imported from abroad for construction, which has resulted in unable to deliver the work in time. Currently, such measures have begun to ease according to the respective circumstances. Therefore, transportation and import from abroad are allowed in accordance with government measures. For domestic contraction projects, there were effect from such measures since the Company recieved permission from the responsible authorities of each province to work across the provincial area. As for working on the project during the government's time for banning people from leaving the housing authorities (Curfew), the Company has received permission from the relevant authorized organization and issued a notice asking employees to avoid traveling to outside meeting, seminars and crowded community places. By switching to online meetings or VDO call conference. If it is very necessary to travel to high-risk areas for the spread of the COVID-19, after returning, the Company has taken measures to put employees off work and refrain from traveling in public places, follow the quarantine procedure to monitor and observe symptoms at home for 14 days and/or take ATK test and reports results to human resources department before returning to work.

The Company closely and continuously monitors the coronavirus 2019 (COVID-19) pandemic and has implemented safety and hygiene measures in accordance with the Standards of the Ministry of Public Health and supports the government's request for cooperation in line with the changing situation fully and strictly. The Company has followed the recommendations to manage according to measures and encourage employees to receive 2 doses of COVID-19 vaccination (more than 93% are 2-dose vaccinated) and implementing various preventive measures and testing with ATK test kit before starting work, subsequently, the Company not affected by such conditions.

- **Risk associated with government budget disbursement**

Due to the current value of works under construction in accordance with government policy have high value, if there is any delay disbursement of the budget, it may affect the liquidity of the Company from the late payment and may cause the delay of work than the time specified in the contract. Notwithstanding, construction businesses has risk associated with government budget disbursement, some contractors do not have sufficient reserve credit limits, work may need to slowdown or temporarily stop due to lack of liquidity for workers' wages and materials. This can cause delayed delivery and possible problems with the employer. As for the Company's, we do not have much effect from the delay of government budget disbursement.

- **Risks associated with fluctuations in construction materials and fuel price**

The Company operates a construction business in which materials need to be purchased such as steel and metal, cement, fuel, and lubricants, etc., as well as running material such as oil, fuel etc., which are used for construction vehicles and machinery. The price of construction materials and fuel is a significant cost of construction of each project. If there is an increase or decrease, it will directly affect the cost of purchasing raw materials used in construction. Currently, certain construction work with government sector has a construction period of 1-2 years indicated the revaluation of construction work according to the price adjustment formula (K value), that is, in the event that the price of the main materials used in the construction has risen or fallen beyond the price specification, the Company will be compensated if the price of the material rises or the Company will pay compensation if the price of the main materials used in the construction is lower.

- **Risks associated with sabotage, accidents, natural disasters**

Sabotage, protestation, accident, or natural disasters are another external factor that the Company cannot control. If that happens, it may result in the project being slowdown and the delivery being delayed which caused higher cost from the budget planned resulting overall operation. However, the Company has insured all construction projects to cover damages that may be caused by the mentioned risks.

In addition, the Company has insured to cover damage to machinery. The Company considers that the insurance made is in accordance with the construction business insurance and has appropriate damage coverage limits.

- **Risks associated with participation in joint ventures that may cause the Company liable if the joint venture partner fails to comply with the agreement.**

In certain cases, the Company has participated in joint ventures with external parties. Under the criteria of joint responsibility, for the Company to be able to participate in bidding and work on certain projects requiring expertise or when the Company wants to enhance its qualifications to participate in the bidding and the implementation of such projects, the success of the joint venture is mainly related to the Company's capabilities in coordinating with the joint venture or the ability of the joint venture to comply with their obligations in accordance with the contract. If the joint ventures are unable to meet their obligations or are unable to finance their part to invest, the Company may have to invest in and provide additional services, and if the owner of the project has the right to claim damages for non-compliance with such obligations, the Company may have to be responsible for the part of the joint venture, which may result in the Company being legally liable and damaging to the Company's reputation, and the profits that the Company will receive from the project will be reduced and may have a negative impact on the business resulting the Company's operating results and liquidity.

- **Risk associated with social and environmental**

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

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

- **Risk associated with information technology**

The Company needs technology to keep up with competitor and data management has risk in information leak, lost or obstruct business. The Company has planned to handle such incident by preparing sufficient uninterrupted power supply system, providing server room monitoring system, installing firewall/LOG to protect network both in head office and project office, installing VPN join domain to connect with Active Directory Server to manage security of both head office and project office's internal computer system, having recovery plan for damaged data and regularly practice information technology emergency plan. In case of incident that cause operation stop, IT staff shall look after the system according to information technology security policy (24 hours) and follow information technology management manual.



The Company relies on technology to keep pace with competitors, including managing information, making it more likely to be vulnerable to leaks, losses, or disruption to business. Thus, the Company has planned to deal with such incidents by providing adequate backup systems, establishing a server room according to the standard, installing firewall/LOG to protect the intruder network at both head office and project offices, installing a VPN join domain to connect to Active Directory Server to control the security of on-premises computer systems at both head office and project offices, planning damage recovery plan for IT system with periodic rehearsal of information technology emergency response plan In the event of a disruption. IT staff are administered in accordance with the information system security policy (24 hours a day) and follow the information technology management manual.

- **Compliance Risk**

The Company recognizes its operations in accordance with the regulations from regulatory modifications, regulations related to building construction and other works. Construction business operations involve a number of laws, including expertise in professions with laws governed, as well as architects and engineers, labor laws, environmental laws and accounting standards, etc. The Company must complete the required action. If it is not fully compliant or practiced, it may cause damage to the Company, so the Company has guidelines to reduce such risks. The policy of conducting business is strictly in accordance with the regulations of the relevant authorities in addition to establishing a supervising agency to be responsible for monitoring and following up actions to keep up with changes at all times.

Emerging Risk

- **Risks associated with Personal Data Protection Act (PDPA)**

many countries, including Thailand, have taken a lot of attention because of the current infringement of the privacy rights of personal data, inaccurate disclosure or consent from data subjects is so distressing or damaging to the owner of personal information, along with advances in technology enabling the collection, use or disclosure of such harassing personal data being so convenient and fast, causing damage to the economy as a whole. For Thailand, Personal Data Protection Act B.E. 2562 (2019) valid under all laws on 28 May 2021, the Company recognized the importance of this, and has developed and improved procedures, internal control systems and supervision to comply with the aforementioned rules. The Company attaches importance to transferring knowledge to employees appointed as coordinators of personal data protection, with a training plan on PDPA, which first targets the target audience as those directly related to the use of information and then expanded to cover the entire company.

- **Risks associated with labor shortages**

“labor” is an important factor in construction work. In the past 2-3 years, the shortage of construction workers remained a major problem due to government projects which are large utility projects consumed a large amount of construction labor and the impact of the coronavirus outbreak, (COVID-19). The Company experienced labor shortages causing construction work being delayed and the project cannot be delivered to clients as defined in the contract. In order to reduce such risks, the Company pays the proper wages for each skilled worker, takes care of welfare, maintains the well-being of workers, pays attention to residential places, provides safety, good environment and hygiene to motivate and create supporting factors for workers to continue working with the Company.

2.2.2 Risks affecting the rights or investments of shareholders

- **Risk associated with the Company's large accumulated losses and not able to pay dividend in the near future**

In the fiscal year 2021, the Company has net loss on operation according to separate financial statement at the amount of Baht 139.94 million that was a continuous net loss. As a result, the Company has accumulated loss according to separate financial statement at 31 December 2021 at the amount of Baht 868.64 million. Main reason of such accumulated loss was from 2018 when one of the Company's customer suffered from financial problem and not able to pay outstanding debt. The Company, therefore, recorded bad debt for all construction cost and loan that lent to subsidiary to invest in the said customer's project. This record caused negative effect to separate financial statement at the amount of Baht 2,335 million. In addition, the Company confronted price competition in project bidding where the Company was unavoidably having to accept lower gross profit and eventually resulted less net profit in the Company's separate financial statement. In 2020, construction cost estimation for smart warehouse was increased. The increasing cost came from 700-tonnage rocks found during exploration drilling which was not appear during bidding process. The Company operated according to engineering and legal standard and hired expertise in structure and foundation to solve the problem. Apart from large amount of big rocks, horizon underneath construction area was soft soil, which made foundation work and piling more difficult and slower. Construction of large smart warehouse of 40-meter height needed to be very careful; solving the mentioned problem caused effect to cost of wages, equipment and others to be higher as well as consequential steps. Due to the complication that increased, the Company had to extend construction period and the COVID-19 pandemic made higher expense significantly. During 2019-2021, net profit was equivalent to -8.56%, -12.80% and - 1.48%, respectively. By having large amount of accumulated loss, the Company is not able to pay dividend to shareholders according to laws and shareholders are at risk of not receiving dividend according to dividend payment policy.

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

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

As at 31 December 2021, KPK 1999 Company Limited holds 2,712,797,314 shares equivalent to 28.30% of total paid-up shares (50.50% of KPK 1999 Co., Ltd.'s shares hold by Mrs. Paichit Rattanont, chairman of the board of directors). The shareholding proportion may be significant in decision making for any other agenda that requires major of vote in the meeting of shareholders except agenda that requires not less than 3 out of 4 of the total votes in the meeting of shareholders as required by laws or company's regulations. Therefore, other shareholders may have risk from not able to gather enough votes to balance or check the matter that major shareholder proposed.

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

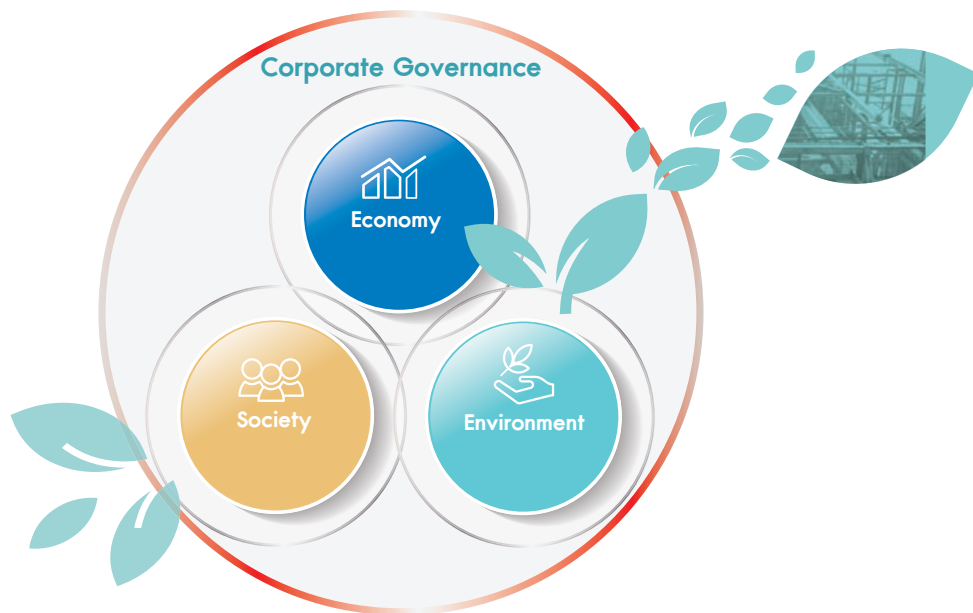


3. Business Drive for Sustainability

3.1 Guidelines and Management Goals for Sustainability

Principles of Sustainable Development

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



Report on Sustainable Development

The Company recognizes the importance of sustainable development. The Company has given great importance to generating maximum sustainable returns to all stakeholders with the awareness that construction business is a fundamentally important business of the country that contributes to driving the country's overall economic growth. Running a construction business requires relevance to several groups of stakeholders especially in terms of the impact on well-being and safety not only to employees and to workers of the Company but also society and the environment. Construction work is a factor in various aspects of pollution that may affect social communities living near the Company or construction sites, as well as risks that can be harmful to life and property if safety, control, and effective management are lacking. The Company aims to operating business for sustainable development in every process by complying with relevant laws and regulations and focusing on transparency and trustworthy. To achieve goals and strategies, the Company determines various policies and guidelines to be taken continuously with follow-up evaluation for better development. The Company's social and environmental responsibility operations are divided into 2 parts:

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

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

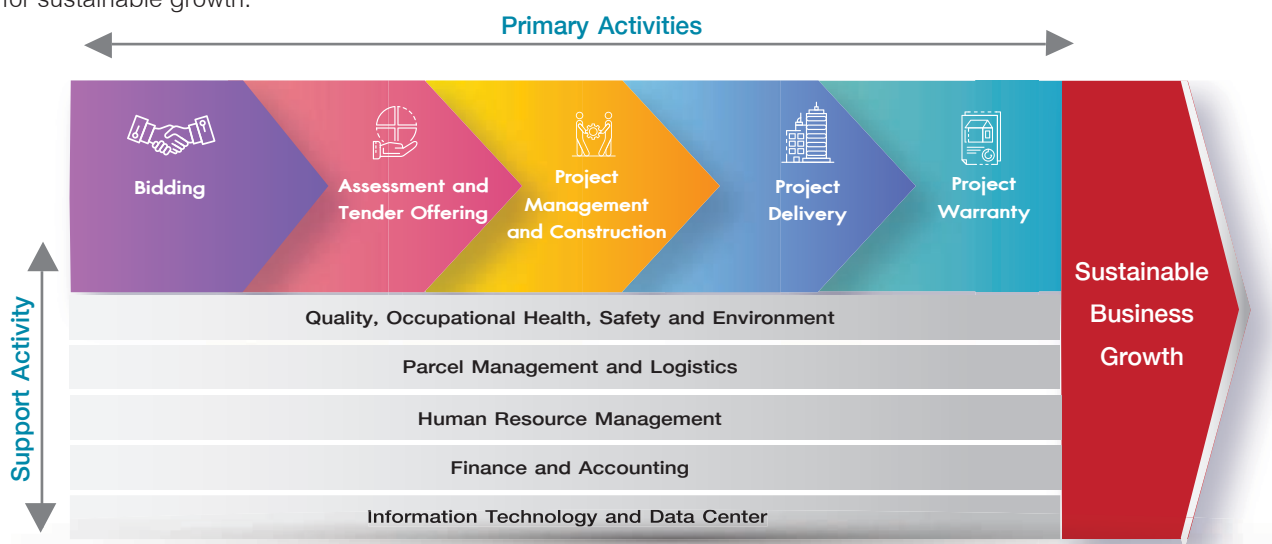
The report on sustainable development is prepared to demonstrate the Company's intention to manage sustainable growth by covering sustainability development and reporting of the Company's performance for socially responsible sustainability, showing performance from 1 January 2021 to 31 December 2021 to stakeholders correctly and transparently.

3.2 Managing the impact on stakeholders in business value chain

3.2.1 Value Chain

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

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



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

Activities in value chain	Identification of related activities.	Identification of stakeholders
1. Bidding is an activity that focuses on getting the opportunity to become a contractor to generate income for the Company.	● Search from various media or sometimes directly contact by the customer ● Conduct construction feasibility study ● Buy bidding envelopes for tender offering	● Customer (Project Owner) ● Competitor
2. Assessment and Tender Offering are activities that must be conducted prudently because the construction business is a lump sum pricing (the price is set from beginning to end, excluding future increase/reduction of work).	● Conduct reverse engineering or quantities take-off of the construction by calculating construction plan, engineering techniques and construction conditions from customers ● Submit tender	● Customer (Project Owner) ● Competitor
3. Project Management and Construction are the main activities, which consume labor resources for the operating time on average of 2-3 years per project and are part of the business revenue generating activities.	● Sign construction contracts ● Conduct construction preparation ● Prepare material/labor resource planning ● Conduct construction of all stages ● Conduct job quality monitoring ● Proceed with billing based on job progress	● Customer (Project Owner) ● Project Consultant (Auditor) ● Suppliers of materials/labor ● Employees ● Subcontractor ● Communities around the project ● Government agencies, regulatory agencies that control quality
4. Project delivery is an activity that include job-finishing services that comply with the performance guarantee contract.	● Conduct commissioning ● Provide training/instruction manual (depending on project contract) ● Deliver work	● Customer (Project Owner) ● Project Consultant (Auditor) ● Suppliers of materials/labor ● Employees ● Subcontractor ● Communities around the project ● Government agencies, regulatory agencies that control quality
5. Project Warranty is an activity to provide services after the delivery of the work, which is subject to the contractual agreement.	● Proceed with correction of damaged works ● Conduct equipment maintenance ● Provide after-sales service	● Customer (Project Owner) ● Suppliers of materials/labor ● Communities around the project ● Subcontractor

2. Support Activities are activities that encourage the main activities to achieve goals, which are no less important than the main ones. The Company has taken careful action and appropriately adheres to management criteria for occupational health, safety, and environmental work, financial and accounting, human resource development, information technology systems, and administrative support consisting of the following:

Activities in value chain	Identification of related activities.	Identification of stakeholders
1) Work on quality, occupational health, safety and working environment (QSHE) to ensure that the Company's construction projects are of quality in accordance with the requirements of construction contracts, safety and reduce environmental impact on those involved in the work of construction projects, as well as to comply with the relevant laws or requirements for the operation, such as consideration of fair labor treatment, human rights practices, non-use of child and illegal labor, and compliance with environmental laws, etc.	- Plan for quality, occupational health, safety, and environment work in collaboration with the management and project managers assigned to manage the newly opened projects - Coordinate details of work requirements on quality, occupational health, safety, and environment - Monitor and supervise work on quality, occupational health, safety, and environment - Summarize performance on quality, occupational health, safety, and environment and propose to executives for approval to achieve continuous improvement	- Customer (Project Owner) - Project Consultant (Auditor) - Suppliers of materials/labor - Subcontractor - Government agencies, regulatory agencies that control quality - Employees - Society and communities around the project
2) Procurement, Parcel Management and Logistics is responsible for conducting procurement for use in various construction projects of the Company. The activities include selecting quality materials and services in accordance with the requirements of the construction contract in the correct quantity and amount of time at the right price and conditions. Monitoring the delivery of procurement materials, equipment, and services to the construction project completely, and applying the sustainability assessment criteria in both social and environmental supervision dimensions to be applied in procurement work, such as considering fair labor practices, human rights practices, non-use of child and illegal labor, and compliance with environmental laws.	- Plan for procurement in collaboration with the management and project managers assigned to manage the newly opened projects - Select vendors/service providers from the list of vendors/service providers based on the list available at procurement department - Send details of equipment/service requirements to the seller/service provider with the schedule of the price offering presentation - Validate the summary of price offering and compare prices and conditions offered by each seller/service provider - Discuss with management and project managers to verify the accuracy to meet the needs and negotiate prices and conditions with sellers/service providers - Prepare summary of the seller/service provider who offers the best prices and conditions with comment then propose to executives for approval	- Customer (Project Owner) - Project Consultant (Auditor) - Suppliers of materials/labor - Subcontractor
3) Human Resources When a new project is opened, human resources department has the ability to allocate the right personnel for both competence and number of personnel in each type of work, as well as allocate workers appropriately enough to maximize the efficiency of the operation by appointing a project manager to complete the management duties within the project.		
4) Accounting is responsible for the accounting system, taxation, preparation of financial reports to be presented to executives and external organizations such as the Stock Exchange of Thailand, Securities and Exchange Commission, etc.		
5) Finance is responsible for obtaining working capital in construction projects, providing warranty bond, as well as tracking on billing and payment according to construction contracts to vender or subcontractors.		
6) Information Technology and Data Center is responsible for installation, development, and maintenance of the information technology system of the organization, and the Company has developed updated programs and technologies to increase operational efficiency.		



3.2.2 Value Chain Stakeholder Analysis

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



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

Identify and analyze stakeholders and method of engagement			
Stakeholders	Issues/Expectations	Operating Guidelines	Engagement Channels
1) Shareholders/ Investors	- Steady and sustainable corporate returns and growth - Operation achieves its goals - Good return management capabilities - Good corporate governance of the board of directors - Adapt organization to keep up with new businesses	- Expand investments into other businesses to generate additional income - Join the CGR program as guideline of development of corporate governance of the Company - Treat shareholders in accordance with business ethics policies as well as respect the right of shareholders to receive news that is necessary and correct according to the Stock Exchange of Thailand and the Securities and Exchange Commission's determination	- Annual General Meeting (AGM) - Investor meets executives (Opportunity Day) - Annual Registration Statement/2021 Annual Report (Form 56-1 One Report) - Disclosure of the Company's news to SET
2) Customers	- Deliver work and services with quality and conditions of time as determined at an agreed price - Transparent operation - Cooperation in solving problems	- Treat customers based on international standards, meet customer needs - Deliver the right work on time and keep customers' confidential - Joint contract management and deals with agreements or disputes	- Meeting with customers - Customer Satisfaction Survey - Customer feedback and complaints

Identify and analyze stakeholders and method of engagement			
Stakeholders	Issues/Expectations	Operating Guidelines	Engagement Channels
3) Competitors	Fair competition	Do not treat commercial competitors in dishonest or inappropriate means, do not attack or damage the reputation of competitors by making malicious accusations, or use other wrong means and do not bully or unfairly disadvantage their competitors	Policy to support commercial competition cooperation in the best interests of customers within the framework of fair free competition rules, not seeking confidential information of commercial competitors in dishonest or inappropriate means
4) Partners	- Build trust and corporate governance - Fairness and Equality - Exchange of knowledge, experience, and expertise among each other - Fair compliance with contracts or agreements - Get accurate information quickly according to the conditions of duration of education and joint development - Competency and professionalism of the team - Ability to operate business and corporate governance	- Evaluate qualifications of partner selection - Prepare standard procurement systems - Negotiate and discuss together to find a working agreement - Focus on partners as business alliance that contributes to sustainable development by treating partners fairly and equitably, maintaining good relationships with each other and taking into account mutual interests. - Follow procurement policy - Develop partners by introducing cognition to joint development - Build understanding of business practices such as having anti-corruption policies and promoting fair treatment of partners	- Joint Meeting - Hearing and receiving complaints - Visit in the Company's projects. - Communication through various channels - Make memorandums of agreements, including business confidentiality
5) Employee	- Fair compensation and benefits - Continuous training and development - Stability and career growth	- Treat employees fairly, take into account human rights principles and continuously develop their potential - Proper compensation and benefits - Employee development covers core organizational competencies, both management capabilities and ability to perform	- Executive meet employees (CEO Talk) - Welfare Committee in the Workplace - Complaint Box - Employee Training Plan - Annual Performance Assessment - Annual Activity Plan - Line @trcconstruction - Line @trchr
6) Society and community	- Operate with social and environment responsibility - Participate in sustainable community development - Listen and solve problems in timely manner	- Environmental and safety management in accordance with the laws and related requirements to prevent risks that may occur to the community on an ongoing basis - Listen to comment and resolve complaints - Together with the community, conduct activities/projects in education, preservation of local cultures and contribute to the development of community places to be better	- Representatives of the Company hold meetings with villages and communities to understand the impact or comments on the implementation of the project - Complaints Channels - Environmental operations in construction projects - Projects for the benefit of society and communities
7) Creditors	- Comply with terms and conditions of the transparency business contract - Ability to repay debts - Reliable credit level	- Strictly comply with the terms and conditions of the contract - Follow repayment plan - Revenue analysis and estimation	- Company Phone No. - Email - Confirmation letter
8) Government agencies	- Comply with applicable legal regulations - No impact on society and environment	- Comply with all legal regulations - Transparent disclosure	- Report information as required by law - Submit taxes according to the law - Support government projects that benefit the public



The Company's operation has always been involved in the domestic economic and social development with pride in pushing and growing with the country and having the opportunity to create positive and negative impacts on society and safety, both internal and external society. Therefore, social responsibility and safety is another ideology for business operations and an important mission to contribute to the creativity and safety of all societies that the Company has contributed to by promoting and supporting social activities in various areas. The Company always looks forward to enjoying happiness with society and communities for the past over 23 years.

The Company has strong commitment to conducting business with ethics and good management. With the ability to conduct business in a fair manner along with participation in social and environmental responsibility by establishing social responsibility policies and practices that adhere to the approach of the Stock Exchange of Thailand. 1) Good corporate governance 2) Fair business operation 3) Respect for human rights and fair treatment of labor 4) Safety and environmental protection 5) Responsible to consumer 6) Joint community and social development by ensuring that all processes do not have negative impacts on the community, security and the environment, along with the development of social activities, which help to strengthen the social community as a whole and stakeholders to ensure the sustainability of the Company.

3.3 Good Corporate Governance and Management on Corporate Governance

The Company is committed to conducting business under good corporate governance principles. The Company intends to conduct business virtuously along with participation in social and environmental responsibility. The board of directors promotes the good corporate governance, which is responsible for shareholders and is the duty of the board of directors to reassert shareholders in overseeing the Company's business operations. The corporate governance structure includes various sub-committees, details appear in the section "Corporate Governance Structure" In this Annual Registration Statement/2021 Annual Report (Form 56-1 One Report). The Company has created manual for good corporate governance, ethics and code of conduct, anti-corruption policies and guidelines, which demonstrate the core principles of honesty and ethical business practices. It is responsibility of directors, executives, and employees to use the manual to perform their duties with sincerity, transparency, and integrity. The manual is published on the Company's website.

Performance on Good Corporate Governance

The Company is committed to conducting business with transparency and fairness in accordance with good corporate governance principles and applicable laws and regulations. As a result, the Company has received the results of the 2021 Corporate Governance Assessment at an "excellent" rating from the Thai Institute of Directors for 5 consecutive years.

3.4 Sustainability Management in Economic Perspective

3.4.1 Economic Policies and Practices

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

3.4.2 Economic Performance

The Company explains further in the section “Nature of Business” in this Annual Registration Statement /2021 Annual Report (Form 56-1 One Report). For financial performance section, more details can be found in the section “Management’s explanation and analysis”.

3.4.3 Responsibility to customers

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

The Company conducts customer satisfaction assessment by sending customer satisfaction survey form to all agencies and/or the project owner’s representatives at the appropriate time since start construction until the delivery of the work to inquire, monitor and evaluate customer satisfaction then collect information for improvement for customers to receive the highest satisfaction. The Company has a guarantee of work after construction for a period of not less than 1 year or in accordance with the agreement to ensure the safety and quality of buildings and structure. There are 5 levels of customer satisfaction from the highest satisfaction of 5 points down to dissatisfaction at 0.

In the past year, the Company sent survey to project owner and supervisor. The total percentage points earned from assessments through surveys in each category averaged at 90% close to the average in recent years, which is in favor. It shows that the Company maintains a standard of service at a satisfactory level. In addition to using the suggestion from customer feedback to improve the work that receive lower score, the Company continues to strive to improve the quality of work to ensure that customers receive the highest satisfaction.

The Company operates in accordance with ISO 9001, an international standard specifies the corporate quality management system, to ensure ability to deliver its work and services that meet the needs and expectations of customers and in accordance with applicable legal obligations. Moreover, the Company provides training at various levels to employee to have knowledge, understanding of the principles and requirements of the standards for proper application of the system according to the level of responsibility of each group. The Company determines the channel/method of complaints about the quality of work both during the construction period and after construction by completing customer satisfaction survey or directly contact project manager, the Company’s management or by email at trc@trc-con.com. The Company shall respond quickly to problems or complaints as part of the core values of all employees (BETRC: B = Be Innovative, E = Energetic, T = Target-Oriented, R = Respect & Trust, C = Commitment).



3.5 Sustainability Management in Environment Perspective

3.5.1 Environmental Policies and Guidelines

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

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

3.5.2 Environmental Performance

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

3.5.2.1 Implementation of ISO 14001

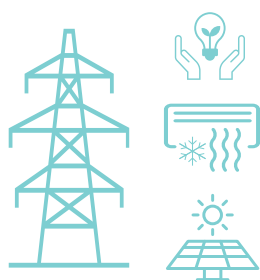
To increase the confidence of all stakeholders regarding the Company’s environmental actions, the executives assigned the unit to responsible in requesting for the adoption of ISO 14001, an international environmental management standard, to effectively manage environmental aspects of the organization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

3.5.2.2 Electrical Energy Management

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

3.5.2.2.1 Electrical Energy Management Guideline

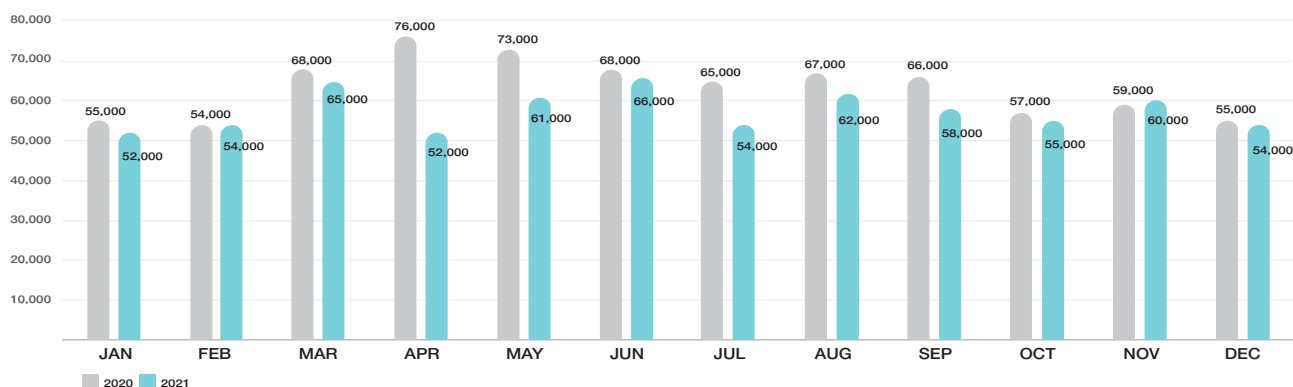
The Company approaches energy issues by supporting government policies towards energy conservation and encouraging employees to be mindful and attentive to energy consumption in an economical and efficient manner. To reduce the Company's use and energy costs, it starts with management within the head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



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

The Company collects statistics data on electricity consumption from 2019 to 2021. Considering the solar energy generated by the installed solar panels to replace some electricity consumption at the head office and turning light bulbs into LEDs from late 2019, comparison table for electricity consumption for the past 2 years (2020-2021) at the head office can be shown as follows:

The graph shows data comparing the amount of electricity consumption units during 2020-2021 at the Company's office



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

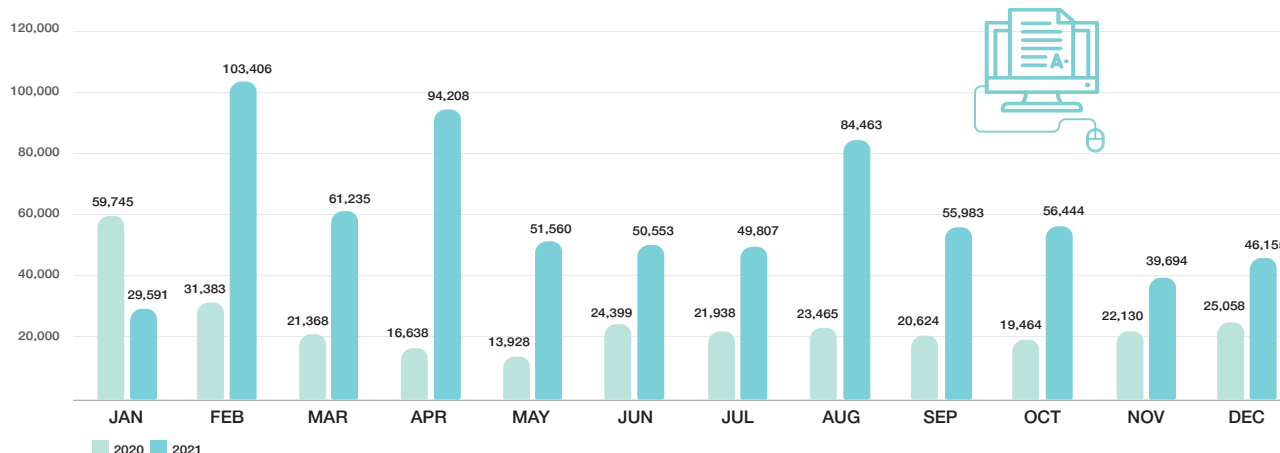
Statistics show the volume of electricity units in the head office in 2021 that was 693,000 units compared to 763,000 units in 2020, which was decreased by 9.17%.



3.5.2.3 Reducing paper consumption

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

Graph showing comparison of paper usage volume at the Company's head office



According to statistics, the volume of paper used in head office in 2021 was 723,101 sheets compared to 300,140 sheets in 2020, representing a 140.92% increase. For this reason, the Company completes Final Document (as-built drawing, calculation list, all approved materials report, all equipment testing reports, manual of use and maintenance of all equipment and standard operating procedure documents, etc.) as specified by the project owner. According to this information, the Company manages together with the project owner (customer) to designate Final Document in electronic file format more in the future to reduce paper usage.

3.5.2.4 Water Management and Wastewater Management

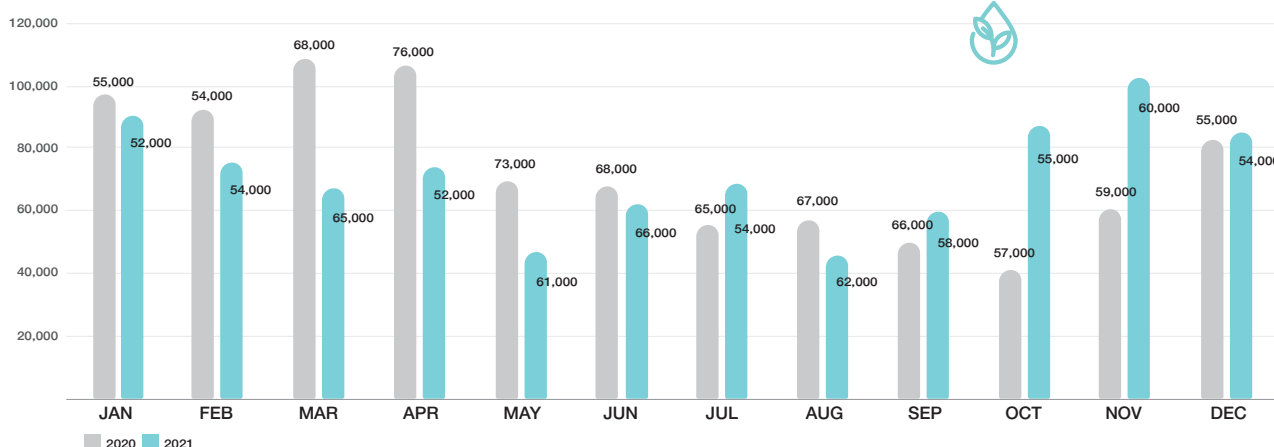
Water is a resource that can be reintroduced in the cycle (it must undergo a treatment process prior to reuse), and it is a resource that is useful to humans directly and indirectly. Humans use water for everyday consumption, purify various impurities, use as a component in food production, as well as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

3.5.2.4.1 Water Management

The Company recognizes the importance of water management since it is considered a crucial resource for the livelihood and development of economics. Therefore, measures are imposed to control the cost-effective use of water in office as follows

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

Graph showing data comparing of water consumption for the year 2020-2021



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

The chart shows the total amount of water supply units for 2021 at the amount of 8,687 units compared to 8,922 unit in 2020, which is 2.63% decreased.

3.5.2.4.2 Wastewater Management

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

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

Wastewater Quality Measurement Results by managing wastewater at the head office in accordance with the standard requirements of controlling the drainage of the building (C-type building with a living area of 5,000 square meters but not more than 10,000 square meters), which operates from 2018 to present. The Company inspects wastewater quality such as: pH, BOD (Biochemical Oxygen Demand), SS (Suspended Solids), TDS (Total Dissolved Solids), Settleable Solids, Sulfide, TKN (Total Kjeldahl Nitrogen), FOG (Fat, Oil and Grease), which discharged according to the specified standard.



3.5.2.5 Waste Management

The Company manages waste left from use as follows:

- 1) Head Office sorts waste before managing it according to the type of waste such as:
 - **General waste** refers to waste or disused materials that are not contaminated with chemicals or hazardous substances and cannot be recycled or of other use.
 - **Recycled waste** refers to waste or disused materials that are valued and can be recycled. It is processed as raw material in the production process.
 - **Hazardous waste** refers to waste or disused materials containing elements or contaminated with chemicals or with harmful properties that are flammable, toxic substances, corrosive substances, or Irritating substances
 - **Infectious waste** refers to waste or disused materials containing mixed or concentrated pathogens, which, if contacted or intimate, can put the risk of disease.
- 2) Develop and adjust the operational processes in both operation departments and production supporting activities continuously to achieve minimal leftovers.
- 3) Manage waste at the project in accordance with the law, from the storage of waste, the use within the project, and the removal of treatment/removal outside the project.
- 4) Reduce waste landfill attentiveness by sorting and managing several types of waste according to its utilization potential.
- 5) Continuous monitoring, checking and evaluation of waste management.
- 6) Coordinate with government agencies by complying with the rules set by the Ministry of Industry.

3.5.2.6 Environmental Operations in Construction Projects

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

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

- 8) Take care of air quality on construction sites by measuring the quality and establishing a plan to maintain cleanliness and air quality during construction.

Communication Channels related to Social and Environmental Impact

The Company provides a channel for complaints that may affect community and environment during construction. Complaints can be made to project manager based on information communicated in front of the project or at corporatecomm@trc-con.com. During the past year, the Company received no significant complaint regarding impact on community and environment surrounding construction area.

3.5.2.7 Environmental Campaigns

The Company's executive not only recognizes the importance of environmental protection during the work process, but also considers environmental protection from the daily life of all employees and comes up with various environmental campaigns such as:

Project Name	Description
"TRC Go Green" Project	In 2020, the Company aimed to have all employees reduce the use of single-use plastics in both offices and sites. The Company communicated and organized activities to all employees, initiated the TRC Go Green project to raise awareness for all employees to realize the need to maintain the environment, including global warming caused by human destruction by daily lifestyle. In 2021, the Company still targeted for the reduction of single-use plastics but due to Covid-19, everyone must adapt to public health measures to reduce the risk of Covid-19 pandemic.
"Braille Book" Project	The Company recognizes the reduction of littering by reuse, which has been running for more than 5 years, as a project that collects old calendars, books and magazines and forwards to the Center for Educational Technology for the Blind to produce braille books for visually impaired agencies nationwide.
"Seeding Forestation" Project	5 June every year is the World Environment Day. The Company recognizes the importance of the environment and has created the "Seeding Forestation" project for the second year running by giving one hundred seeding to employees to plant green spaces in their own residential areas. The Company believes that by putting their care, taking time to look after the plant to grow, they will receive the true benefit of planting.

3.5.2.8 Greenhouse Gas Reporting

The Company recognizes the importance of greenhouse gas management or greenhouse gas emissions from its operations, which mostly related to direct fuel usage or direct greenhouse gas emissions (Scope 1) and indirect fuel usage or indirect greenhouse gas emissions (Scope 2). The Company uses best efforts to operate business with realization of preserving environment, resource utilization, efficient operation, and reduction of impact on the environment.

Management recognizes the importance of arranging reports on the reduction of greenhouse gas emissions arising from both direct and indirect processes, in order to know the amount of greenhouse gas emissions that have occurred. It can also be defined as a policy and a plan to clearly manage the reduction of greenhouse gas emissions to be presented to the Board of Directors for approval.

The Company establishes a working group to prepare for the preparation of greenhouse gas emissions reports, as well as to encourage employees to be trained with the Stock Exchange of Thailand and the Thailand Greenhouse Gas Management Organization (TGO) for knowledge and understanding of greenhouse gases and the importance of the organization to be part of regulating greenhouse gas emissions.

Based on the data of the Company's electricity consumption in 2020 – 2021, the collected data can be calculated as data on greenhouse gas emissions in scope 2 or indirect greenhouse gas emissions generated by energy consumption (Energy Indirect Emissions) from the purchase of electricity to consumption within the organization. Calculation based on the use of electricity only in the Company's office buildings as follows:





Greenhouse gas emissions scope 2

402.84 tons of carbon dioxide equivalent (tCO₂e)

year	2020	2021
kWh (kWh)	763,000	693,000
Ton carbon dioxide equivalent (tCO ₂ e)	443.53	402.84

From the implementation of the electrical energy management guidelines, in 2021, the Company was able to reduce the release of glass greenhouse gases by 40.69 tons of carbon dioxide equivalent (tCO₂e), or decreasing 9% compared to greenhouse gas emissions in 2020. The aforementioned greenhouse gas emission scope 2 has not yet been reviewed by the verifier authorized by TGO or equivalent. Nonetheless, the Company is in process of obtaining a review from an external verifier who has registered with the TGO or equivalent to ensure the reliability of information to investors, shareholders, and related parties and to have standards that can compare the Company's performance each year.

3.6 Sustainability Management in Social and Safety Perspective

3.6.1 Social Policy and Practices

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

3.6.1.1 Human Rights Management Guidelines and Fair Treatment of Labor

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

The Company provides everyone with equal opportunities to be selected as an employee of the Company. The Company has equality in salary, wages and other benefit to all employees and labors according to their knowledge, ability, and suitability in each position, as well as welfare in various fields such as housing allocation, medical care, health insurance, etc. without discrimination between regular employees, employees/labor with disability or foreign labor. In addition, the Company offers everyone the opportunity to undergo training to develop themselves to progress their careers according to their proper and equal abilities, as well as to support people with disabilities to have equal opportunities with other people. For example, recruiting disabled people to work and facilitating for the disabled people in the building such as passenger lift, wheelchair ramps at the entrance and exit. The Company complies with the law on employment of people with disabilities in coordination with relevant government agencies and Srithanya Hospital to access to disability employment by participating in disability employment programs to work in communities or public works such as schools and hospitals. It is a new approach towards employment of people with disabilities by reaching out to disabled people in the community in accordance with government policies. While creating opportunities for people with disabilities with the potential to be ready to work as employees of the Company, it also benefits to communities or public charity organizations as a representative of the Company and in line with the Company's policy of ensuring equality for society and creating economic value for the country.

3.6.1.1.1 Employment

In 2021, the Company had a total of 1,150 employees and labors which consisted of 316 female employees (27.48%) and 796 male employees (69.22%) of which were 23 foreigners (2.00%), and 15 disabled employees and labors (1.30%).

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

3.6.1.2 Human Resource Development Policy and Promotion of Career Growth

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

The Company provides training agencies responsible for preparing training courses for employees of all levels in the organization, including skilled workers in construction sites. Training unit shall plan training courses that are in line with the organization's strategy and recruit personnel within or outside the organization with expertise in various topics to transfer knowledge by planning and determining target audience that must be trained in advance throughout the year. The training unit shall promote training courses through the Company's internal channels and monthly journals so that employees can be informed and can plan for training.

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

3.6.1.2.1 Career Path Development

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



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

Types of Competencies	Development Target Group	Course goals
Core Competency The core abilities that everyone in the organization must have	All employees at all levels of the organization	For employees in the organization to realize the Company's core values according to the principles as follows: 1) commitment to success 2) effective cost management 3) customer emphasis 4) creative initiatives 5) awareness and quick resolution, etc.
Managerial Competency Management Capabilities	Executive/Manager	Focus on developing management skills for executives such as 1) critical and preventive planning, 2) resource management capabilities, 3) risk management, 4) change management, 5) principles of communication and coordination 6) leadership etc., which are the main management principles for further personnel preparation.
Functional Competency The ability that each position requires	Professional and operational staff	Focus on developing professional skills, technical skills, and positional and responsibility-based performance. Career development for employees according to the designated career path of each position.

In addition, the Company organizes the orientation of new employees by providing basic training in various fields of knowledge necessary for the operation, including the history and business characteristics of the Company Group, basic knowledge of business processes, Vision, Mission and Goals of the organization, introduction to ISO 9001, ISO 14001, ISO 45001, knowledge of Information Technology and operating system and knowledge of operational safety, etc.

Due to the Covid-19 pandemic in recent years, Department of Labor Protection and Welfare has announced to reduce the number of safety construction courses that has been previous submitted to Department of Skilled Workforce Development from not less than 50% per annum to 10% per annum. The Company adjusted training in accordance with the Covid-19 pandemic situation. In 2021, the Company and Sahakarn Wisavakorn Company Limited conducted internal and external training which can be summarized as follows,

Employee Training Information Internal Training		2021		2020	
		External Training	Internal Training	External Training	Internal Training
Number of participants (persons)	Employee level	48	30	189	24
	Supervisor level	60	108	87	432
Number of hours (hours)		108	138	276	456
Total training hours		246		732	

3.6.1.2.2 KM System Development (Knowledge Management)

The Company gathers knowledge, procedure, techniques in various works and publicizes to employees for access to knowledge at any time anywhere, including answering question online in order to encourage employees to participate in online activities which will ensure that the employees develops knowledge continuously and continuously.

3.6.1.2.3 Employee Performance Management

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

The Company shall evaluate the performance of employees every year to review the allocation of compensation, including promotions, to promote and motivate employees to use their knowledge to perform their duties with full dedication and improve their performance.

3.6.1.3 Policies and Guidelines for Appropriate Remuneration and Welfare

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

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

3.6.1.3.1 Provident Fund

The Company establishes a provident fund under the Provident Fund Act B.E. 2530 (1987) by registering provident fund on 1 June 2005 to save money and secure employees and their families as a long-term financial stability. Employees can choose an investment plan to receive benefits in return for investments as the employees deem appropriate, and to encourage employees to have an understanding of investment plans, opportunities and risks, as well as returns, the Company coordinate with asset management company to meet with executives and employer and employee representatives to report the fund's performance as well as the investment environment, opportunities and risks, short-term and long-term investment trends and widely inform employees who are members of the fund so that they can make decisions on the right investment plan. As part of the cumulative payout rate, employees can choose the monthly cumulative payout rate to the fund at a rate of between 3% to 10% of the salary voluntarily as the employee's request. In addition, the Company pays another contribution to employees at the rates of 3% to 7% of salary depending on years of service of each employee. In 2021, the Company and Sahakarn Wisavakorn Company Limited contributed provident fund to employees at the amount of baht 4.06 million and baht 2.10 million at the rate of 3% to 7%.

Full-time employees who have exceed 1 year of service are eligible to become a member of the Fund (voluntary application). The Company's contribution rate sets according to the details of the following table.

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

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



3.6.1.3.2 Health Promotion (Move for Change)

The Company provides head offices and branch offices with first-aid room with nurses providing basic care to treat primary illnesses, breastfeeding service rooms, including proper and appropriate consultation on healthcare and medications to enhance the health of employees. The Company encourages employees to have after-hours physical activity by providing yoga and aerobic trainers on a daily basis, which is an ongoing activity. The Company arranges a gym with equipment to be equipped with trainers to advise on exercise and proper use of equipment, correctly and safely. As for project sites, the project administrators also arrange appropriate fitness facilities by providing basic sports equipment such as equipment of table tennis, football, badminton, etc. This is to encourage employees to have the opportunity to exercise after work every day without having to travel long distances and free of charge.

With the Covid-19 pandemic, Move for Change health promotion activities have been suspended to comply with public health measures and reduce the risk of Covid-19 infection.

3.6.1.3.3 Housing Benefits

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

3.6.1.3.4 Employee medical expenses

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

3.6.1.3.5 Accident and life insurance and other funds

The Company provides life and health insurance for employees with Thai Life Insurance Public Company Limited, employees can receive medical treatment in accordance with the limits and conditions specified in any hospitals of their convenience. The Company also pays subsidy as required by laws to the Office of Social Security and the Workmen's Compensation Fund.

3.6.1.3.6 Other Financial Assistance

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

3.6.1.3.7 Welfare Committee in the Workplace

The Company establishes a welfare committee in the workplace to carry out the legal requirements by holding the election of the Welfare Committee to represent employees, acting as a mediator in conveying the welfare needs of employees to employer, suggest, audit, oversee welfare management within the organization, promote employee-relations activities, seek ways to improve welfare and work environment, as well as raise morale for employees, which will result in increased productivity and efficiency in works. In recent years, meetings were conducted to propose requests and recommendations from employees to employer's representatives to jointly consider measures the employer can process for employees appropriately and fairly. Thus, there was no dispute or complaints regarding unfair treatment to employees.

3.6.1.4 Employee Relations Activities and Communications

The Company recognizes the importance of employee relations and internal communication between the Company and employees. With the corporate communications department as the center of collecting and disclosing information within the organization through various channels so that employees can be informed and have same understanding of the policies, regulations, news, and activities. Main channel used in such communications is intranet, where information is disclosed to employees such as ERP learning materials, ISO regulations and documents, event photos, as well as employee-related information e.g., event calendar, company news, introducing new employees, etc. Moreover,

there are communication via e-mail, Line application and employee board. Activities for creating good relations are as follows:

1) Mr. Engage, which communicates through Line group between human resources department and employees in the organization, for ease of providing information and advice to relevant employees.

2) Lunch Talk, which is a having lunch together between executives and employee's activity so that they can meet and discuss in the occasions such as Big Cleaning Day, Songkran events, etc.

1) HRBP (HR Business Partner) assigns a responsible person from human resources department to effectively reach out to the problems of employees.

3) 5S Activities to strengthen discipline and good habits for employees, with representatives of executives and each department employees to jointly evaluate the activities.

4) New Year's party for executives, employees at both head office and employees who work at the sites to have the opportunity to socialize in a warm atmosphere.

6) Receiving complaints, the Company allows employees to suggest, comment, or complaints through the feedback box, with the human resources manager collecting such feedback or complaints to present to the Personnel Management Committee for consideration and further action. The detailed information of the complainant shall be kept strictly confidential.

3.6.1.5 Measures to Prevent and Mitigate Problems arise from the Covid-19 Pandemic

In 2021, with the Covid-19 pandemic, the Company was prepared to support any epidemic problems that had a severe impact on society and business operations. The Company took measures to prevent and mitigate the problem regarding the Covid-19 pandemic by encouraging New Normal practices. Head office employees were designated by allocating employees in each department to take turn in work at office and work from home. For employees who work in branch offices and project sites, the workspace was managed using the method of Bubble & Seal to reduce the risk of the Covid-19 spread. The Company also reminded employees to live recklessly during their work or beyond hours to ensure the safety of such situations of dissemination.

The Company was aware of occupational health and safety of employees during the Covid-19 pandemic and paid attention to the situation and adjusted monitoring measures to prevent infection and spread by using the guidelines of the Ministry of Public Health's standards, such as maintaining cleanliness, wearing face masks, checking body temperature, social distancing:

- Measures for screening before entering office space and project sites
- Measures to manage the prevention of exposure and spread of infection in the project sites
- Guidelines for employees and workers
- Guidelines when employees are infected with Covid-19

The Company had campaigned for employees and workers to receive 2 doses of vaccines with an average vaccination rate of more than 93% and the vaccination rates was continuously increasing.

3.6.1.6 Activities for the benefit of society and communities

It is extremely important for the Company in conducting business with society and community in mind, such as promoting the development and learning of children and youth, blood donation, donation for public interest for disadvantaged people in society and communities, community development activities and other important activities to provide opportunities for society and nearby communities to demonstrate the promotion of awareness of social responsibility in parallel with achieving the Company's goal of delivering work that meets the requirements of customers under a specified period of time. Projects that develop and benefit society in various areas were as follows:



Campaign	Description
Promoting development and education of children and youth	• Gifts on National Children's Day the Company participated in National Children's Day activities at Wat Pompraroung Prasit Kindergarten and Pompraroung Prasit School by giving gifts to students to raise morale for children, which will be important force for the country in the future. • Open space for students of Ban Khai Technical College to learn on-the-job training. The Company entered into a memorandum of cooperation for vocational education with Ban Khai Technical College by opening a branch office space in Rayong province for students to have on-job-training.
Community Development and Key Activities	• Happiness-Sharing Food Box due to the Covid-19 pandemic which has caused widespread public well-being impacts. The Company provided "Happiness-Sharing Food Box" with drinking water to Khan Na Yao Police Station for further distribution to people in nearby communities. • Volunteer Activities to develop drainage canal moat along Vibhavadi-Rangsit Road. The Company provided backhoe and truck support to the National Water Commission to integrate flood problem solving in Bangkok and metropolitan areas to jointly volunteer to develop drainage canals along Vibhavadi-Rangsit Road, which was in the construction area of the construction project to develop a moat along Vibhavadi Road Phase 1. • For Hometown Project to Homeland was a project established by the Company with the aim of improving local communities and improving the quality of life of the hometown community of employees. In addition to helping to improve society, employees can be proud to contribute to and develop their hometowns. Since 2013, for more than 8 years, the Company has contributed budget for development of the hometown community of employees by establishing a committee to select projects presented by employees from all departments in the Company to consider in accordance with the Company's policies to conduct sustainable business and deliver opportunities to society. In 2021, there were 2 projects selected which were: 1) Project of renovation of multipurpose space at Nikom Sang Ton Eng 8 school, Buriram province 2) Project of renovation for emergency room at Laem Bua health promotion hospital, Nakhon Chai Si District, Nakhon Pathom Province
Create opportunities in society and communities for public interests.	• Blood Donation the Company has held blood donation activities twice a year since 2008, allowing employees and individuals in nearby communities to donate blood. This year, it was held in February and August to donate blood to Rajavithi hospital, which received a total blood donation of 75 bags, or 32,650 milliliters, and in August, which has National Mother's Day, jasmine trees were given to all blood donors to be further given to their loved/respected people on National Mother's Day. • Donation of beverage boxes, staple, aluminum cap loops, calendars, and disused items the Company has been conducting 5S and Big Cleaning Day activities since 2016. After conducting the activities, there were UHT beverage boxes, staples, aluminum cap loops and disused calendars that were no longer used. The working team then came up with the idea of delivering these items to create opportunities for society from unused to good use. The details were as follows: 1) Beverage box (UHT) the Company supported by collaborating with representatives from Big C Supercenter Public Company Limited to recycle the beverage boxes into roof sheets in the project "The Green Roof Project for Friends in Need (of "PA") Volunteers Foundation" with the aim of raising awareness of the management and reuse of non-use items (1 roof is 1x2.40 meters, uses approximately 2,000 beverage boxes in production), which throughout 2021, a total of 2,600 pieces were collected. 2) Staple, and aluminum cap loops the Company supported by providing used aluminum cap loops to the Association of Persons with Physical Disability International, allowing each department employee to sort the staples from disused paper, and aluminum cap loops, to be collected to the Association of Persons with Physical Disability International, Pathum Thani province to use as materials in making prosthetics for helping people with disabilities which throughout 2021, a total of 3 kg. were collected. 3) Calendars and disused items the Company supported by collecting disused calendars and magazines to the Educational Technology for the Blind Center to produce braille books for visually impaired agencies nationwide to support knowledge opportunities. The Company also gave disused items such as bags, shoes, books, and electrical appliances, etc. to the Association of Persons with Physical Disability International in Pathum Thani province to benefit communities and society. • Computer for the Younger the Company donated disused computers with equipment to the Mirror Foundation under Computer for the Younger campaign, in accordance with the Company's policy which recognizes the importance of supporting social development activities (CSRs), especially by promoting and supporting distant and underfunded youth to receive educational opportunities. • Quality of Life Promotion for Patient from Srithanya Hospital the Company recognized the importance of the livelihoods of patients in Srithanya Hospital and came up with the campaign to support the quality of life of patients by promoting the creation of careers so that patients can earn income, morale and realize their values. The Company will always encourage and be supportive to the society.

3.6.2 Policies and Guidelines on Health and Safety at Work

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

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

3.6.1.1 Safety and Occupational Health Management System

The Company has been certified of occupational health and safety management system (ISO 45001) in October 2020. The key of success was top executive's leadership and worker participation, which resulted in a stable management system leading to the goal of sustainable safety, and occupational health.

3.6.2.2 Promote safe and hygienic working environment

In 2021, the Company continuously developed and improved the efficiency of safety operations to reduce the risk of illness, injury, or death, and properly supervised the quality of life of employees or workers with the following important operations: 1) legislation compliance and 2) monitoring and supervising measures. 2 work injuries were found, and the Company has already taken measures to prevent such accidents.

1) Legislation Compliance to ensure compliance

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



2) Monitoring and Supervising Measures to focus on preventive measures in the operation.

Safety start with worker being in a ready state to work, e.g., no trace of addictive substance etc. The Company, therefore, conducts random alcohol checking, drugs testing, performance assessment, safety and environment inspection of project workers and operations.

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

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

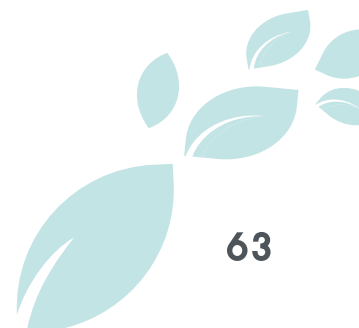
- o **Safety and environmental measurements** (light, noise, dust) to monitor for potential latent hazards in the operation workers' working environment, which is another latent hazard that can cause "Operational diseases" both acute and chronically diseases and comply with the Ministerial Regulations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

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

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

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

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



3.6.2.3 Security Training Unit

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

Training Topics	Registered agencies
Safety of Work on Electrical	Office of Safety, Department of Labour Protection and Welfare
Safety of Work in Confined Spaces	Office of Safety, Department of Labour Protection and Welfare
The Safety Occupational Health and Working Environment Committee	Office of Safety, Department of Labour Protection and Welfare
Safety Officer Supervisory level	Office of Safety, Department of Labour Protection and Welfare
Crane Operations	Office of Safety, Department of Labour Protection and Welfare
Road Safety Inspection	Department of Highways, Ministry of Transport
Installation and inspection of pipe and joint scaffolding	Office of Safety, Department of Labour Protection and Welfare
Safety of Work at Height	Office of Safety, Department of Labour Protection and Welfare
Temporary goods and passenger elevators control in construction	Office of Safety, Department of Labour Protection and Welfare
6-Hour Safety Training for New Employee	Office of Safety, Department of Labour Protection and Welfare

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

3.6.2.4 Communication and security awareness

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



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

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

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

Management Description and Analysis

4. Management Description and Analysis

Economic Situation

The COVID-19 pandemic in 2021 continues to escalate, resulting in the government ordering the closure of workers' camps and construction in Bangkok and territory, many of the Company's construction projects were disrupted. Moreover, some of private sector businesses announced that they were refraining from entering the area to reduce the spread. Both reasons effected the Company's construction services revenue to decrease in Q3 – 4. The Company had to adjust management methods to comply with the situation, including work from home, bubble and seal, and arranged for employees to be vaccinated, both the 1st and 2nd dose, to build immunity and reduce the severity of the epidemic.

As the COVID-19 pandemic has been contagious for 2 years, the government needed to spend a lot of budgets to run the country administration which then resulting to the decrease of budget allocation to government agencies and eventually payment for goods and services and/or construction projects were delayed or postponed to the next budget year. The competition of construction businesses has, therefore, still intensified. The Company tried to manage according to the construction contract despite several factors that come to light over the past year. The Company aimed to expand the new business that would create revenue stability to help support the construction business in the future.

2021 Operation Overview

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

In 2021, the Company and subsidiaries received construction work totaling 8 projects with a total value of Baht 1,472.70 million divided into 6 private sector projects and 2 government projects valued at Baht 654.99 million and Baht 817.71 million respectively. If separated by product line, it can be divided into 2 civil works worth Baht 817.71 million (55.52%), 2 pipeline projects worth Baht 154.80 million Baht (10.51%), 1 engineering system project worth Baht 169.97 million (11.54%), and 3 other services projects worth Baht 330.22 million (22.43%).

Construction business, the main business, had value of unrealized work (backlog) as of 1 January 2021 amounted to Baht 9,297.21 million. During 2021, the Company and subsidiaries received construction projects amounting to Baht 1,472.70 million. Existing construction projects increased work quantity by Baht 105.91 million. The Company and subsidiaries recognized construction revenue for 2021 of Baht 3,819.47 million, remaining unrealized work value as of 31 December 2021 amounted to Baht 6,844.53 million (value according to contracts of Baht 17,468.70 million).



Income Statement	Year 2021	Year 2020 (Revised)	Change	
	Million Baht	Million Baht	Million Baht	%
Revenue from construction services, sales and other services	3,845.35	3,272. 13	473.22	14.03
Other Income	42.91	50.11	(7.20)	(14.36)
Total Revenue	3,888.26	3,422. 24	466.02	13.62
Gross profit (loss)	201.19	(165. 46)	366.65	(221.60)
Administrative expenses	(260.21)	(312.90)	(52.69)	(16.84)
Share of profit (loss) from investments in joint ventures	2.56	(2.85)	5.41	189.75
Financing expenses	(35.06)	(23.48)	11.58	49.30
Loss before income tax	(48.61)	(454. 58)	405.97	89.31
Income (expense) from tax income	(10.69)	13. 51	(24.20)	(179.15)
Loss for the year	(59.30)	(441. 07)	381.77	86.56
Loss attributable to the Company	(57.39)	(438.13)	380.74	86.90

The Company and subsidiaries had a total income of Baht 3,888.26 million, increased Baht 466.02 million or 13.62%. Summary of operating results was net loss of Baht 59.30 million which was the Company's equity of Baht 57.39 million, decreased Baht 380.74 million or 86.90%. Operating results can be summarized as follows:

Performance Analysis

1. Income

Income	Year 2021	Year 2020 (Revised)	Change		% per total	
	Million Baht	Million Baht	Million Baht	%	Year 2021	Year 2020
1. Construction services						
Civil Works	2,204.95	2,128.89	76.06	3.57	56.71	62. 21
Piping System	1,569.58	958.55	611.03	63.75	40.37	28.01
Engineering System	(27.39)	254.42	(281.81)	(110.77)	(0.70)	7.43
Other Services	72.33	2.21	70.12	3172.85	1.86	0.06
Total construction services revenue	3,819.47	3,344.07	475.40	14.22	98.24	97.71
2. Other Services	17.48	20.55	(3.07)	(14.94)	0.45	0.60
3. Sales	8.40	7.51	0.89	11.85	0.22	0.22
Revenue from construction services, sales and other services	3,845.35	3,372.13	473.22	14.03	98.91	98.53
Other Income	42.91	50.11	7.20	14. 36	1.09	1.44
Total Revenue	3,888.26	3,422.24	466.02	13.62	100.00	100.00
Construction revenue from government projects	2,225.70	1,580.05	645.65	40.86	58.27	47.25
Construction revenue from private sector projects	1,593.77	1,764.02	(170.25)	(9.66)	41.73	52.75

1. Revenue from construction services was Baht 3,819.47 million, increased Baht 475.40 million or 14.22%. During the year, the Company revised financial statements in the previous period for the bookkeeping to realize revenue from construction contracts in accordance with the 15th financial reporting standard regarding revenue from contracts made with customers as informed in the note to financial statement no. 5 resulted in revenue from construction services of the Company in 2020 after revision increased by Baht 226.20 million while construction services revenues for 2021 had already been recorded in accordance with the financial reporting standards. Revenue from providing construction services increased due to the Company's several backlog projects had made progress to completion and near completion. In 2021, the Company recognized most of the revenue from civil construction of Baht 2,204.95 million and construction of piping systems of Baht 1,569.58 million. The recognized revenues were from major construction projects such as: Construction of Khlong Luang-Chonburi Reservoir Raw Water Pipeline System of Eastern Water Resource Management and Development Public Company Limited. Civil and Structural Work Package for CFP Concurrent Work and HDPE Pipeline Package for New Bang Phra Raw Water Line project of Thaioil Plc., Smart warehouse construction project of PTT Public Company Limited. Highway no. 3304 construction project of the Department of Highways, Main drainage system construction project in Thung Song community of the Department of Public Works and Urban Planning.
2. Revenue from other services in 2021 was Baht 17.48 million decreased from the previous year of Baht 3.07 million or 14.94% which was revenue from the distribution of water supply to industry and communities in Tasit, Pluak Daeng, Rayong province of TRC Utilities Company Limited. (subsidiary) and revenue from data analysis services and platform management of Olive Technology Company Limited. (subsidiary). The reason for the decrease in revenue from other services was due to the fact that new shareholder invested in TRC Utilities Company Limited. to support future business expansion, thereby decreasing the shareholding proportion of the Company and changing its status from subsidiary to associate.
3. Other income includes interest income and other income. In 2021, interest income and other income were Baht 42.91 million compared to 2020 of Baht 50.11 million, decreased by Baht 7.20 million or 14.36%. Main revenues for each year were as follows:

Other Income	Year 2021	Year 2020	% per total	
	Million Baht	Million Baht	Year 2021	Year 2020
1. Compensation from insurance company	10.70	7.67	24.92	15.30
2. Goods/Services/Rental charges from contractors	13.80	24.92	32.15	49.84
3. Non-deductible expense	6.35	-	14.80	-
4. Engineering Review Fee	-	9.35	-	18.65
5. Gain on loss of subsidiary's controlling proportion	1.90	-	4.40	-
6. Scrap sales	0.79	2.25	1.85	4.48
7. Compensation on materials' increased prices (K value)	0.32	0.72	0.74	1.44
8. Others	8.56	4.31	20.00	8.52
Total other income	42.42	49.22	98.86	98.23
Interest income	0.49	0.89	1.14	1.77
Grand total other income	42.91	50.11	100.00	100.00



2. Cost

Cost on administrative and financial expenses.

Cost on administrative and financial expenses	Year 2021	Year 2020 (Revised)	Change	
	Million Baht	Million Baht	Million Baht	%
1. Construction cost	3,625.75	3,517.45	108.30	3.08
2. Other services costs	10.24	13.77	(3.53)	(25.62)
3. Cost of Sales	8.16	6.37	1.79	28.10
Total cost	3,644.15	3,537.59	106.56	3.01
Administrative expenses	260.21	312.90	(52.69)	(16.84)
Financial cost	35.06	23.48	11.58	49.30

- Total cost for 2021 was Baht 3,644.15 million, increased of Baht 106.56 million or 3.01%. Majority of the Company's costs were as follows:
 - Construction cost of Baht 3,625.75 million, increased from last year of Baht 108.30 million or 3.08%, according to construction services revenues increase. In 2020, a subsidiary raised its construction cost estimation for some construction projects resulting to loss recognized of approximately Baht 314 million. Therefore, the cost of construction work in 2020 was higher than construction service revenues.
 - Other service costs in 2021 amounted to Baht 10.24 million, decreased of Baht 3.53 million or 25.62% from 2020. This was due to the decrease in the Company's shareholding proportion in subsidiary and a change of status from subsidiary to associate.
- Administrative expenses for 2021 was Baht 260.21 while in 2020 was Baht 312.90 million, decreased by Baht 52.69 million or 16.84%. Due to the COVID-19 situation continues to spread. The Company tried to control the costs by spending only for those necessary but maintain operational efficiency.
- Financial cost in 2021 amounted to Baht 35.06 million while in 2020 was Baht 23.48 million, increased of Baht 11.58 million or 49.30%. The financial costs were mainly interest on short-term loans from financial institutions to be used as working capital. Due to cumulative losses on operating results for several years, as of the end of 2021, there was an overdraft and short-term loan of Baht 796.62 million, increased of Baht 87.16 million or 12.28%.

3. Profitability

The Company had a gross profit for 2021 of Baht 201.19 million equivalent to 5.23%, while in 2020 gross loss was Baht 165.45 million, equivalent to -4.91%. The loss for 2020 was mentioned above and operating result profit was -0.42% and -12.70% respectively. Even though the Company had gross profit in 2021 of Baht 201.19 million, there was administrative expenses of Baht 260.21 million resulting to loss. The Company had loss on shareholders' equity in 2021 and 2020 of Baht 57.39 million and Baht 438.13 million respectively, representing a net loss of 1.48% and Baht 12.80 million, shareholders' return of -14.81% and -70.29% respectively. Although the current year already resumed gross profit from construction services, as the projected debt estimates from performance penalties and delayed fines of a construction project was recorded, approximately Baht 58.46 million Baht in Q1, it resulted in a net loss.

Financial Analysis

● Total Assets

On 31 December 2021, the Company and subsidiaries had total assets of Baht 4,095.33 million. This increased from 31 December 2020 of Baht 441.86 million or 12.09% as follows:

Statement of Financial Position	Year 2021	Year 2020 (Revised)	Increase (Decrease)	
			Million Baht	%
Current Assets	3,243.64	2,790. 52	453.12	16.24
Other non-current assets	851.69	862. 95	(11.26)	(1.30)
Total assets	4,095.33	3,653. 47	441.86	12.09

The list of significant assets includes:

1. Significant current assets, including trade receivables and other current receivables and assets from contracts, increased by Baht 125.31 million and Baht 585.82 million or 44.23% and 34.47% respectively. The Company received new projects and revenues increased in the current year while assets that reduced significantly were prepaid to subcontractors according to construction contracts which decreased by Baht 117.52 million or 23.58% due to a decrease when work delivered in accordance with contracts. In addition, income tax was withheld by Baht 104.05 million, or 60.09%, due to the receipt of corporate income tax refunds withheld from the Revenue Department.
2. Trade receivables and other current receivables as follows:

Net-trade receivables for 2021 amounted to Baht 305.47 million compared to Baht 262.67 million in 2020 which increased by Baht 42.80 million from higher number of revenues. In 2021, there was Baht 222.40 million of undue trade receivables equivalent to 69.84%, less than 6 months overdue amounting to Baht 83.07 million or 26.09%, more than 12 months overdue amounting to Baht 12.97 million. Expected credit loss allowance of the whole amount was set. The Company's trade receivables, mainly government agencies and private listed companies, had reliable and stable financial position.

Other current receivables in 2021 amounted to Baht 80.56 million, increased by Baht 78.28 million from 2020, was project's petty cash, which required to purchase on-site materials, increased by Baht 14.15 million. Contractor receivables, which the Company advanced payment for materials or workers' wages, and reimbursed from work payment, increased by Baht 54.22 million.
3. Trade receivable turnover ratio in 2021 was 13.54 times with average collection period of 27 days compared to 2020 with the rate of 7.04 times and 51 days. The Company controlled billing efficiency to be faster. In addition, 2021 had a liquidity ratio of 0.89 times which was the same ratio as 2020 while quick current liquidity ratio was 0.10 times and 0.01 times, and in 2020 was 0.11 times and -0.02 times because current liabilities amount was a lot higher than quick current assets (cash and trade receivables).
4. Asset yield and asset turnover rate in 2021 were -1.48% and 1 time respectively, increased from 2020 by 10.41% and 0.07 time respectively. This negative yield was due to loss in operation while there was a slight increase in asset turnover from the previous year.



● Liabilities and Shareholders' Equity

Statement of Financial Position	Year 2021	Year 2020 (Revised)	Increase (Decrease)	
			Million Baht	%
Current liabilities	3,655.56	3,128.65	526.91	16.84
Non-current liabilities	71.97	117.78	(45.81)	(38.89)
Total liabilities	3,727.53	3,246.43	481.10	14.82
Equity of the Company's shareholders	399.41	436.49	(36.22)	(8.40)
Total liabilities and equity of shareholders	4,095.33	3,653.46	441.87	12.09

List of significant liabilities and equity includes:

1. Significant increase in current liabilities such as undue work costs, increased by Baht 385.34 million or 84.80% due to the construction project costs that increased and in process of billing and overdrafts and short-term loans from financial institutions, increased by Baht 87.16 million as explained in financial costs.
2. Shareholders' equity decreased due to the loss in operation of Baht 57.39 million by reducing with other comprehensive income of Baht 20.07 million.
3. Trade payables and other current payables in 2021 was Baht 780.52 million, increased from 2020 of Baht 62.03 million or 8.63%. Unrelated business - trade payables in 2021 was Baht 701.80 million, increased by Baht 58.58 million or 9.10% from the previous year, with trade payable turnover rate and repayment period of 5.34 times and 67 days compared to 2020 with a rate of 6.48 times and 56 days, with cash cycles in 2021 and 2020 of -41 days and -5 days respectively. The Company received credit term for payment to trade payables longer than term received from trade receivables. For other current payables such as assets purchase trade payables of Baht 7.48 million, decreased by Baht 9.61 million due to debt repayment in the current year and accrued expenses of Baht 60.15 million, increased by Baht 10.15 million.

Liquidity and Capital Adequacy

The Company and subsidiaries had cash and cash equivalents balance as of 31 December 2021 of Baht 52.94 million, decreased from the end of last year with cash balance of Baht 89.78 million. Details as follows:

Cash Flow Statement	2021	2020 (Revised)
Net cash from (used in) operating activities	30.14	(72.84)
Net cash used in investment activities	(101.05)	(193.55)
Net cash from financing activities	36.02	169.76
Variance from increase of financial statement conversion	(1.95)	4.22
Net increase (decrease) in cash and cash equivalents	(36.84)	(92.41)
Cash and cash equivalents at the beginning of the year	89.78	182.19
Cash and cash equivalents at the end of the year	52.94	89.78

Changes in cash and cash equivalents for the year ended 31 December 2021 by activities as follows:

- Net cash used in operating activities amounted to Baht 30.14 million from performance of the current year.

- Net cash used in investment activities amounted to Baht 101.05 million mainly from cash paid for purchase of land, building and equipment of Baht 74.69 million and short-term loans given to related businesses of Baht 21.20 million. Mostly 75% of the cash paid for the purchase of land, building and equipment were assets that the Company constructed i.e. foundry building for the production of underground pool for electrical wire grounding project and construction of additional areas in metal works assembly plants for pipe installation and tank construction projects for petrochemical business by using the Company's own capital to expand the production capacity in the project as mentioned to be able to deliver work in a timely manner and ask for payment to be reinstated as the Company's working capital for further work.
- Net cash from financing activities amounted to Baht 36.02 million. Most of which from short-term loans from financial institutions of Baht 87.15 million, cash paid for interest and lease liabilities of Baht 51.13 million.

Equity Adequacy Ratio

Financial Ratio	2021	2020
Debt to Equity Ratio (Times)	10.13	7.98
Interest payment capacity ratio (times)	1.59	(14.39)
Capacity to pay obligation ratio	0.07	0.47)

At the end of 2021, the Company and subsidiaries had a debt-to-equity rate of 10.13 times, increased from the previous year of 2.15 times with interest payment capacity ratio of 1.59 times, increased of 15.98 times from the previous year. Moreover, capacity to pay obligation ratio was 0.07 times, increased from the previous year of 0.54 times due to the better operating results in current year resulting to higher ratio. The Company was able to fully comply with the terms of the loan agreement from the financial institutions and there was no problem with the repayment of the debt.

The Company and subsidiaries had sources of funds from operations and short-term loans from commercial banks. Loans used in project administration were usually short-term to medium-term loans in type of project finance. Banks that provided credit limit directed the Company to transfer the right in receiving work payment to the banks. Project owner would make payment of services by transferring to the Company's deposit account opened with the credit-provider bank. If the Company complies with the terms of the credit limit usage, there would be no debt exceeding the credit limit received and able to draw down construction work.

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

The Company disclosed details in the notes to the financial statements no. 33 , obligations and liabilities that may arise.

Factors affecting future performance

To present, the COVID-19 pandemic continues to spread. The death toll decreased, but the epidemic continues to rise despite severe reductions due to the transition of species. The situation abroad eased more measures, but still in the process of monitoring and implementing of safety measures, both at construction sites and offices.

Oil prices, a key factor in the global economy, continue to rise significantly. Both due to seasonal demand and the situation in which many countries begun to ease from the COVID-19 pandemic, the economy started to recover but oil production capacity remained limited, as well as the tension between Ukraine and Russia that was observed on how long it would intensify and last, and possibly followed by rising of construction material prices, which the Company considered issuing pre-commissioning orders to prevent price hikes on key construction materials such as steel, pipes, concrete, etc.

Even though the competition in the construction industry increased, the Company continued to consider taking the job with caution by choosing projects that can generate profits and from financially stable customers, especially government agencies and stable private companies to generate revenue and profits for the Company continuously.

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

General and Other Significant Information

5. General and Other Significant Information

5.1 General Information

5.1.1 Company Profile

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

5.1.2 References

● Securities Registrar

Thailand Securities Depository Co., Ltd.
93 The Stock Exchange of Thailand Building,
Ratchadaphisek Road, Dindaeng, Dindaeng,
Bangkok 10400
Telephone : 0-2009-9000
Facsimile : 0-2009-9992

● Auditor

Dharmniti Auditing Co., Ltd.
178 Dharmniti Building, 6th-7th Floor,
Soi Prachachuen 20, Prachachuen Road, Bangsue,
Bangkok 10800
Telephone : 0-2596-0500
Facsimile : 0-2596-0560

5.2 Other Important Information

Legal disputes

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

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

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

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

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

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

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

On 30 December 2021, the Company placed the money in accordance with the decision of the Central Administrative Court with interest of 7.5% per annum totaling Baht 17,506,164.38 so that the parties could receive the amount to close the case, and the Company would make a petition to the Court to order the parties to return the bank's letter of guarantee to the Company.

It is currently in the process of being written to the Electricity Generating Authority of Thailand to receive the money according to the judgment laid down by the Company. The case is still in the process of being judged by the Supreme Administrative Court, where the case has the same chance of winning or losing. It depends on the decision of the Supreme Administrative Court.

2. Black Case No. 215/2561 (Rayong Provincial Court)

On 5 February 2018, a private company filed a lawsuit in the Civil Court, requesting that the Company pay Baht 23,527,522.32 with interest of 7.5% per annum from 6 February 2018 until the payment is completed, with a plea due on 16 March 2018.

On 14 March 2018, the Company filed a request to extend the first plea term, with the Court granting permission to extend the plea period until 10 April 2018.

On 5 April 2018, the Company filed a request for a second extension of the plea, which was granted by the Court to extend the plea period until 10 May 2018.

On 9 May 2018, the Company filed a request for a third extension of the plea, which was granted by the Court to extend the plea period until 16 May 2018.

On 16 May 2018, the Company filed the plea within the period and the Court scheduled to mediate the dispute on 22 June 2018.

On 22 June 2018, the Company submitted a request for the postponement of the mediation appointment, which was granted by the Court to postpone to 9 July 2018.



On 9 July 2018, the private company did not show up, so the Court set another mediation date be on 28 August 2018. If the mediation could not be done on the scheduled date, the Court may proceed with settlement of issues on that day or on another day deem appropriate.

On 28 August 2018, both parties arranged to mediate but could not come to an agreement. The Court then scheduled the settlement of issues date be on 1 October 2018.

On 1 October 2018, the Court scheduled to determine the dispute and set a date for the examination of both parties on 5, 6 and 7 March 2019

On 5 October 2018, the Company filed a request to object and oppose the Court's order to determine the dispute because the Company deemed that there was a dispute that was likely to be further determined.

On 5, 6 and 7 March, 2019, both parties conducted a hearing on each side, but the Company's witness examination was not completed, so the Court ordered an additional hearing on 26 April 2019.

On 26 April, 2019, the Company conducted a witness examination but did not complete the process, so the Court ordered an additional hearing on 29 May 2019.

On 29 May 2019, the Company conducted a witness examination but did not complete the process, so the Court ordered an additional hearing on 12 July 2019.

On 12 July 2019, the Company completed the examination of witnesses, and both parties announced that they had completed their statements, and the Court then ordered that the closing statement of the case be referred to the Court by 15 August 2019.

On 9 October 2019, the Court ruled that the Company pay outstanding of Baht 23,527,522.32 with interest of 7.5% per annum from 6 February 2018 until payment is completed.

On 5 November 2019, the Company filed a petition to extend the first appeal period, and the Court ordered permission to extend the appeal period until 9 December 2019.

On 23 December 2020, the Company filed a second extension of the appeal period, and the Court ordered permission to extend the appeal period until 8 January 2020.

On 8 January 2020, the Company filed a third extension of the appeal period, and the Court ordered permission to extend the appeal period until 7 February 2020.

On 7 February 2020, the Company filed an appeal and request for enforcement within the deadline.

On 30 June 2020, the Company filed a request to refrain from enforcement. The Court ordered that the enforcement of the case be refrained pending the Court of Appeal, Region 2's order on enforcement.

On 15 October 2020, the Court of Appeal, Region 2 received a request to amend the appeal and ordered that the Company be allowed to refrain from the enforcement of the case. If the Company can put the proceeds in accordance with the Court of First Instance's decision and interest in full by 17 November 2020, the Court of Appeal, Region 2 shall hear the case on 9 December 2020.

The Company has placed collateral in accordance with the Court of First Instance's decision and interest in full for the application for enforcement refraining, and the Court of Appeal, Region 2 has indefinitely postponed the hearing because the Court of Appeal, Region 2 has not completed the decision.

On 4 February 2021, both parties jointly made a memorandum of agreement to pay the debt in accordance with the judgment at the Company's office location, where the Company agreed to pay the private company and the private company agreed to receive Baht 18,000,000, which the private company agreed not to be indulging in demanding any other amount or assets from the Company, whether civil or criminal, as well as waiving any legal claims as creditors in accordance with the judgment from the Company. Both parties agreed to withdraw from the case.

On 11 February 2021, the Company delivered the cheque of Baht 18,000,000 to the private company at Rayong Provincial Court and on the same day the Company filed a request to withdraw the appeal and got the collateral for the enforcement of the case back.

On 2 March 2021, the Court of Appeal ordered and allowed the Company to withdraw the appeal, dispose of the case from the directory and returned the Court fee to the Company of Baht 150,000 and returned the counter-claim Court fee of Baht 150,000. Other costs were taken upon oneself.

On 23 March 2021, the Court of First Instance ordered the return of the collateral in the appeal class to the Company and considered that the case was final.

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

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

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

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

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

Later on, 25 November 2019, it was the settlement of issues date or the witness examination date. But since the subsidiary has only received testimony from the party in recent days, as well as many complicated details in the case, so that in order to give the subsidiary the opportunity to fight the case fully and for the sake of justice, the subsidiary requested a postponement of the settlement of issues, which the Court has granted permission to postpone so that the subsidiary can review the party's testimony and prepare witnesses and documentary evidence, with a new date set for 30 January 2020.

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

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

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

On 25 September 2020, the Court ruled as follows:

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

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

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

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

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



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

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

The case is currently being prepared to submit to the Supreme Court for consideration, which the executive believed there was an equal chance between winning and losing. It depends on the Supreme Court's decision.

4. Black Dispute Case No. 125/2564

On 25 February 2021, the subsidiary filed a dispute with the insurance company with the Office of Insurance Commission (OIC) because the insurance company breached the non-life insurance contract, requesting compensation of Baht 61,438,270.64.

On 13 May 2021, the insurance company filed an objection.

On 21 December 2021, the appointment of the Chairman of Arbitral Tribunal through the MS team system has been made and the OIC appointed 3 persons to determine the dispute in this matter and the first hearing was scheduled for 24 February 2022.

The case is currently in process to determine the dispute and examine witnesses.

5. Black Dispute Case No. 39/2564

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

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

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

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

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

On 14 February 2022, the arbitral tribunal postponed the dispute to 1 March 2022 because the private company had recently received a request from the Company, so it was not able to make a statement of objection in time.

The case is currently in process to determine the dispute and examine witnesses.

Part 2



Corporate Governance Policy

6. Corporate Governance Policy

6.1 Corporate Governance Policy and compliance to Good Corporate Governance

Having recognized the importance of effective, transparent and accountable administration that result in all stakeholders' trust and sustainable business growth, the Company, with work ethics and related laws compliance in mind, defined good corporate governance policy to promote existing procedure for systematically execution of staffs at all levels and genuinely created good corporate governance culture. With policy or practice that fairly preserve shareholder's right as required by laws or even stricter for the highest benefit of the Company, shareholders and stakeholder in the long run, the Company developed manuals of Good Corporate Governance, Ethics and Code of Conduct and Anti-Corruption Policy for the directors, management and employee to apply with consideration to all stakeholders and compliance to laws and regulations with morality, fairness and equality. These manuals were published in the Company's website under "Sustainability/Corporate Governance" and incorporated as part of employee's Work Regulations. With a review of the appropriateness of the Company's practices in accordance with the Corporate Governance Code B.E. 2560 (2017) (CG Code) announced by the Office of the Securities and Exchange Commission, which the Company will comply with the principles that have not yet been followed within the appropriate timeframe to ensure that the Company has full implementation of the CG Code principles.

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

Compliance to Good Corporate Governance

1. Rights of the Shareholders

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

1.1) Arrangement of Shareholders' Meeting

The Company arranged the 2020 Annual General Meeting of Shareholders 14 May 2021, which was held via Electronic Meeting (E-AGM), broadcasted from the Company's Multifunction Room, 2nd Floor, No.8, Soi Sukhapiban 5 Soi 32, Tha-Raeng, Bangkok, Bangkok.

1.2) Notice of the Meeting

The Company published the resolution of the 4/2021 Board of Directors Meeting on 16 March 2021 regarding the determination of shareholders' meeting schedule and shareholders' right to attend the 2021 Annual General Meeting of Shareholders respectively at the Stock Exchange of Thailand's portal.

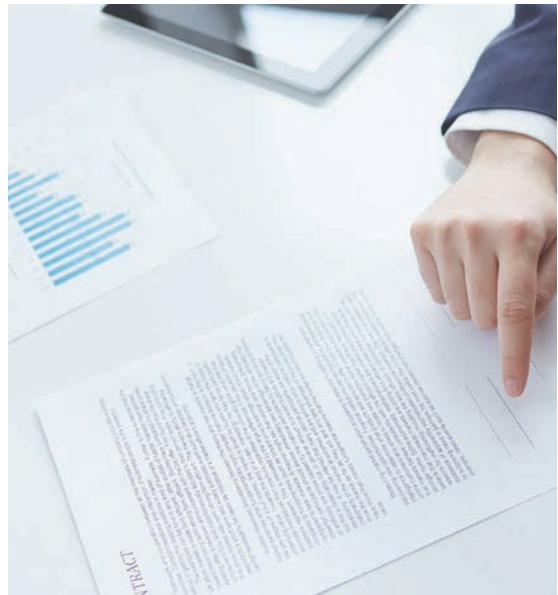
Prior to the 2021 Annual General Meeting of Shareholders, the Company has provided opportunities to shareholders to be part of the Company's corporate governance and selection of qualified persons by proposing meeting agenda or proposing suitable persons for director position during 30 September – 31 December 2020. Rules and consideration process were disclosed at the Company's website.

The Company published the invitation to 2021 Annual General Meeting of Shareholders, Thai and English, with supporting document in the Company's website and the Stock Exchange of Thailand's information portal on 29 March 2021 (30 days prior to meeting date). The notice of the meeting was sent out on 13 April 2021 and announced in the daily newspaper for 3 consecutive days before the meeting (during 19-21 April 2021) to ensure sufficient preparation time of shareholders to attend the meeting.

1.3) At the Shareholders' Meeting

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

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



1.4) Disclosure of Shareholders' Meeting Resolution

The Company disclosed meeting resolution with vote results at the evening of meeting day via the Stock Exchange of Thailand's portal and submitted minutes of the shareholders' meeting which included name and position of directors, management, advisors and auditors who were present at the meeting, voting procedure, vote result of each agenda, summary of inquiries, opinion and suggestion given by shareholders and clarification and answer given by directors and management through SET's disclosure information portal within 14 days after the meeting date. Minutes of meeting in Thai and English including VDO and voice record of the 2021 Annual General Meeting of Shareholders was uploaded on the Company's website on 24 April 2021.

The Company ensure minor shareholding structure to be in accordance with the Stock Exchange of Thailand's requirement. As at 30 March 2021, on which the share register book was closed to determine the shareholders who have the rights to attend the meeting, minor shareholding structure of the Company was accounted for 69.63%.



2. Equal treatment for all shareholders

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

2.1) Proxy

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

2.2) Proposal of Meeting Agenda and Person for Director Position

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

3. Roles of Stakeholders

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

3.1) Employees

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

3.2) Shareholders

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

3.3) Competitors

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

3.4) Customers

The Company commit to serve punctual and quality service with fair price to customers' requirements and strictly perform in accordance with the conditions and contracts. Also, the customers' confidential information has been protected and not used for their benefits or other persons concerned.

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

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

3.5) Partners

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

3.6) Creditors

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

3.7) Society and Community

The Company aware of responsibility to social, community and environmental development and has policy to allocate budget to support in relevant projects and activities and encourage directors, management and employee to participate in the activity to be part of social responsibility and community development.

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

The Company disclosed guideline regarding quality, occupational health, safety and environment management in "Business Drive for Sustainability".



4. Disclosure of Information and Transparency

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

Directors and management are required to declare their interest in report form yearly or at time when there is any changes and prepare document confirming their independency each year. The Company Secretary then present such report to the Chairman of Audit Committee and Chairman of the Board of Directors within 7 working days from the received date in accordance with the Securities Exchange Act B.E 2535 (1992). Furthermore, such information can also be used to check for and avoid potential conflict of interest. As for the report on holding of securities, the rules pertaining to the supervision and use of internal information will be applicable.

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

In 2021, Directors and Management's share transaction were as follows:

Name - Surname	Position	Shares as at 31 Dec 2020	Acquire during the year 2021	Disposal during the year 2021	Shares as at 31 Dec 2021 (Paid up capital Baht 1,198,393,354.75)	
					Share	%
1. Mrs. Paichit Rattananon	Chairman	34,913,971 (In the name of Mrs. Paichit)	-	-	34,913,971	0.364
		2,712,797,314 (In the name of KPK 1999 Co., Ltd) ⁽¹⁾	-	-	2,712,797,314	28.296
Total					2,747,711,285	28.660
2. Mrs. Rachadaporn Rajchataewindra	Independent Director and Chairman of Audit committee	-	-	-	-	-
3. Assoc. Prof. Kamjorn Tatiyakavee, M.D.	Independent Director and Audit committee	-	-	-	-	-
4. Mrs. Puangthip Silpasart	Independent Director and Audit committee	-	-	-	-	-
5. Mr. Smai Leesakul	Director and Chairman of Executive Committee	117,631,494	-	-	117,631,494	1.227
6. Mr. Pasit Leesakul	Director and Chief Executive Officer	10,919,998	-	-	10,919,998	0.114
7. Mrs. Podchanee Phaosavasdi	Director	-	-	-	-	-
8. Ms. Pavita Leesakul	Director and Vice President, Corporate Affairs Division	17,645,411	-	-	17,645,411	0.184
9. Mr. Loh Eng Kee	Chief Operating Officer	2,515,574	-	-	2,515,574	0.026
10. Mrs. Phanalee Noragitt	Chief Financial Officer	-	-	-	-	-
11. Ms. Rewadee Ardhan	Senior Accounting Manager	163,249	-	100,049	63,200	0.007
Total as at 31 December 2021		Including shares held by KPK 1999 Co., Ltd .			2,896,486,968	30.218
		Excluding shares held by KPK 1999 Co., Ltd.			183,689,648	1.558

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

- **Communication Channels to the Public**

The Board of Directors recognizes the significance of correct, complete, timely, transparent, and thorough information disclosure, the communication and PR of the Company's information was announced in various channels i.e. the Company's website, <https://www.trc-con.com/th/home>, under "Investor Relations" was used for PR NEWS, management's interview in newspaper or magazine.

The Board of Directors assigned Mr. Pasit Leesakul, Director and Chief Executive Office, Ms. Pavita Leesakul, Director and Vice President, Corporate Affairs Division, and Investor Relations department to be responsible in information disclosure and communicate with investors, shareholders, analysts, media and other concerned organization. Investors can inquire company's information by telephone number +66 2022 7777 extension 5205, 3207 or by email: ir_trc@trc-con.com.

5. The Directors' Responsibilities

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

- **Vision, Mission and Strategies**

The Board of Directors has policy to review the Company's vision, mission statements and business strategies every year. Coporate Strategy department is responsible to encourage management and employee to participate in determining target and strategy, to supervise that such strategy is practically used and to assess whether it is inline with the determined objectives and/or target. In 2021, the 8/2021 Board of Directors meeting on 14 December 2021 reviewed vision, mission and objectives which the Company has publicized to employee and disclosed on the Company's website under "About us/Vision Mission Objectives".

Furthermore, the Company's Board of Directors has a policy to allow the management to propose annual corporate objectives to the Board of Directors for approval. This involve setting of corporate performance index to

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

- **Structure and qualifications of the Board of Directors and Directorship in other company**

The Board of Directors consist of 8 members who meet the required qualifications and do not possess prohibited characteristics under the Public Company Limited Act. The Board should comprise persons with a variety of skills and expertise, regardless of gender. The Company has clearly separated positions between Chairman of the Board of Directors and Chief Executive Officer. The composition of the Board of Directors consists of three independent directors, representing more than one-third of the entire Board. This contributes to proper checks and balances and crosschecking of management.



The recruiting and appointing of Company's directors must go through the consideration and review process of the Remuneration and Nomination Committee. In each year, not less than one-third of the directors must step down in accordance to their tenure. The Company requires that each director is a Board member of not more than 4 listed companies. The Chief Executive Officer must report to the Board if a director serves as a Board member in another company. As of 2018, the structure of Board Directors will be reviewed annually, via the Skill Matrix to consider the work skills and work experience of each director. In 2021, the Board of Directors felt the directors have diverse skills and work experience which are beneficial to the Company's business operations. However, in compliance to the good corporate governance code and principles, the Company has to recruit 2 additional independent director in order to maintain the proportion of independent director at over 50%.

No directors serve as Board member in more than 4 listed companies in accordance to the recommendations of The Stock Exchange of Thailand and the policy of the Company. Details of the tenure of each director in other companies are shown in "Attachment 1 Details of Directors, Executives, Persons with Controlling Authority and company secretary"

● Segregation of the Chairman of the Board of Directors and the Chief Executive Officer

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

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

● Tenure of Independent Directors

Members of the Board of Directors are appointed at the Shareholders' Meeting. The tenure of the director is in accordance to the Company's articles of association and be re-appointed after their terms expired. The Company does not have an independent director who has served as

a director for more than 9 years. The independent director who has been re-appointed back to the position, has skills, knowledge and work experiences that are beneficial to the Company with no conflict of interest and independent from management and major shareholders. Therefore, for the highest benefit to the Company, there is no policy to limit serving years for independent director position.

● Orientation for New Director

When new director is appointed, the Company arrange orientation and provide the Charter of Board of Directors, latest Annual Registration Statement / Annual Report 2021 (Form 56-1 One Report), Good Corporate Governance manual, Ethics and Code of Conduct manual, Anti-Corruption policy, VDO presentation of company information and significant projects for such new director. Slide presentation with the Company's business information is prepared for the Chairman of Executive Officer to present to new director to ensure necessary information for his/her service.

● Self-assessment of the Board of Directors

The Board of Directors set up the policy requiring all directors to conduct assessment of the performance of the entire Board of Directors using the self-assessment form for the Board of Directors provided by the Corporate Governance Development for Capital Market Department, Stock Exchange of Thailand. For 2021, the Company used the form issued in February 2015 and updated information about the Company for each topic with the additional information for certain topics to support the assessment of the directors. There are 6 major topics for assessment:

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

In addition, the performance of each Board director and directors of 4 subcommittees Internal Audit Committee, Remuneration and Nomination Committee, Corporate Governance committee, Risk management Committee (will be evaluated in 3 categories - 1.

Structure and qualifications 2. Meeting 3. Roles, duties and responsibilities). The overall score earned from the performance evaluation of the Board of Directors, the individual director and the subcommittee directors will be shown to all the directors to serve as reference for correcting deficiencies and making improvements. For 2021, the performance evaluation results showed the Board of Directors received an overall score of over 94.33%.

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

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

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

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

- **Sub Committees**

The Company's Board of Directors has appointed a number of directors from the Board and executives to serve as subcommittee directors. The Board of Directors established 5 subcommittees - Audit Committee, Remuneration and Nomination Committee, Corporate Governance committee, Risk management Committee and Executive Committee to handle specific tasks. The scope of authority and responsibilities of the subcommittees are clearly specified in writing and disclosed on the Company's website and in the Company's Annual Registration Statement / Annual Report 2021 (Form 56-1 One Report). The subcommittee has the authority to request the management to attend meetings to clarify issues, or to prepare reports and/or hire a consultant to provide recommendations as deemed appropriate.

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

- **The Audit Committee**

As of 31 December 2021, the Audit Committee consists of 3 independent directors whose qualifications are in line with the criteria of the Stock Exchange of Thailand and the Securities and Exchange Commission in which the proportion of shareholding of the independent directors was set to not more than 0.75% which was stricter than the Securities and Exchange Commission's regulations that set at 1%.

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

- **The Remuneration and Nomination Committee**

As of 31 December 2021, the Remuneration and Nomination Committee comprised of 5 directors of which are 3 independent directors, the Chief Executive Officer and 1 executive director. These directors are responsible for recruiting directors and consider the remuneration for the Board of Director and the Chief Executive Officer. In 2021, there were 2 meetings to consider the 2021 merit increase and 2022 bonus for the Company and subsidiaries and for the Chairman of Executive Committee and the Chief Executive Officer; and to select director to replace director whose tenure has expired or resigned. The selected director must have the required qualifications, work skills, specific expertise and experience which would benefit the Company's business operations. The Remuneration and Nomination Committee also reviewed the Charter of the Remuneration and Nomination Committee.



- **The Corporate Governance Committee**

As of 31 December 2021, the Corporate Governance Committee comprises of 2 independent directors, the Chief Executive Officer and 1 executive director. These directors are responsible for overseeing the Company and subsidiaries' operations to be in compliance to the Good Corporate Governance Code and principles. In 2020, the Corporate Governance Committee held 2 meetings to review the plan and summary of the Corporate Social Responsibility (CSR) 2020 operating, acknowledge the publicly listed companies' corporate governance survey results for 2020, and acknowledge the Corporate Governance Report (CGR) criteria for 2018 which are being undertaken / not yet undertaken, including the review of the Charter of the Corporate Governance Committee Charter, and reviewed how the Company and subsidiaries performed with regards to compliance to the Securities Exchange Commission (SEC) and The Stock Exchange of Thailand (SET) listed firms Corporate Governance Code (CG Code) 2017 guidelines. The company will take action on the part that is not in accordance with the CG Code within the appropriate time frame to fulfill all the requirements / obligations.

- **The Risk Management Committee**

As of 31 December 2021, the Risk Management Committee consists of 2 independent directors, the Chief Executive Officer and 1 executive director to perform their duties in relation to risk management. In 2021, the committee held 2 meetings to acknowledge the overview of risk management; to approve the risk management plan and the preparation of the Annual Registration Statement / Annual Report 2021 (Form 56-1 One Report) only the part relevant to risk management; and to review the Risk Management Committee Charter. In addition, there has been the appointment of the Risk Handling Sub-Committee and the Risk Task Force assigned with duties to perform and manage risk-related tasks in

accordance with corporate policies, vision and strategic plan and to conduct the assessment of risks in varied dimensions.

- **Executive Committee**

As of 31 December 2021, the Executive Committee consisting of 4 executive directors which are responsible for developing plans, policies, direction, business strategies, and management structure for the Company's core business operation; considering the Company's performance in terms of profit/ loss, and the interim or annual dividend payment before proposing it to the Board of Directors; and performing other tasks as assigned by the Board of Directors.

● **Report of Board of Directors**

The Board of Directors is responsible for the Company and subsidiaries' financial statements which are conducted according to the Generally Accepted Accounting Principles with enough significant information disclosed in the note to financial statement. The Board of Directors appointed the audit committee which comprised of independent directors to be responsible for the quality of financial report and internal control system. The audit committee's opinion to the financial report and internal control system are expressed in the report of audit committee in the Annual Registration Statement / Annual Report 2021 (Form 56-1 One Report). Likewise, report on responsibilities of the Board of Directors to the financial report is proposed to the meeting of Board of Directors and disclosed in the Annual Registration Statement / Annual Report 2021 (Form 56-1 One Report).

● **Succession Plan**

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

● Directors and Officers Liability Insurance (D&O)

The business expansion, diverse types of business and transactions which TRC Group engages in today exposes the directors and officers to potential business related risks which can arise as they perform activities, engage in transactions, enter into contractual agreements/ obligations on behalf of the Company and subsidiaries. They expose to potential lawsuits from outsiders, shareholders, stakeholders/ vested parties. Hence, the Board of Directors have instructed the management to consider obtaining the Directors and Officers Liability Insurance (D&O) which specify the terms/conditions, the

amount of insurance and premium and propose it to the Board of Directors for review every year to ensure it is adequate to protect the directors and officers from potential lawsuits and damage/loss claims as they perform their duties on behalf of the Company and subsidiaries as assigned. The D&O insurance will not cover illegal, or fraudulent actions by the directors and officers in which case the Company and subsidiaries are not liable for any damage, or loss caused by such action. The compensation for damage/loss will have to be sought by the victim from the director/officer who committed the illegal act.

● Balance of Power for Non-executive Directors

As of 31 December 2021, the Company's Board of Directors consists of 8 directors including:

- | | | |
|---|---|---------|
| - Chairman, representative from major shareholder | 1 | person |
| - Independent directors | 3 | persons |
| - Executive directors | 4 | persons |

● Remunerations for Directors and Management

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

● Directors and Management Development

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

In view of communicating the Company's policies, goals, business direction and strategies, the Company has been holding a meeting or workshop seminar, at least once a year as required by policy, specifically for the Company's directors, in which guests with direct, extensive experience were usually invited to be the co-speakers/instructors.



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

In 2021, director and executive participation in the training courses and seminars were as follows:

- Mrs. Phanalee Noragitt, Chief Financial Officer attended the e-learning CFO's Orientation course and courses on trending, directions for M&A, key issues to consider and strategies for successful M&A organized by the Stock Exchange of Thailand

The Company emphasized self-development of directors and management, therefore, various trainings and courses by specialist were conducted to build up management's knowledge and understanding for practical use in organization management and preparation of the Company's future growth. Courses conducted in 2021 were stated in "Attachment 1 Details of Directors, Executives, Persons with Controlling Authority and company secretary".

● Board of Directors Meeting

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

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

The Board of Directors' policy is to encourage each director to attend the Board of Directors meeting regularly, at least 80% of the number of times the meetings are held during the year. In 2021, the Board of Directors attended each meeting at a total of 8 meetings. The meeting attendance records of each member of the Board of Directors and subcommittee are disclosed under the topic "Corporate Governance Performance Report". The Board of Directors also has a policy to allow independent directors to attend meetings together at least once a year without the presence of the executive and the management. In 2021, the meeting of independent directors was held in December.

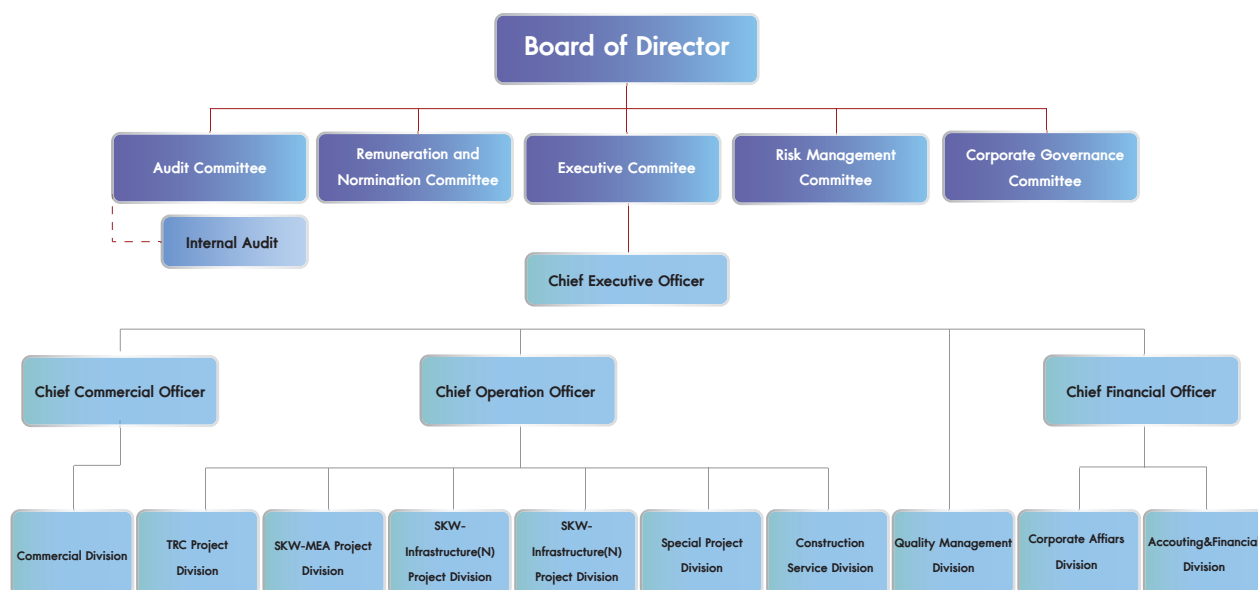
The Company and subsidiaries added the followings requirements pertaining to good corporate governance:

- Since 2012, meeting between independent directors and accounting auditor, without the presence of executive, or the management, of at least once a year is required. In 2021, such meeting was held in February.
- Since 2016, the passing of the Board's resolution for each Board of Directors' meeting requires the presence of at least two-third (2/3) of the total number of directors.
- Since December 2018, the agenda pertaining to the report involving a director with vested interest must be place first on the list of agendas for the Board of Directors to consider every time. The director with vested interest must not be present at that particular Board meeting which his/her vested interest issue being review by the Board of Directors

Corporate governance structure and significant information related to the Board of Directors, subcommittees, executives, employees and others

7. Corporate governance structure and significant information related to the Board of Directors, subcommittees, executives, employees and others

Management structure



1. The Board of Directors

Composition of the Company's Board of Directors

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

As at 31 December 2021, the Board of Directors and the subcommittees are listed below;



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

☒ Chairman ✓ Committee

1. Chairman of the Board of Directors is represented by KPK 1999 Company limited

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

Summary of Director Appointment

Name-List of Board of Directors	Appointed Year	Latest Appointment	Type of Directorship	Nomination/ Appointment in 2021	Next Appointment
1. Mrs. Paichit Rattananon	2005	2019	Chairman of the Boards	No	2022
2. Mrs. Rachadaporn Rajchataewindra	2019	2021	Independent Director	Yes	2024
3. Assoc. Prof. Kamjorn Tatiyakavee, M.D.	2019	-	Independent Director	No	2022
4. Mrs. Puangthip Silpasart	2016	2020	Independent Director	No	2023
5. Mr. Smai Leesakul	2007	2020	Executive Director	No	2023
6. Mr. Pasit Leesakul	2013	2020	Executive Director	No	2023
7. Mrs. Podchanee Phaosavasdi	2007	2021	Executive Director	Yes	2024
8. Ms. Pavita Leesakul	2018	2019	Executive Director	No	2022

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

1.1 The Board of Directors of the Company as of 31 December 2021

- Board of Directors of TRC Construction Public Company Limited consists of 8 members as follows:

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

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



Scope of Duties and Responsibilities of the Board of Directors

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

17. Establish annual performance evaluation process for the Chairman of the Board of Directors, the Chief Executive Officer and high level executives and approve the remuneration for the Chairman of the Board of Directors and the Chief Executive Officer.
18. Monitor the transparent process for the nomination, selection and appointment of the Company's directors; determine the appropriate remuneration for directors and sub-committees members.
19. Devote adequate time to perform duties and to participate in the Board of Directors' meetings and shareholders' meetings. If the director could not attend such meeting due to any force majeure, he / she must notify the Chairman of the Board of Directors, or the Company secretary prior to the start of the scheduled meeting.
20. Ensure that the conflict of interests between the Company and related persons does not exist.
21. Report the Board of Directors' responsibilities for financial reports together with external auditor's report in the Company's annual report. Such Board of Directors' report shall include all the subjects as specified in the code of conduct for directors of the listed company.
22. The Board of Directors shall be able to authorize the following transactions after they receive the Shareholders' Meeting approval to do so. For the transactions that might lead to any conflicts of interests, the director who might have such conflict of interest must not vote on that transaction.
 - (a) The transactions that are required by law to receive the Shareholders' Meeting approval.
 - (b) The transactions that might lead to any conflict of interests as well as are required by laws and/or regulations of the Stock Exchange of Thailand to receive the Shareholders' Meeting approval.
23. Regularly seek new knowledge and develop new skills which would complement job duties as board members by attending special courses / seminars.
24. The Board of Directors may appoint directors and executives as deemed appropriate to serve as members of other subcommittees, to perform duties as assigned by the Board of Directors, to participate in approving the charter for each subcommittees which have to be reviewed regularly and annually, as well as the measures / procedures for approving connected transactions.
 However, the abovementioned authorization to directors does not include an authorization that enables the members of each sub-committee to approve every transaction engaged with their own, or other's conflicts of interest with the Company, or subsidiary company (if any). In addition, for very connected transaction and acquisition and disposition of asset, they are also required to obtain an approval of shareholders meeting as prescribed in the Stock Exchange of Thailand's rules.
25. Prohibited acts of the Board of Directors;
 - 25.1 The Board of Directors shall not interfere in decision-making of the Company's management for the matters that the management is responsible to handle and as assigned by the Board, such as procurement, employee recruitment, day-to- day operation, etc.
 - 25.2 The Board of Directors shall carefully approve every connected transaction and / or any transaction with conflicts of interest and in the approval of the related transaction, directors with vested interests shall leave the meeting.

Scope of Duties and Responsibilities of the Chairman

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



1.2 Audit Committee

As of 31 December 2021, the Audit Committee consists of 3 independent directors as follows:

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

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

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

Audit Committee has 3-year term.

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

Scope of duties and responsibilities of the Audit Committee

1. Review and ensure that the disclosure of information in financial statements is accurate and adequate by cooperating with the Company's external auditor and management who is responsible for the quarterly and annually financial statements. Moreover, to recommend the external auditor to review or audit any transactions deemed significant during the auditing period.
2. Consider, approve the internal audit plan, budget, and manpower of the internal audit work or select / propose the appointment of an internal auditor in the case of using an outsourcing service.
3. Review the Company's internal control system and internal audit system to ensure appropriateness and effectiveness and consider the independence of the internal audit function as well as approve the appointment, transfer, recognition, and termination of the Head of Internal Audit and the change of internal auditor in the case of using an outsourcing service.
4. Review and ensure that the Company's operations are in compliance with the rules and regulations of the Securities Exchange Commission and the Stock Exchange of Thailand, as well as relevant laws.
5. To consider, select and nominate the external auditor and also propose the external auditor's remuneration including attend the meeting with the external auditor without participation of the Company's management at least once per year.
6. To consider the connected transactions or transactions that may lead to any conflict of interest and non-compliance with the laws and the Stock Exchange of Thailand's regulation to ensure that those transactions are reasonable and bring highest benefit to the Company.
7. To perform any duties as assigned by the Board of Directors and agreed upon by the Audit Committee such as reviewing the financial management and risk management policy, compliance with business ethic of the management and review with the management the important reports required for disclosure to the public according to the laws i.e. Management's report and analysis, etc.

8. Prepare the corporate governance report of the Audit Committee for disclosure in the Company's Annual Report in which has been signed by the Chairman of the Audit Committee and consisting of at least;
 - 8.1 Comment on appropriateness and completeness and reliability of the Company's Financial statements.
 - 8.2 Comment on sufficiency of the Company's internal control system.
 - 8.3 Comment on compliance with the rules and regulations of the Securities Exchange Commission and the Stock Exchange of Thailand as well as relevant laws.
 - 8.4 Comment on appropriateness of the auditors.
 - 8.5 Comment on connected transactions.
 - 8.6 A number of Audit Committee Meetings and attendances of each member.
 - 8.7 Comment or overview observation from which the Audit Committee has been gained after performing in compliance with the charter.
 - 8.8 Any reports which deem appropriate to be reported to the shareholders and other general investors under the scope of works and responsibility as assigned by the Board of Directors.
9. Report all regular activities as scheduled in order that the Board of Directors can acknowledge the Committee's activities as follows:
 - 9.1 The Audit Committee's Minutes of Meetings clearly specify the Committee's comment in various issues.
 - 9.2 The report of the Committee's comment on financial statements, internal audit and internal audit process.
 - 9.3 Any report which deem appropriate for acknowledgement of the Board of Directors.
10. During performing their duties, if the Committee finds any doubtful transactions or behaviors as shown below which may cause a significant impact to the Company's financial status and operating result, the Committee should report to the Board of Directors for further improvement as deem appropriate:
 - 10.1 Conflict of interest transactions.
 - 10.2 Any suspicion or presumption of corruption, paradox or default which are significant for internal audit system.
 - 10.3 Any suspicion that there are non-compliance with the rules and regulation of the Securities Exchange Commission and the Stock Exchange of Thailand or relevant laws.
11. In case that the abovementioned report has been and informed submitted to and discussed among the Board of Directors, the Committee and the Company's management for further improvement, however, after the due date, should the Committee finds that there is any negligence without inappropriate reason, one of the Committee's members can further report this to the Securities Exchange Commission and the Stock Exchange of Thailand. In case that the auditor finds any doubtful acts which are noncompliance with the laws done by director, manager or any person who are responsible for the Company's operating and the matters of fact has been reported to the Committee for acknowledgement and prompt inspection. The Committee should then report the outcome of preliminary inspection to the Securities Exchange Commission, the Stock Exchange of Thailand and the auditor for acknowledgement within 30 days after getting the auditor's report. Any doubtful acts required to be reported including the procedure to gain the matters of fact should be in line with the Capital Market Commission's regulation.
12. Have authorization to invite directors, management, department heads or employees for discussion or clarification on the Committee's inquiry.
13. Review the scope of works and responsibility as well as appraise the Committee's performance on yearly basis.
14. Perform any other duties as assigned by the Board of Directors and agreed upon by the Audit Committee.



1.3 Remuneration and Nomination Committee

As of 31 December 2021, the Remuneration and Nomination Committee consists of 5 members of which 3 were independent directors and 2 were executive directors as follows:

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

Ms. Fungfun Chansiri, Company secretary, as the Secretary to the Remuneration and Nomination Committee

Remuneration and Nomination Committee has 3-year term.

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

Scope of duties and responsibilities of the Remuneration and Nomination Committee

1. Remuneration
 - 1.1. Consider and set the scope of the budget for increase of monthly salary and annual bonus for the Company, subsidiaries and Sahakarn Wisavakorn Co., Ltd. at appropriate rates in line with the overall operations results of TRC Group.
 - 1.2. Specify the job performance evaluation criteria and participate in the annual job performance evaluation of the Chairman of the Executive Committee and the Chief Executive Officer and submit the evaluation results to the Board of Directors to consider and approve the appropriate remuneration accordingly.
 - 1.3. Consider whether the remuneration form and criteria for directors, Chairman of Executive Committee and Chief Executive Officer are commensurate and reasonable to their obligations, performance, the Group's performance and size of business operations relative to other companies in the same industry.
 - 1.4. Determine the annual remuneration rates for members of the Board of Directors and other committees, Chairman of the Executive Committee, and Chief Executive Officer before proposing only the rates for Chairman of the Executive Committee and Chief Executive Officer to the Board of Directors for approval while the rates for members of the Board of Directors and other committees are to be approved by the meeting of shareholders after being presented to the Board of Directors for preliminary consideration.
 - 1.5. In case of public offering of securities or offering of warrants to directors and employees under the Employees Stock Option Program (ESOP), the Remuneration and Nomination Committee is responsible for considering the appropriateness of conditions and criteria for issuance and allotment of warrants to ensure fairness to both employees and shareholders and, in case where the warrant allotment to directors exceeds 5% of all warrants offered, giving endorsement to the transaction. In any circumstances, no members of the Remuneration and Nomination Committee shall be allowed to obtain warrants in a quantity larger than 5%.

2. Nomination of directors

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

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

1.4 Corporate Governance Committee

As of 31 December 2021, the Corporate Governance Committee consists 4 members of which 2 were independent directors and 2 were executive directors as follows:

1. Mrs. Puangthip Silpasart as the Chairman of Corporate Governance Committee
2. Mrs. Rachadaporn Rajchataewindra
3. Mrs. Podchanee Phaosavasdi
4. Ms. Pavita Leesakul

Ms. Fungfun Chansiri, Company secretary, as the Secretary to the Corporate Governance Committee

Corporate Governance Committee has 3-year term.

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



Scope of duties and Responsibilities of Corporate Governance Committee

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

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

1.5 Risk Management Committee

As of 31 December 2021, the Risk Management Committee consists of 4 members of which 2 were independent directors, the Chief Executive Officer and 1 executive director as follows:

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

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

Risk Management Committee has 3-year term.

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

Scope of duties and Responsibilities of the Risk Management Committee

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

1.6 Executive Committee

As of 31 December 2021, the Executive Committee consists of 4 executive directors as follows:

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

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

Scope of duties and responsibilities of the Executive Committee

1. Set policies, targets, strategies, business and operations plans, allocate annual expense and investment budgets, scope of authorization chart, scope of authority of management authority and management structure for the Company's core business operations, including consideration to revise / improve various functions to support changes in the economic and competitive environment; for proposal to the Board of Directors for consideration and approval.
2. Oversee to ensure business operations are proceeding efficiently and effectively in accordance to corporate policies, objectives, business plans / strategies and annual budgets approved by the Board of Directors; provides advice / suggestions to the management when necessary.
3. Responsible for establishing current / savings, loan / credit line accounts, bank guarantee, collateral, mortgage, etc. with banks / financial institutions, including purchase / sale and registration of land plots in accordance to the corporate business operations objectives which must receive approval from Board of Directors.
4. Responsible for entering into business contractual agreement on behalf of the Company, including contracts pertaining to purchase of assets, or rights to the use of assets for the benefits of the Company; specify how to negotiate in establishing such contractual agreements.
5. Consider profit and loss of the Company and propose the interim or annual dividend and propose to the Board of Directors.
6. Review the actual operations results of the Company and subsidiaries every quarter and compare it to the planned budget figures prior to proposing it to the Board of Directors.
7. Has the authority to hire, appoint, transfer, remove, terminate employment, set the remuneration, grant rewards, increase salaries, compensation, bonus for managerial level staffs (from the assistant division manager up). However, the authority to hire, appoint, transfer, remove, terminate employment high level executive (1 level below the Chief Executive Officer) rest with the Remuneration and Nomination Committee.
8. Proceed with other matters to lend support, or as assigned by the Board of Directors.
9. Consider and report to the Board of Directors the transactions which are in questions of fraud or illegitimate or irregular activities.
10. To perform any other duties as assigned by the Board of Directors.

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



Budget Authorization Authority of the Executive Committee and Chief Executive Officer

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

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

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

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

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

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

2. Executives

As of 31 December 2021, the Company management consists of 5 members as follows:

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

Scope of duties and responsibilities of Chief Executive Officer

1. To support operations and administration of Board by advising and informing Board members, interfacing between board and staff.
2. To set the work-system for product & service production and delivery including marketing, bidding, design, procurement.
3. To take responsibility in financial, tax, risk and facility management of the company and also recommends yearly budget for Board approval and prudently manages organization's resources within those budget guidelines according to current laws and regulations.
4. To effectively manage the human resources of the organization according to authorized personnel policies and procedures that fully conforms to current laws and regulations.
5. To manage the community and public relations by assuring that the organization and its mission, programs, products and services are consistently presented in strong, positive image to relevant stakeholders.
6. To oversee fundraising planning and implementation, including identifying resource requirements, researching funding sources, establishing strategies to approach funders, submitting proposals and administrating fundraising records and documentation.
7. To perform any other duties as delegated by the Board of Directors.

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

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

3. Executive Directors and Management's Remunerations

● Monthly Remuneration

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

Remuneration	2020		2021	
	Persons	Amount (MB)	Persons	Amount (MB)
Salary	5	22.80	5	19.29
Bouns		0		0
Total		22.80		19.29

Note: 1. 5 managements consist of Mr. Smai Leesakul, Mr. Pasit Leesakul, Mrs. Phanalee Noragitt, Mr. Loh Eng Kee and Ms. Pavita Leesakul.
 2. The management's remuneration consists of salary, bonus, life & group accident insurance, health insurance, commencing year group social security funds and counterpart for provident funds but not include Accounting Manager's and Finance Manager's remuneration.

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

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

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



- **Other Remunerations**

(B) Other remuneration of executives

Provident Fund

Allowance	2020		2021	
	Persons	Amount (MB)	Persons	Amount (MB)
Provident Fund	4	1.07	4	0.66

Note: 4 managements consist of Mr. Smai Leesakul, Mr. Pasit Leesakul, Mrs. Podchanee Phaosavasdi and Ms. Pavita Leesakul.
 Mr. Smai Leesakul resigned from the Provident Fund on 30 June 2021
 Mrs. Podchanee Phaosawasdi resigned from the Provident Fund on 28 February 2021

4. Employees

As of 31 December 2021, the Company and Sahakarn Wisavakorn Company Limited. had the total number of 1,150 staffs consisting of 311 permanent and 839 temporary as follows:

Division	Number of employees	
	2020	2021
Permanent staffs		
Management (from Vice President upwards)	7	7
Commercial Division	18	10
Engineering Division	47	44
Operation Division	92	96
Construction Service Division	16	16
Corporate Affairs Division	82	88
Quality Management Division	31	29
Accounting & Finance Division	20	21
Total	313	311
Temporary staffs	1,260	839
Grand total	1,573	1,150

- **The Employee's Remuneration:**

In 2021, the Company and Sahakarn Wisavakorn paid the employee's remuneration of Baht 485.13 million consisting of salary, overtime, bonus, social security funds and counterpart for provident funds, etc.

(Unit: Million Baht)

Remuneration (excluding directors and executives named in the preceding section)	2020	2021
Permanent staffs	309.48	232.25
Temporary staffs	191.83	252.88
Total	501.31	485.13

- **Provident Fund**

The Company has established “TISCO Master Pooled Fund” - a registered provident fund managed by Tisco Securities Co., Ltd. with a view to building employee morale and spirit, and encouraging long-term employment. More details appear in the section “Business Drive for Sustainability”.

- **Employees Development Policy**

According to TRC Group’s philosophy, employees are the organization’s most valuable asset. The Company’s ongoing commitment and focus has always been around the management of human resources. The Company’s policy on human resources development and management. More details appear in the section “Business Drive for Sustainability”.

- **Significant Labor Legal Dispute during the past 3 years**

None

5. Company Secretary

In 2021, the Board of Directors appointed Ms. Fungfun Chansiri as the Company Secretary effective from 24 February 2021 to comply with Section 89/15 of the Securities and Exchange Act B.E. 2535 (the “Securities Act”).

The Company Secretary has duties and responsibilities under Section 89/15 of the Securities Act and the Company’s Good Corporate Governance Policy as follows:

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

More details are shown in “ Attachment 1 Details of Directors, Executives, Persons with Controlling Authority and company secretary”

Note: Ms. Fungfun Chansiri has resigned as company secretary effective 31 December 2021.



6. Investor Relations

The Company has set up an investor relations unit to disclose important information and communicate with investors, shareholders, analysts, reporters and other relevant agencies accurately, in timely, transparently and thoroughly, with communications and public relations of the Company in various formats through various media including the Company's website <https://www.trc-con.com/th/home> on "Investor Relations", such as the Company's press releases and executive interviews in newspapers and magazines. By coordinating with the data-owning agency, which is responsible for providing the details to be summarized as disclosure information and seeking approval from the Chief Executive Officer or the person assigned before publication, as well as being responsible for investor relations activities, such as attending the Opportunity Day of the Stock Exchange of Thailand etc.

In 2021, the Company's investor relations activities consists of activities as follows

Activities	
Listed company meets investors (Opportunity Day)	For Financial Statements Q1 of 2021 For Financial Statements Q2 of 2021 For Financial Statements Q3 of 2021

Investors can contact the Company for information about investor relations at +66 2022 7777 ext. 5205, 3207 or by email ir_trc@trc-con.com

7. Accounting Supervisor

The Company has assigned Ms. Rewadee Ardham, senior accounting manager, to oversee accounting, who has the qualifications and conditions to be the person supervising accounting in accordance with the criteria set out in the Announcement of the Department of Business Development and the Securities and Exchange Commission. More details are shown in "Attachment 1 Details on directors, executives, authorized persons and company secretary"

8. Audit Fee

- Audit Fee

	Audit Firm	2021 Audit Fee
TRC Construction Public Company Limited	Dharmniti Auditing Company Limited.	Baht 1,200,000
Subsidiaries;		
Sahakarn Wisavakorn Co., Ltd	Dharmniti Auditing Company Limited.	Baht 955,000
TRC Utility Company Limited	Dharmniti Auditing Company Limited.	Baht 285,000
SH Crossings Company Limited	Dharmniti Auditing Company Limited.	Baht 410,000
Sahakarn-Underground Joint Venture	Dharmniti Auditing Company Limited.	Baht 80,000
Olive Technology Co., Ltd.	Dharmniti Auditing Company Limited.	Baht 80,000
Sahahydro Pattaya Joint Venture	Dharmniti Auditing Company Limited.	Baht 190,000

- Non-Audit Fee

Travelling expenses of the auditors for 2021 audit tasks

TRC Construction Public Company Limited 61,316 Baht

Sahakarn Wisavakorn Company Limited 21,136 Baht

Report on key operating results on corporate governance

8. Report on key operating results on corporate governance

8.1 Summary of duty performance of the Board of Directors in the past year.

8.1.1 Nomination Process of Director and Top Management

(1) Independent Director

Criteria of Independent Director Selection

● Process of Independent Director Nomination

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

● Qualifications of the Independent Director

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

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

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

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

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

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

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

(2) Director and Top Executive Selection

● Director Selection

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

1. A shareholder is equal to one share one vote.
2. Shareholders will vote for director appointment on individually basis.

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

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

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

● Top Executive Selection

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

- The Board of Directors approved to set up the succession plan for Chief Executive Officer position as well as experience transfer to their potential subordinates to work in their replacement for emergency case or retirement.
- The basic qualifications of Chief Executive Officer are as follows:
 - The education should be not lower than a master degree in engineering field or business administration or other related fields. In case of being educated in lower degree, it is subject to the discretion of the Remuneration and Nomination Committee on his other qualifications.
 - Having experience not less than 10 years in the top executive position management.
 - Having leadership character with wide vision.
 - Be capable in strategic planning and organizational management.
 - Having cautious decision making and problem solving with recognition of highest benefit of the Company

8.1.2 Attendance and remuneration of individual board members

8.1.2.1 Summary of directors' attendance in 2021 Board of Directors' Meeting

In 2021, the Company arranged the total of 8 meetings of Board of Directors and percentage of directors' attendance was 100%. Various sub-committee meetings were also arranged. Details of directors' attendance can be found as follows:

Name-List of Board of Directors	Attendances in 2021 (time)						
	General Meeting	Directors	Audit Committee	Remuneration and Nomination Committee	Corporate Governance Committee	Risk Management Committee	Executive Committee
1. Mrs. Paichit Rattananon	1/1	8/8	Not a member	Not a member	Not a member	Not a member	Not a member
2. Mrs. Rachadaporn Rajchataewindra ⁽²⁾	1/1	8/8	4/4	2/2	2/2	2/2	Not a member
3. Assoc. Prof. Kamjorn Tatiyakavee, M.D. ⁽³⁾	1/1	8/8	4/4	2/2	Not a member	2/2	Not a member
4. Mrs. Puangthip Silpasart	1/1	8/8	4/4	2/2	2/2	Not a member	Not a member
5. Assoc. Prof. Pises Sethsathira ⁽¹⁾	1/1	3/3	Not a member	1/1	-	Not a member	Not a member
6. Mr. Smai Leesakul	1/1	8/8	Not a member	Not a member	Not a member	Not a member	15/15
7. Mr. Pasit Leesakul	1/1	8/8	Not a member	2/2	Not a member	2/2	15/15
8. Mrs. Podchanee Phaosavasdi	1/1	8/8	Not a member	2/2	2/2	2/2	9/15
9. Ms. Pavita Leesakul	1/1	8/8	Not a member	Not a member	2/2	Not a member	Not a member
10. Mr. Loh Eng Kee	Not a member	Not a member	Not a member	Not a member	Not a member	Not a member	15/15

Note

1. Assoc. Prof. Pises Sethsathira did not extend his term of director position at the 2021 Annual General Meeting of Shareholders
2. Mrs. Rachadaporn Rajchataewindra was appointed as a member of the Corporate Governance Committee in replacement Assoc. Prof. Pises Sethsathira at the 4/2021 Board of Directors' Meeting on 14 May 2021
3. Assoc. Prof. Kamjorn Tatiyakavee, M.D. was appointed as a chairman of the Remuneration and Nomination Committee at the 2/2021 Remuneration and Nomination Committee meeting on 23 November 2021



8.1.2.2 Remuneration of Directors

● Monetary Remuneration

In 2021, the directors' remuneration can be summarized as follows:

1. Monthly remuneration: Baht 50,000 per month for Chairman of the Board of Directors, Baht of 25,000 per month for independent director who is Chairman of the Audit Committee, Baht 20,000 per month for each independent director (2 independent directors), and Baht 10,000 per month for each executive director (4 executive directors).

2. Special remuneration or bonus: The 2021 Annual General Meeting of Shareholders approved for no bonus to directors for the 2020 operating results.

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

4. For subsidiaries, in 2021, the director remuneration was arranged and paid for Sahakarn Wisawakorn Company Limited only and in a form of monthly remuneration at the rate of Baht 10,000 per persons for 5 directors.

The summary of the directors' remuneration for 2021 as follows:

(Unit: Baht)

Name-Surname	TRC Director Remuneration					Sahakarn Wisavakorn's Director Remuneration	Total of Remuneration
	Board of Directors (2021 monthly Remu- neration)	Meeting Fee					
		Audit Committee	Remuneration and Nomination Com- mittee	Corporate Gover- nance Committee	Risk Management Committee		
1. Mrs. Paichit Rattananon	600,000	Not a member	Not a member	Not a member	Not a member	120,000	720,000
2. Mrs. Rachadaporn Rajchataewindra	300,000	40,000	20,000	20,000	20,000	Not a member	400,000
3. Assoc. Prof. Kamjorn Tatiyakavee, M.D.	240,000	40,000	20,000	Not a member	20,000	Not a member	320,000
4. Mrs. Puangthip Silpasart	240,000	40,000	20,000	20,000	Not a member	Not a member	320,000
5. Mr. Smai Leesakul	120,000	Not a member	Not a member	Not a member	Not a member	60,000	180,000
6. Mr. Pasit Leesakul	120,000	Not a member	No Meeting Fee	Not a member	No Meeting Fee	120,000	240,000
7. Mrs. Podchanee Phaovasavadi	120,000	Not a member	No Meeting Fee	No Meeting Fee	No Meeting Fee	120,000	240,000
8. Ms. Pavita Leesakul	120,000	Not a member	Not a member	No Meeting Fee	Not a member	60,000	180,000
9. Assoc.Prof. Pises Sethsathira ⁽¹⁾	60,000	Not a member	10,000	-	Not a member	Not a member	70,000
Total remuneration for TRC directors amounted to Baht 2,190,000	1,920,000	120,000	70,000	40,000	40,000		
Total remuneration for SKW directors						480,000	
Grand Total of TRC and SKW director's remuneration							2,670,000

Note

(1) Assoc. Prof. Pises Sethsathira did not extend his term of director position at the 2021 Annual General Meeting of Shareholders

- **Other Remunerations**

- (A) **Other remuneration of directors**

The Chairman of the Board Directors receives the counterpart for provident funds (total of Baht 42,000 in 2021) life & group accident insurance, health insurance, car, driver and fuel.

- (B) **Other remuneration of independent directors**

The independent directors gain the health insurance

8.1.3 Subsidiaries and Joint Venture Performance Monitorin

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

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

8.1.3.1 Monitoring compliance with corporate governance policies and practices

- **Regulating the Use of Internal Information**

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

- **Definition of Internal Information**

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

- **Rules, Regulations on Use of Internal Information**

1. The Company and its subsidiaries will adhere to the generally accepted practice of listed companies as required by The Stock Exchange of Thailand (SET) pertaining to the disclosure of internal information which could influence investors' decisions, before such information is released to the securities analysts, outsiders, or the general public. The Chief Executive Officer (CEO), Division Directors and the Company Secretary have been assigned to serve on behalf of the Company to act as spokesperson in disclosing approve information to investors, and the general public.

2. Directors, executives, staffs and employees of the TRC Group and outsiders who have access to the TRC Group's internal information, are required not to disclose such information, or allow it to leak to outsiders



and in accordance to the announced guidelines on “proper use, safeguard and management of information technology”, as well as limited access (authorized personnel only) to computer server room and prevention of potential damage risk to the Company’s information technology system. Company’s internal information must not be disclosed without prior approval, or for the benefit of others, or personal gain, both directly and indirectly.

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

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

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

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

4. Directors, executives, accounting auditor, temporary executives, representative, planner, executive planner, temporary executive planner, must report changes in value of the securities they hold, including forward contracts related to their Company/ subsidiaries, as well as person(s) closely related to them, in accordance to Article 59 of the 5th Securities Exchange Act BE 2559 (2016) 59 – pertaining to the procedure in submitting a notice (in digital form) to the SEC and SET within 3 days of the securities trading/transfer; including notifying the Company’s Secretary for the purpose of preparing a report to inform the Board of Directors of such changes.

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

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

● **Anti-Fraud and Anti-Corruption**

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

In 2021, the Company did not receive any complaints, or information relating to fraud, or corruption.

● Whistleblowing

The Company has provided channels for whistleblowing regarding fraud or non-compliance with the law, regulations, and ethics and code of conduct which can provide information about such actions through the following channels:

1. Contact the Chairman of Audit Committee directly.

By e-mail address : chairman.auditcor@trc-con.com or visit the Company's website (www.trc-con.com) and: Click at icon "Send email to the Chairman of Audit Committee"

By Fax : +6620227788

By post : Chairman of the Audit Committee
TRC Construction Public Company Limited
8 Soi Sukhaphiban 5, soi 32, Tha Raeng, Bangkok, Bangkok 10220

2. Contact via Company Secretary

By e-mail address : CorporetaSecretary@trc-con.com

telephone : +6620227777

By Fax : +6620227799

By post : Company Secretary
TRC Construction Public Company Limited
8 Soi Sukhaphiban 5, soi 32, Tha Raeng, Bangkok, Bangkok 10220

3. Contact via the Company's website to write an e-mail to the Company.

For whistleblowing through channels 2 and 3, the company secretary will collect the information, complaints or whistleblowing and present all complaints to the Chairman of the Audit Committee. The Chairman of the Audit Committee will consider the procedures and report significant matters to the Audit Committee and/or the Board of Directors.

For employees, the Company is ready to listen to opinions, suggestions, or complaints. To determine whether it may be an offense and what level of liability it is in order to impose penalties for such offenses fairly and correctly.

The Company has allowed employees to submit comments, suggestions, or complaints through the following channels:

1. Feedback Box opened by human resources manager once a month

2. Complain through hierarchical supervisors identified in work regulations

The Company will collect and propose comments, suggestions or complaints that are considered important or require any action to the Welfare Committee in the Workplace.

There were no complaints or whistleblowing in 2021.



8.2 Summary of the performance of the sub-committees

8.2.1 2021 Report of the Audit Committee

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

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

In 2021, there were 4 Audit Committee meetings in which the company's management, internal auditor and CPA auditor were present to review the financial statement and connected transaction, provide suggestion that was useful to accuracy, complete and trustworthy information of the financial report and improvement of the organization's internal control system. Highlight of the Audit Committee's performance in 2021 can be summarized as follows;

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

2. Review of Internal Control and Internal Audit the Audit Committee ensured the company's good and efficient internal control system. In every board of directors meetings that considered financial statement, the Audit Committee proposed the summary of internal audit and significant issues for the meeting to together discuss over improvement method. The Audit Committee considered the evaluation of Committee of Sponsoring Organizations of the Treadway Commission prior to submission to the meeting of board of directors' consideration. The Audit Committee and the board of directors were of the opinion that in 2021, the company and subsidiaries had sufficient and appropriate internal control and internal audit system.

3. Review of Legal Compliance the Audit Committee ensured the company's compliance to the Securities and Exchange, the Stock Exchange of Thailand, and other related laws and regulations governing the company and subsidiaries' business. In 2021, there was no transaction against the relevant laws, rules and regulation.

4. Review of Connected Transaction or Conflict of Interest the Audit Committee considered and reviewed connected transaction or conflict of interest according to the Stock Exchange of Thailand and the Office of Securities and Exchange Commission's announcement. The Audit Committee was of the opinion that in 2021, the company and subsidiaries' transaction were pursuant to general business condition in a fair, reasonable manner and with sufficient information disclosed.

5. Selection and Nomination of Auditor and Audit Fee the Audit Committee selected 2021 auditor based on the performance, qualifications, professional skills and audit experiences. The Audit Committee proposed its opinions to the board of directors to further propose to the 2021 Annual General Meeting of Shareholders for the appointment of auditors from Dhamniti Auditing Company Limited with audit fee of Baht 1.2 million.

In 2021, the Audit Committee performed its duties with knowledge, skills and independence according to the Audit Committee Charter and of the opinion that the company and subsidiaries' financial statements were accurate, sufficient and in line with the generally accepted accounting principles, risk management system and internal control were effective and relevant laws, rules and regulations were complied.



Mrs. Rachadaporn Rajchataewindra

Chairman of the Audit Committee

22 February 2022



8.2.2 2021 Report of Remuneration and Nomination Committee

The Remuneration and Nomination Committee, as duly appointed by the board of directors, consisted of 5 members, 3 of which were independent directors and 2 were executive directors, making the independent director major proportion (equivalent to 60%). The Remuneration and Nomination Committee was responsible in seeking for suitable and qualified persons to be the Company's directors and top management and considering the remunerations of directors and top management in compliance with related rules and regulations of good cooperate governance.

In 2021, the Remuneration and Nomination Committee had 2 meetings and signification matters were as follows;

Reviewed and considered the remuneration of the board of directors and sub-committee based on scope of responsibility, performance and remuneration offer at other enterprises operating in the same industry. The clear, fair and appropriate remuneration was then proposed to the meeting of board of directors and annual general meeting of shareholders for approval

Conducted performance assessment for the year 2021 of chairman of executive committee and chief executive office and proposed to the meeting of board of directors for approval

Considered criteria and budget of 2022 merit increase and 2021 bonus of the Company and subsidiary to be in line with overall operating result and proposed to the meeting of board of directors for acknowledgement

Sought for suitable person according to related laws and regulations to be nominated as the Company's director by considering individual with knowledge, capability and experiences that best fit to the Company's business and proposed to the meeting of board of directors and annual general meeting of shareholders

Reviewed the Remuneration and Nomination Committee Charter and conducted self-assessment then reported to the meeting of board of directors

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



(Assoc. Prof. Pises Sethsathira)

Chairman of Remuneration and Nomination Committee

22 February 2022

8.2.3 2021 Report of Corporate Governance Committee

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

In 2021, the Corporate Governance Committee had 2 meetings and signification matters were as follows;

1. Reviewed corporate governance policy, code of conduct, anti-corruption policy and followed up on operating result. Encouraged corporate communication to employee to ensure that the Company's policy was fully understood and carried out.
2. Ensured that the Company was in compliance with good corporate governance principles. As a result, the Company received a corporate governance assessment rating of "Excellent" rating for 5 consecutive years in the 2021 Corporate Governance of Thai Listed Companies Survey conducted by Thai Institute of Director Association.
3. Reviewed corporate social responsibility (CSR) performance by considering responsibility for society, occupational health, safety and environment both inside and outside for sustainable development.
4. Reviewed Corporate Governance Charter and conducted self-assessment then reported to the meeting of board of directors

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



Mrs. Puangthip Silpasart

Chairman of Corporate Governance Committee

14 December 2021



8.2.4 2021 Report of Risk Management Committee

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

In 2021, the Risk Management Committee had 2 meetings to assure that appropriate risk management were implemented and continuously executed to acceptable standard as follows;

Approved the Company's 2020 risk management plan by considering significant risks in relation to business operation, strategy, goal and changing environment

Followed up, evaluated and reviewed risk management plan which covered various important risks i.e. strategy risk, operation risk, financial risk and compliance risk

Monitored risk management working group and provided suggestions and recommendation for genuine effectiveness of risk management

Reviewed Risk Management Charter and conducted self-assessment then reported to the meeting of board of directors

The Risk Management Committee has overseen the risk management working group to manage risks continuously resulting the Company's risks to be in acceptable level. The Risk Management Committee was certain that the Company's risk management was conducted in consistent, effective and compliance to Corporate Governance Code for listed companies. The management had a policy of encouraging risk management knowledge for all executives and employees at all levels continuously to gain understanding and awareness of risks and jointly manage risks to an acceptable level so that the Company can achieve its objectives, goals and be able to conduct business sustainably.

(Assoc. Prof. Pises Sethsathira)

Chairman of Risk Management Committee

23 November 2021

9. Internal Control and Connected Transaction

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

The Board of Directors assigned the Audit Committee to be responsible in reviewing internal control system and internal audit. For 2021, the Company and Sahakarn Wisavakorn Company Limited (SKW) appointed EL Business Advisory Company Limited as internal auditor with duties and responsibilities to audit and assess internal control system according to plan as well as monitor the Company and SKW's compliance. The internal auditor reported audit results directly to audit committee every quarters. Such report specified audit objectives, scopes, procedures, summary of significant issues, recommendations and follow-up results for the audit committee to consider and report to the meeting of Board of Directors for acknowledgement and further prepare report of auditor's comment on internal control system for the Board of Directors's consideration then afterwards published in the Company's annual report.

During the 1/2022 Board of Directors' Meeting on 22 February 2022, with 3 independent directors' presence, the meeting assessed the adequacy of the Company and SKW's internal control system by asking for information from executives and conducting sufficiency evaluation according to COSO concept (The Committee of Sponsoring Organizations of the Treadway Commission) consisting of 5 components i.e. organization internal control, risk evaluation, operation control, information technology and communication system and monitoring system. In conclusion, the Board of Directors and Audit Committee were of the opinion that the Company and SKW had appropriate and adequate internal control system and implementation by providing enough manpower to run the system efficiently and having monitoring procedure for subsidiaries in order to protect the Company and subsidiaries' properties from fraud or unauthorized act or possible conflicted/ connected transaction. There was no significant fault in the internal control system.



The Company's Internal Auditor

EL Business Advisory Company Limited (ELBA) was appointed as the Company and SKW's internal auditor during the 1/2021 Audit Committee meeting on 24 February 2021 and ELBA has appointed Mr. Suwit Chanamporn, Managing Director, as the in charge person in auditing the Company and SKW.

The Audit Committee considered that internal auditor from ELBA and Mr. Suwit Chanamporn had sufficient and proper qualifications as they were independent, had internal audit experiences and understanding in the Company's similar business for 20 years and received training related to internal audit operation. Since 2016, the Audit Committee had appointed Ms. Rawadee Ardhan, senior accounting manager, as secretary to Audit Committee and coordinator to external auditor. Nonetheless, the appointment, revocation or transfer of internal auditing personnel must be approved by the Audit Committee. Qualification details of internal auditor can be found as follows;

Name:	Mr. Suwit Chanamporn
Education:	Master's degree
	Bachelor's degree
	Bachelor's degree
	Certificate
Professional certification:	Certified Public Accountant (CPA) of Thailand
Work experience:	
Current:	Managing Director
Previous:	Assistant auditor
	Internal audit manager
	Internal audit manager
	Senior director of internal audit division
Training:	- COSO ERM
	- Risk Management
	- CIA Review curriculum project
	- Quality accounting audit operations
	- Prepare paperwork for anti-corruption in organization movement
	- Review of process for following up on and monitoring of activities undertaken in accordance to strategic plans
	- Orientation course for Chief Accountants focusing on financial reporting
	- Thailand IFRS Conference
	- Prepare accounting to suit the current business environment in accordance to the accepted accounting standards reports
	- Standard of financial report for listed companies
	- Quick law for shareholders's right protection

Connected Transaction

In 2021, the Company had connected transaction with related companies with buying/selling prices according to contractual agreement which were in accordance to normal business condition. Details as tabulated below:

Name and Relationship	Transaction	2019	2020	2021	Necessity and Reasonableness
Sahakarn Wisavakorn Co., Ltd. (SKW) - Subsidiary, TRC holds 99.99%	Income : rental and services fee	8.81	19.95	3.07	Rental of machinery, warranty credit usage fee, labour wages and selling of trucks are common business support similar to market price and with normal business condition.
- Mutual directors namely	Construction cost	4.23	3.71	12.47	
Mrs. Paichit Rattananon	Selling of trucks	-	8.08	-	
Mr. Smai Leesakul	Interest payment	23.83	22.80	25.08	
Mr. Pasit Leesakul	Account receivable / other receivable	8.17	59.44	20.72	The Company took the loan for working capital. The loan would be due when claimed. Interest rate of 2.5% – 6.5% per year according to cost from financial institution plus additional expense.
Mrs. Podchanee Phaosavasdi	Account payable	1.8	3.91	64.38	
	Accrued interest	-	-	17.17	
	<u>Short-term loan payable</u>				
	Brought forward	456	748	642	
	Loan during the year	843	427	211	
	Payback during the year	551	533	160	
	Balance (carry forward)	748	642	693	
Hydortek Sahakarn Joint Venture - Subsidiary, TRC group holds 49%	Income : rental and services fee	0.19	-	-	Car rental, warranty credit usage fee are common business support similar to market price and with normal business condition.
- Mrs. Podchanee Phaosavasdi, TRC Director and Joint Venture authorized director	Interest payment	0.32	-	-	
	<u>Short-term loan payable</u>				The Company took the loan for working capital. The loan would be due when claimed. Interest rate of 2.5% per year
	Brought forward	54	-	-	
	Loan during the year	40	-	-	
	Payback during the year	94	-	-	
	Balance (carry forward)	0	-	-	
TRC Utility Co., Ltd. - Joint Venture, TRC holds 49.97%	Income : rental and services fee	0.02	0.22	0.13	Car rental, warranty credit usage fee Common business support similar to market price and with normal business condition
- Mutual directors namely : Mr. Smai Leesakul Mr. Pasit Leesakul	Other receivable	0.06	0.05	-	
SH Crossing Co., Ltd. Joint Venture, TRC group holds 51%	Income : rental and services fee	9.45	5.12	0.32	Rental of machinery, cars, labour wages and warranty credit usage fee are common business support similar to market price and with normal business condition.
- Mutual directors namely Mr. Pasit Leesakul Mrs. Podchanee Phaosavasdi	Other receiveable	1.77	7.96	8.32	
Other shareholders have no potential conflict to TRC					
Olive Technology Co., Ltd. - Subsidiary, TRC holds 49.97%	Income: services fee	-	0.30	0.74	Labour wages. Common business support Similar to market price and with normal business condition.
- Mutual directors namely Mr. Smai Leesakul Mr. Pasit Leesakul Mr. Pavita Leesakul	Interest expense	-	-	0.02	
Other shareholders have no potential conflict to TRC	<u>Short-term loan payable</u>				The Company provided loan for working capital. The loan would be due when claimed with proper interest rate.
	Brought forward	-	0.05	0.05	
	Loan during the year	-	-	0.85	
	Payback during the year	-	-	0.90	
	Balance (carry forward)	-	-	-	
ASEAN Potash Chaiyaphum Plc. - TRC group holds 25.13%	Income : rental and services fee	1.24	-	-	Income from office space rental and services fee was normal business support. similar to market price and with normal business condition
- Mutual directors namely Mr. Smai Leesakul Mrs. Podchanee Phaosavasdi					
	Account receivable and other receivable	*382.42	-	-	In 2018, ASEAN Potash Chaiyaphum Plc. confronted with uncertainty in potash mining and liquidity problem. The Company therefore recorded doubtful debt of Baht 390.33 million in 2018 financial statement and another Baht 1024 million in 2019.
	Unbilled receivables	*0.30	-	-	
	Accounts receivable – retention under construction contracts	*7.85	-	-	



Name and Relationship	Transaction	2019	2020	2021	Necessity and Reasonableness
Sahahydro Pattaya Joint Venture	Income : rental and services fee	-	-	0.66	Car rental fees, warranty credit usage fee are common business support similar to market price and with normal business condition.
- Subsidiary, TRC Group holds 100%	interest earned	-	-	2.13	
- Mrs. Podchanee Phaosavasdi , director of the Company, is the authorized director	Account receivable			5.12	
	Accrued interest			0.19	The Company borrowed the money to use as working capital.
	<u>Short-term loan payable</u>				
	Brought forward	-	-	-	
	Loan during the year	-	-	134.8	The loan is due to be repaid when asked. Interest rate 2.5 -6.25 %.
	Payback during the year	-	-	24.0	
	Balance (carry forward)	-	-	110.80	

*the abovementioned transactions were recorded as doubtful debts.

Policy and Procedure of Connected Transaction Approval

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

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

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

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

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

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

Approval in Principle of Common Business Transaction

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

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

Review of Policy and Procedure on Connected Transaction Approval

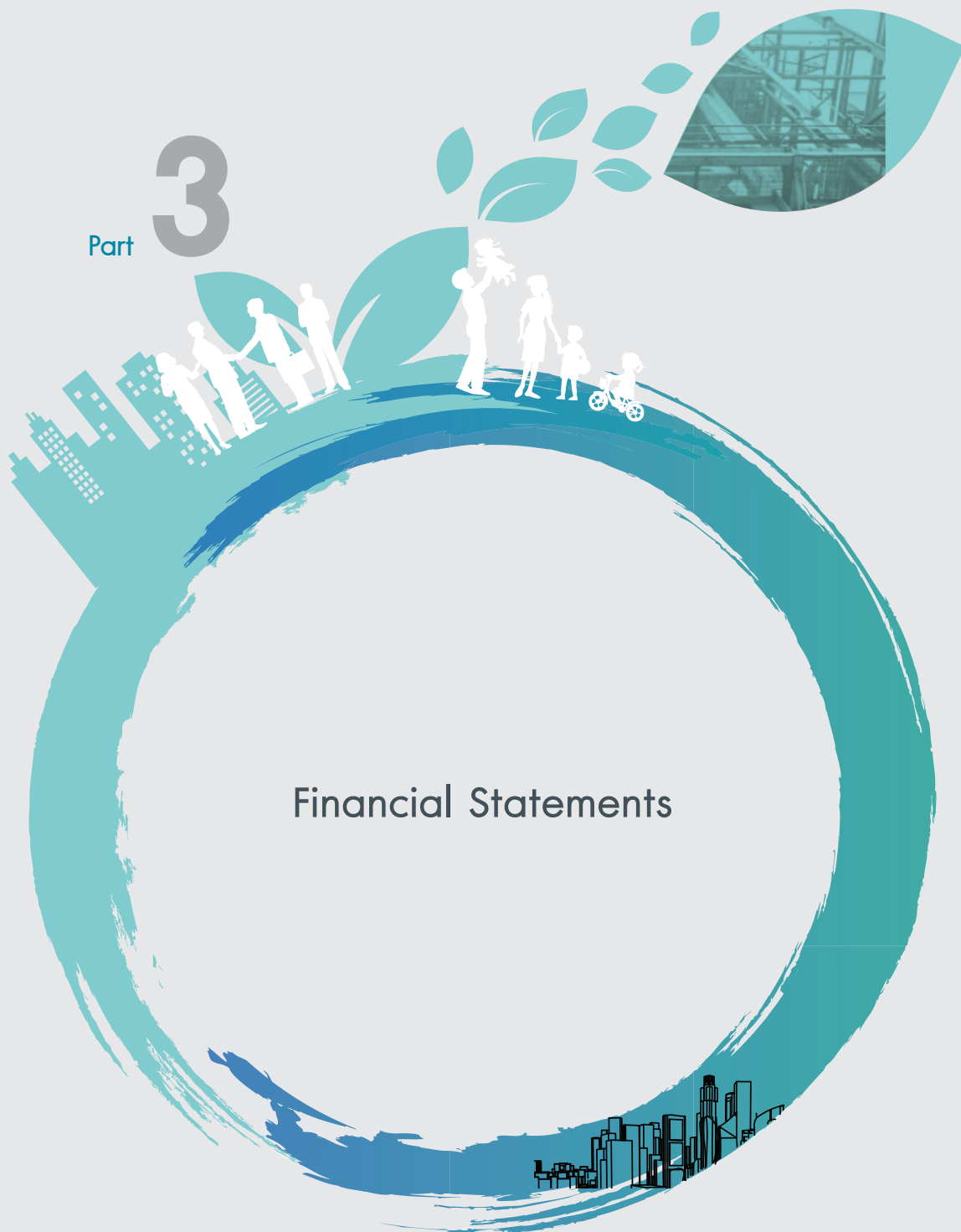
The Audit Committee and Board of Directors reviewed policy and procedure on connected transaction approval every year. The 4/2021 Audit Committee meeting and 8/2021 Board of Directors meeting on 12 November 2021 had considered the review of policy and procedure on connected transaction approval and resolved to remain unchanged.

Policy and Trend of Future Connected Transaction

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



Part **3**



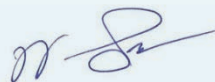
Directors' Responsibility Statement in relation to Financial Report

The board of directors is responsible to TRC Construction Public Company Limited and subsidiaries' separate and consolidated financial statements and financial information disclosed in the annual report. 2021 financial statement ended 31 December 2021 was prepared in accordance with Thailand's generally accepted accounting standard by using appropriate and consistently-used accounting policy. Attentive discretion, reasonable estimation and sufficient information disclosure in the note to financial statements were executed to reflect the company's financial status in a transparency manner and beneficial to investors. The mentioned financial statement was audited and unconditionally of the opinion by the independent CPA auditors.

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

The board of directors appointed the audit committee consisted of independent directors to be responsible in supervising financial statement, evaluating internal control and internal audit system. The audit committee's opinion was specified in report of the audit committee disclosed in the Annual Registration Statement / Annual Report 2021 (Form 56-1 One Report)

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



Mrs. Paichit Rattananon

Chairman

22 February 2022



INDEPENDENT AUDITOR'S REPORT

To The Shareholders and Board of Directors of

TRC Construction Public Company Limited

Opinion

I have audited the consolidated financial statements of TRC Construction Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2021, and the consolidated statement of comprehensive income, consolidated statement of changes in shareholders' equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and I have audited the separate financial statements of TRC Construction Public Company Limited (the Company), which comprise the statement of financial position as at December 31, 2021, and the statement of comprehensive income, statement of changes in shareholders' equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of TRC Construction Public Company Limited and its subsidiaries as at December 31, 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended and the separate financial position of TRC Construction Public Company Limited as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Emphasis of Matter

I draw attention to the following notes to the financial statements as mentioned in Note 3.4 and 3.5 in relation to the restatement and reclassification of prior period's financial statements, the Company restated the statement of financial position as at December 31, 2020 and as at January 1, 2020 and the statements of comprehensive income, cash flows and changes in shareholders' equity for the year ended December 31, 2020 presented as comparative figures. The restatement reflects the adjustments and use of accounting policy with respect to revenue recognition on construction contracts. My opinion is not qualified in respect of these matters.

Key Audit Matters

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

Revenue recognition, costs from construction agreement and provision of liabilities from construction project

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

Risk response by auditor

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

Other Information

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

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

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

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



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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements and separate financial statements, including the disclosures, and whether the consolidated financial statements and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

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

(Mr. Peradate Pongsathiansak)

Certified Public Accountant Registration No. 4752

Dharmniti Auditing Company Limited
Bangkok, Thailand
February 22, 2022



STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2021

ASSETS

		Baht					
		Consolidated financial statements			Separate financial statements		
	Notes	As at December 31, 2021	As at December 31, 2020 (Restated)	As at January 1, 2020 (Restated)	As at December 31, 2021	As at December 31, 2020 (Restated)	As at January 1, 2020 (Restated)
CURRENT ASSETS							
Cash and cash equivalents	6	52,941,566	89,784,979	182,190,307	29,688,610	2,248,581	94,272,402
Trade and other current receivables	5,7	408,603,965	283,297,802	700,182,413	237,712,425	138,009,680	470,894,794
Contract assets	3.5, 5, 8	2,285,558,174	1,699,734,447	1,438,269,453	745,770,767	630,645,687	557,718,376
Short-term loans to related parties	5	21,200,000	-	-	-	50,000	-
Advances paid to subcontractors under							
construction contracts	5	380,783,445	498,302,673	519,905,415	39,094,746	175,760,125	195,643,205
Inventories	9	1,608,139	1,675,955	5,569,072	1,608,139	1,608,139	5,513,620
Withholding tax deducted at source	10	69,109,599	173,163,495	132,033,381	44,803,582	123,409,926	105,133,686
Other current assets	12	23,834,508	44,558,518	37,720,197	9,443,902	14,326,227	20,071,133
Total current assets		3,243,639,396	2,790,517,869	3,015,870,238	1,108,122,171	1,086,058,365	1,449,247,216
NON-CURRENT ASSETS							
Restricted deposits at banks	13	31,959,654	32,198,495	10,541,000	29,110,000	29,350,000	-
Long-term loans to related parties	5	-	-	-	-	-	-
Investments in subsidiaries	14	-	-	-	477,372,377	476,198,157	476,073,232
Investments in associate	15	-	-	-	-	-	-
Investments in joint ventures	16	138,889,063	123,583,764	51,612,988	109,375,237	102,375,487	27,750,487
Property, plant and equipment	17	619,141,541	618,356,676	595,908,490	592,512,545	578,350,583	570,689,998
Right-of-use assets	18	18,464,628	29,622,098	20,092,194	12,463,945	14,484,852	12,274,579
Intangible assets	19	11,179,121	13,272,619	10,747,317	11,013,073	13,067,133	10,566,825
Deferred tax assets	20	27,304,281	42,482,919	28,972,354	19,060,978	14,279,997	13,367,178
Other non-current assets		4,754,903	3,430,043	6,270,818	1,564,175	1,681,325	5,467,898
Total non-current assets		851,693,191	862,946,614	724,145,161	1,252,472,330	1,229,787,534	1,116,190,197
TOTAL ASSETS		4,095,332,587	3,653,464,483	3,740,015,399	2,360,594,501	2,315,845,899	2,565,437,413

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

STATEMENT OF FINANCIAL POSITION (CONT.)

AS AT DECEMBER 31, 2021

LIABILITIES AND SHAREHOLDERS' EQUITY

		Baht					
		Consolidated financial statements			Separate financial statements		
	Notes	As at December 31, 2021	As at December 31, 2020 (Restated)	As at January 1, 2020 (Restated)	As at December 31, 2021	As at December 31, 2020 (Restated)	As at January 1, 2020 (Restated)
CURRENT LIABILITIES							
Bank overdrafts and short-term loans							
from financial institutions	21	796,616,853	709,459,894	473,051,025	373,157,526	414,659,894	249,051,025
Trade and other current payables	5, 22	780,521,898	718,490,079	508,636,964	393,726,408	406,436,735	265,726,265
Unbilled payable		839,728,216	454,390,730	561,624,301	196,379,727	12,883,011	87,707,043
Contract liabilities	3.5, 8	910,992,588	923,919,408	986,559,280	217,871,888	271,364,818	387,031,413
Short-term loans from related parties	5	-	-	-	693,000,000	642,000,000	748,000,000
Accounts payable - retention under							
construction contracts		229,606,454	158,959,188	100,571,546	27,812,921	9,587,507	13,103,899
Provision for liabilities under							
construction projects	23	75,994,205	130,872,452	76,892,717	59,226,119	3,528,875	8,100,699
Current portion of debentures		-	-	30,000,000	-	-	30,000,000
Current portion of lease liabilities	24	13,051,464	16,708,927	10,483,473	7,349,231	9,155,859	5,617,018
Income tax payable		1,278,102	-	-	-	-	-
Other current liabilities	25	7,769,360	15,851,375	39,717,338	16,016,434	11,071,473	28,076,826
Total current liabilities		3,655,559,140	3,128,652,053	2,787,536,644	1,984,540,254	1,780,688,172	1,822,414,188
NON-CURRENT LIABILITIES							
Lease liabilities	24	8,212,242	15,673,356	13,481,974	6,763,266	8,056,870	8,765,439
Non-current provisions for employee benefits	26	61,266,224	82,107,073	75,121,612	37,048,617	68,338,817	63,327,598
Provision for litigation	34	2,493,836	20,000,000	20,000,000	2,493,836	20,000,000	20,000,000
Total non-current liabilities		71,972,302	117,780,429	108,603,586	46,305,719	96,395,687	92,093,037
TOTAL LIABILITIES		3,727,531,442	3,246,432,482	2,896,140,230	2,030,845,973	1,877,083,859	1,914,507,225

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

STATEMENT OF FINANCIAL POSITION (CONT.)

AS AT DECEMBER 31, 2021

LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

	Notes	Baht					
		Consolidated financial statements			Separate financial statements		
		As at December 31, 2021	As at December 31, 2020 (Restated)	As at January 1, 2020 (Restated)	As at December 31, 2021	As at December 31, 2020 (Restated)	As at January 1, 2020 (Restated)
Share capital							
Registered							
9,587,146,838 ordinary shares of Baht 0.125 each		1,198,393,355	1,198,393,355	1,198,393,355	1,198,393,355	1,198,393,355	1,198,393,355
Issued and paid-up							
9,587,146,838 ordinary shares of Baht 0.125 each		1,198,393,355	1,198,393,355	1,198,393,355	1,198,393,355	1,198,393,355	1,198,393,355
Share premium		-	-	-	-	-	-
Other deficit		(2,955,890)	(2,955,890)	(2,955,890)	-	-	-
Retained earnings (deficits)							
Appropriated - statutory reserve							
The Company	27	-	-	-	-	-	-
Subsidiary		4,108,018	4,108,018	4,108,018	-	-	-
Unappropriated		(816,251,759)	(780,889,608)	(342,759,849)	(868,644,827)	(759,631,315)	(547,463,167)
Other components of shareholders' equity		16,118,120	17,393,068	15,615,647	-	-	-
Equity attributable to owners of the Company		399,411,844	436,048,943	872,401,281	329,748,528	438,762,040	650,930,188
Non-controlling interests of the subsidiaries		(31,610,699)	(29,016,942)	(28,526,112)	-	-	-
Total shareholders' equity		367,801,145	407,032,001	843,875,169	329,748,528	438,762,040	650,930,188
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		4,095,332,587	3,653,464,483	3,740,015,399	2,360,594,501	2,315,845,899	2,565,437,413

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

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2021

	Notes	Baht			
		Consolidated financial statements		Separate financial statements	
		2021	2020 (Restated)	2564	2020 (Restated)
REVENUES	5				
Construction services income		3,819,469,458	3,344,071,054	1,664,261,128	1,343,208,207
Other services income		17,484,325	20,548,693	-	-
Sales income		8,395,789	7,511,481	-	-
Interest income		487,116	885,714	28,853	323,021
Other income		42,423,684	49,222,646	46,847,865	45,742,256
Total revenues		3,888,260,372	3,422,239,588	1,711,137,846	1,389,273,484
EXPENSES					
Cost of construction services	5	3,625,751,623	3,517,445,529	1,622,712,851	1,320,441,451
Cost of other services		10,240,815	13,767,694	-	-
Cost of sales		8,163,411	6,372,900	-	-
Administrative expenses		260,212,754	312,899,975	199,695,199	248,208,605
Total expenses		3,904,368,603	3,850,486,098	1,822,408,050	1,568,650,056
Profit (loss) from operating activities		(16,108,231)	(428,246,510)	(111,270,204)	(179,376,572)
Finance cost	5	(35,060,048)	(23,482,236)	(41,185,926)	(33,704,395)
Share of profit (loss) from investments in associate	15.2	-	-	-	-
Share of profit (loss) from investments in joint venture	16.1	2,561,625	(2,854,225)	-	-
Profit (loss) before income tax expenses		(48,606,654)	(454,582,971)	(152,456,130)	(213,080,967)
Income tax income (expenses)	29	(10,693,103)	13,510,565	12,513,309	912,819
PROFIT (LOSS) FOR THE YEAR		(59,299,757)	(441,072,406)	(139,942,821)	(212,168,148)

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



STATEMENT OF COMPREHENSIVE INCOME (CONT.)

FOR THE YEAR ENDED DECEMBER 31, 2021

	Notes	Baht			
		Consolidated financial statements		Separate financial statements	
		2021	2020 (Restated)	2564	2020 (Restated)
Other comprehensive income:					
Components of other comprehensive income to be reclassified to profit or loss					
Exchange differences on translation of financial statements					-
in foreign currency		(1,956,467)	4,229,238	-	-
Components of other comprehensive income not to be reclassified to profit or loss					
Actuarial gains - net of income tax		22,025,368	-	30,929,309	-
Other comprehensive income for the year - net of income tax		20,068,901	4,229,238	30,929,309	-
Total comprehensive income for the year		(39,230,856)	(436,843,168)	(109,013,512)	(212,168,148)
Profit (loss) attributable to:					
Equity holders of the Company		(57,387,519)	(438,129,759)	(139,942,821)	(212,168,148)
Non-controlling interests of the subsidiaries		(1,912,238)	(2,942,647)	-	-
		(59,299,757)	(441,072,406)	(139,942,821)	(212,168,148)
Total comprehensive income attributable to:					
Equity holders of the Company		(36,637,099)	(436,352,338)	(109,013,512)	(212,168,148)
Non-controlling interests of the subsidiaries		(2,593,757)	(490,830)	-	-
		(39,230,856)	(436,843,168)	(109,013,512)	(212,168,148)
Earnings per share	30				
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company		(0.0060)	(0.0457)	(0.0146)	(0.0221)

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

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2021

Baht

	Consolidated financial statements										
	Equity attributable to the parent's shareholders					Equity attributable to non-controlling interests of the subsidiaries					
	Issued and paid-up share capital	Deficit on revaluation of investment in subsidiaries	Retained earnings (deficit)		Other components of equity			Total equity attributable to shareholders of the Company	Total shareholders' equity		
			Appropriated - The Company	Statutory reserve	Unappropriated	Other comprehensive income					
						Exchange differences on translation of financial statements	Share of other comprehensive income from associate			Total other components of shareholders' equity	
in foreign currency											
Note											
Balance as at January 1, 2020 - As previously reported	1,198,393,355	(2,955,890)	-	4,108,018	(347,048,326)	14,715,873	899,774	15,615,647	868,112,804	(28,526,112)	839,586,692
Adjustment											
Cumulate effect from adjustment											
- Revenue recognition on construction contracts	-	-	-	-	4,288,477	-	-	-	4,288,477	-	4,288,477
Balance as at January 1, 2020 - Restated	1,198,393,355	(2,955,890)	-	4,108,018	(342,759,849)	14,715,873	899,774	15,615,647	872,401,281	(28,526,112)	843,875,169
Profit (loss) for the year - Restated	-	-	-	-	(438,129,759)	-	-	-	(438,129,759)	(2,942,647)	(441,072,406)
Other comprehensive income for the year	-	-	-	-	-	1,777,421	-	1,777,421	1,777,421	2,451,817	4,229,238
Total comprehensive income for the year	-	-	-	-	(438,129,759)	1,777,421	-	1,777,421	(436,352,338)	(490,830)	(436,843,168)
Balance as at December 31, 2020	1,198,393,355	(2,955,890)	-	4,108,018	(780,889,608)	16,493,294	899,774	17,393,068	436,048,943	(29,016,942)	407,032,001
Balance as at January 1, 2021 - As previously reported	1,198,393,355	(2,955,890)	-	4,108,018	(791,218,452)	16,493,294	899,774	17,393,068	425,720,099	(29,016,942)	386,703,157
Adjustment											
Cumulate effect from adjustment											
- Revenue recognition on construction contracts	-	-	-	-	10,328,844	-	-	-	10,328,844	-	10,328,844
Balance as at January 1, 2021 - Restated	1,198,393,355	(2,955,890)	-	4,108,018	(780,889,608)	16,493,294	899,774	17,393,068	436,048,943	(29,016,942)	407,032,001
Profit (loss) for the year	-	-	-	-	(57,387,519)	-	-	-	(57,387,519)	(1,912,238)	(59,299,757)
Other comprehensive income for the year	-	-	-	-	22,025,368	(1,274,948)	-	(1,274,948)	20,750,420	(681,519)	20,068,901
Total comprehensive income for the year	-	-	-	-	(35,362,151)	(1,274,948)	-	(1,274,948)	(36,637,099)	(2,593,757)	(39,230,856)
Balance as at December 31, 2021	1,198,393,355	(2,955,890)	-	4,108,018	(816,251,759)	15,218,346	899,774	16,118,120	399,411,844	(31,610,699)	367,801,145

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

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)

FOR THE YEAR ENDED DECEMBER 31, 2021

Baht

	Separate financial statements			
	Issued and paid-up share capital	Retained earnings (deficit)		Total shareholders' equity
		Appropriated - Statutory reserve	Unappropriated	
Note				
Balance as at January 1, 2020 - As previously reported	1,198,393,355	-	(651,367,660)	647,025,695
Adjustment				
Cumulate effect from adjustment				
- Revenue recognition on construction contracts	-	-	3,904,493	3,904,493
Balance as at January 1, 2020 - Restated	1,198,393,355	-	(647,463,167)	650,930,188
Profit (loss) for the year - Restated	-	-	(212,168,148)	(212,168,148)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(212,168,148)	(212,168,148)
Balance as at December 31, 2020	1,198,393,355	-	(759,631,315)	438,762,040
Balance as at January 1, 2021 - As previously reported	1,198,393,355	-	(771,498,999)	426,894,356
Adjustment				
Cumulate effect from adjustment				
- Revenue recognition on construction contracts	-	-	11,867,684	11,867,684
Balance as at January 1, 2021 - Restated	1,198,393,355	-	(759,631,315)	438,762,040
Profit (loss) for the year	-	-	(139,942,821)	(139,942,821)
Other comprehensive income for the year	-	-	30,929,309	30,929,309
Total comprehensive income for the year	-	-	(109,013,512)	(109,013,512)
Balance as at December 31, 2021	1,198,393,355	-	(868,644,827)	329,748,528

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2021

	Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020 (Restated)	2021	2020 (Restated)
Cash flows from operating activities				
Profit (loss) before tax	(48,606,654)	(454,582,971)	(152,456,130)	(213,080,967)
Adjustments to reconcile profit (loss) before tax				
to net cash provided by (paid from) operating activities				
Depreciation and amortisation	71,699,035	90,360,282	59,805,279	77,559,016
The expected credit loss allowance	-	35,921	-	3,874,513
Unrealised (gain) loss on exchange rate	(87,134)	3,251	(87,134)	4,680
(Gain) loss on disposal of equipment	(1,222,799)	(224,547)	(1,170,975)	(373,634)
Loss on write-off of equipment	9,780,265	11,096,405	120,304	11,094,406
(Gain) loss from cancellation of lease agreement	1,260,970	-	(92,581)	-
Share of (profit) loss from investments in joint venture	(3,135,349)	2,854,225	-	-
Gain from the loss of control in the subsidiary	(5,170,200)	-	-	-
Loss on write-off of withholding tax	470,606	-	1,500	-
Provision for liabilities under construction projects	113,263,210	367,666,658	113,263,210	53,598,061
Non-current provisions for employee benefits	12,777,511	14,737,710	9,204,118	12,003,144
Interest income	(487,116)	(885,714)	(28,853)	(323,021)
Interest expenses	35,060,048	23,482,236	41,185,926	33,704,395
Profit (loss) from operating activities before changes in				
operating assets and liabilities	185,602,393	54,543,456	69,744,664	(21,939,407)
(Increase) decrease in operating assets				
Trade and other current receivables	(124,589,580)	416,848,700	(99,702,932)	332,885,301
Contract assets	(585,823,727)	(261,464,994)	(115,125,080)	(72,927,311)
Advance paid to subcontractors under construction contracts	117,519,228	21,602,742	136,665,379	19,883,080
Inventories	67,816	(12,364)	-	-
Other current assets	20,724,010	(6,838,321)	4,882,325	5,744,906
Other non-current assets	(1,324,860)	2,840,775	117,150	3,786,573

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



STATEMENT OF CASH FLOWS (CONT.)

FOR THE YEAR ENDED DECEMBER 31, 2021

	Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020 (Restated)	2021	2020 (Restated)
Increase (decrease) in operating liabilities				
Trade and other current payables ³	70,883,251	197,562,058	(18,875,991)	128,418,329
Unbilled payables	385,337,486	(107,233,571)	183,496,716	(74,824,032)
Contract liabilities	(12,926,820)	(62,639,872)	(53,492,930)	(115,666,595)
Accounts payable - retention under construction contracts	70,647,266	58,387,642	18,225,414	(3,516,392)
Other current liabilities	(8,082,015)	(23,865,963)	4,944,961	(17,005,353)
Cash flows from provide by (used in) operating activities	118,034,448	289,730,288	130,879,676	184,839,099
Cash paid for provision for liabilities under construction projects	(168,141,457)	(313,686,923)	(57,565,966)	(58,169,885)
Cash paid for non-current provision for employee benefits	(6,086,650)	(7,752,249)	(1,832,681)	(6,991,925)
Cash paid for non-current provision for Litigation	(17,506,164)	-	(17,506,164)	-
Cash paid for income tax	(68,317,854)	(62,129,221)	(44,803,581)	(39,275,346)
Received from withholding tax refund	172,158,439	20,999,106	123,408,425	20,999,106
Net cash flows provided by (used in) operating activities	30,140,762	(72,838,999)	132,579,709	101,401,049
Cash flows from investing activities				
Decrease (increase) in restricted deposits at bank	238,841	(21,657,495)	240,000	(29,350,000)
Decrease (increase) in short-term loans to related parties	(21,200,000)	-	50,000	(3,924,513)
Cash paid for investing in subsidiaries	-	-	(1,423,920)	(124,925)
Cash paid for investing in joint venture	(6,999,750)	(74,825,000)	(6,750,050)	(74,625,000)
Interest income	(229,467)	885,704	29,040	322,834
Cash received from disposal of equipment	1,973,202	426,972	1,170,981	8,091,557
Cash paid for purchase of property, plant and equipment	(74,689,050)	(93,653,497)	(70,693,981)	(80,236,728)
Cash paid for purchase of intangible assets	(145,700)	(4,727,630)	(78,000)	(4,650,700)
Net cash flows provided by (used in) investing activities	(101,051,924)	(193,550,946)	(77,455,930)	(184,497,475)
Cash flows from financing activities				
Increase (decrease) in short-term loans from financial institutions	87,156,959	236,408,869	(41,502,368)	165,608,869
Cash received from short-term loans from related parties	-	-	279,000,000	427,000,000
Cash paid for short-term loans from related parties	-	-	(228,000,000)	(533,000,000)

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

STATEMENT OF CASH FLOWS (CONT.)

FOR THE YEAR ENDED DECEMBER 31, 2021

	Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020 (Restated)	2021	2020 (Restated)
Repayment of debentures	-	(30,000,000)	-	(30,000,000)
Interest expenses	(33,200,891)	(22,178,180)	(26,943,914)	(31,474,517)
Decrease in lease liabilities	(17,931,852)	(14,475,310)	(10,237,468)	(7,061,747)
Net cash flows provided by (used in) financing activities	36,024,216	169,755,379	(27,683,750)	(8,927,395)
Increase (decrease) in translation adjustment	(1,956,467)	4,229,238	-	-
Net increase (decrease) in cash and cash equivalents	(36,843,413)	(92,405,328)	27,440,029	(92,023,821)
Cash and cash equivalents at the beginning of the year	89,784,979	182,190,307	2,248,581	94,272,402
Cash and cash equivalents at the end of the year	52,941,566	89,784,979	29,688,610	2,248,581
Supplemental cash flows information				
Non-cash items consist of				
Increase (decrease) in purchase of fixed assets and intangible assets				
that have yet to be paid	(8,970,098)	12,624,012	(6,963,658)	10,990,953
Transfer inventories to asset under construction	-	3,905,481	-	3,905,481
Lease liabilities	10,131,233	41,344,078	8,565,700	21,233,227

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



NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021

1. GENERAL INFORMATION

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

2. BASIS FOR PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

Name	Business type	Country of registration	Percentage of shareholding (%)	
			As at December 31,	
			2021	2020
<u>Held by the Company</u>				
Sahakarn Wisavakorn Company Limited	Construction service - basic infrastructure	Thailand	99.99	99.99
TRC Investment Limited	Holding company	The Republic of Mauritius	100.00	100.00
TRC Utility Company Limited	To produce and distribute tap water	Thailand	50.00	99.97
AT Energy Solution Company Limited	Energy production and distribution	Thailand	50.00	50.00
Olive Technology Company Limited	Data management and processing	Thailand	49.97	49.97
<u>Held by the Company's subsidiaries</u>				
Hydrotek Sahakarn Joint Venture (held by Sahakarn Wisavakorn Company Limited)	Construction services	Thailand	49.00	49.00
TRC International Limited (held by TRC Investment Limited)	Holding company	Hong Kong	100.00	100.00
TRC Middle East LLC (held by TRC International Limited)	Construction services	Sultanate of Oman	70.00	70.00
TRC Engineering LLC (held by TRC International Limited)	Construction services	Sultanate of Oman	70.00	70.00
Mahat Company Limited (held by Olive Technology Company Limited)	Data management and processing	Thailand	59.98	59.98
SAHAHYDRO PATTAYA Joint Venture (held by Sahakarn Wisavakorn Company Limited)	Construction services	Thailand	100.00	-

- 2.2 The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- 2.3 Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- 2.4 The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- 2.5 The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using yearly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the statements of changes in shareholders' equity.

- 2.6 Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.
- 2.7 Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- 2.8 The separate financial statements present investments in subsidiaries, associate and joint ventures under the cost method.

3. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS

3.1 Basis for the preparation of financial statements

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

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

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

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

3.2 Financial reporting standards that became effective in the current year

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

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

3.3 Financial reporting standards that will become effective in the future

The Federation of Accounting Professions has issued several revised financial reporting standards and has been published in the Government Gazette, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and for some financial reporting standards, providing temporary reliefs or temporary exemptions for users.

The management of the Group have assessed that these revised standards will not have any significant impact on the financial statements in the year when they are adopted.

3.4 During the year, the Group has adjusted the previous period's financial statements on the record for revenue recognition of construction contracts to be consistent with the financial reporting standard No.15 : Revenue from contract entered with customer related to work that customer has controlling power when the asset arises. The Group has summarised the cumulative effect from accounting adjustment on revenue recognition from construction contracts. The Group has restated the previous period's financial statements presented for comparative purpose as if the Group has always recorded the revenue recognition on construction contracts from the beginning. The cumulative effects of the accounting adjustment with effect on the statement of financial position and the comprehensive statement of income are as follows:

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at December 31, 2020	As at January 1, 2020	As at December 31, 2020	As at January 1, 2020
STATEMENT OF FINANCIAL POSITION				
<u>Assets</u>				
Unbilled receivables increase (decrease)	310,929,779	84,732,045	191,267,099	77,589,426
Construction in progress increase (decrease)	(329,386,409)	(80,347,572)	(182,857,628)	(73,684,933)
Withholding tax deducted at source increase (decrease)	(95,996)	(95,996)	-	-
Deferred tax assets increase (decrease))	(7,220,368)	-	(864,553)	-
Total	(25,772,994)	4,288,477	7,544,918	3,904,493
<u>Liabilities and shareholders' equity</u>				
Provision for liabilities under increase (decrease)	(36,101,838)	-	(4,322,766)	-
Retained earnings increase (decrease)	10,328,844	4,288,477	11,867,684	3,904,493
Total	(25,772,994)	4,288,477	7,544,918	3,904,493

	Baht	
	For the year ended December 31, 2020	
	Consolidated financial statements	Separate financial statements
STATEMENT OF COMPREHENSIVE INCOME		
Construction services income increase	226,197,734	113,677,673
Cost of construction services increase	212,936,999	104,849,929
Income tax income (expenses) increase	(7,220,368)	(864,553)
Profit for the year increase	6,040,367	7,963,191
Basic earnings (loss) per share increase	0.0006	0.0008

3.5 Correction of financial statements and reclassified for the year ended December 31, 2020 and 2019

The Group has adjusted the transactions of revenue recognition on construction contracts and reclassified some accounting transactions in the financial statements of 2020 and 2019 to comply with current classification with effect on the consolidated and separate financial statements as follows:

	Baht			
	Consolidated financial statements			
	As at December 31, 2020			
	As previously reported	Adjustment increase (decrease)	Reclassification increase (decrease)	After adjustment and reclassification
STATEMENT OF FINANCIAL POSITION				
<u>Assets</u>				
Unbilled receivables	1,117,635,063	310,929,779	(1,428,564,842)	-
Accounts receivable - retention under construction contracts	271,169,605	-	(271,169,605)	-
Contract assets	-	-	1,699,734,447	1,699,734,447
Construction in progress	329,386,409	(329,386,409)	-	-
Withholding tax deducted at source	173,259,491	(95,996)	-	173,163,495
Deferred tax assets	49,703,287	(7,220,368)	-	42,482,919
	<u>1,941,153,855</u>	<u>(25,772,994)</u>	<u>-</u>	<u>1,915,380,861</u>
<u>Liabilities and shareholders' equity</u>				
Unearned construction - revenue	10,054,800	-	(10,054,800)	-
Advances received from customers under construction contracts	913,864,608	-	(913,864,608)	-
Contract liabilities	-	-	923,919,408	923,919,408
Provision for liabilities under construction projects	166,974,290	(36,101,838)	-	130,872,452
Retained earnings	(791,218,452)	10,328,844	-	(780,889,608)
	<u>299,675,246</u>	<u>(25,772,994)</u>	<u>-</u>	<u>273,902,252</u>



	Baht			
	Consolidated financial statements			
	As at December 31, 2019			
	As previously reported	Adjustment increase (decrease)	Reclassification increase (decrease)	After adjustment and reclassification
STATEMENT OF FINANCIAL POSITION				
<u>Assets</u>				
Unbilled receivables	1,138,171,522	84,732,045	(1,222,903,567)	-
Accounts receivable - retention under construction contracts	215,365,886	-	(215,365,886)	-
Contract assets	-	-	1,438,269,453	1,438,269,453
Construction in progress	80,347,572	(80,347,572)	-	-
Withholding tax deducted at source	132,129,377	(95,996)	-	132,033,381
	<u>1,566,014,357</u>	<u>4,288,477</u>	<u>-</u>	<u>1,570,302,834</u>
<u>Liabilities and shareholders' equity</u>				
Advances received from customers under construction contracts	986,559,280	-	(986,559,280)	-
Contract liabilities	-	-	986,559,280	986,559,280
Retained earnings	(347,048,326)	4,288,477	-	(342,759,849)
	<u>639,510,954</u>	<u>4,288,477</u>	<u>-</u>	<u>643,799,431</u>

	Baht		
	Consolidated financial statements		
	For the year ended December 31, 2020		
	As previously reported	Adjustment increase (decrease)	After adjustment
STATEMENT OF COMPREHENSIVE INCOME			
Construction services income	3,117,873,320	226,197,734	3,344,071,054
Cost of construction services	3,304,508,530	212,936,999	3,517,445,529
Income tax income (expenses)	20,730,933	(7,220,368)	13,510,565
Profit for the year	(447,112,773)	6,040,367	(441,072,406)
Basic earnings (loss) per share (Baht per share)	(0.0466)	0.0006	(0.0460)

	Baht			
	Separate financial statements			
	As at December 31, 2020			
	As previously reported	Adjustment increase (decrease)	Reclassification increase (decrease)	After adjustment and reclassification
STATEMENT OF FINANCIAL POSITION				
<u>Assets</u>				
Unbilled receivables	314,182,069	191,267,099	(505,449,168)	-
Accounts receivable - retention under construction contracts	125,196,519	-	(125,196,519)	-
Contract assets	-	-	630,645,687	630,645,687
Construction in progress	182,857,628	(182,857,628)	-	-
Deferred tax assets	15,144,550	(864,553)	-	14,279,997
	<u>637,380,766</u>	<u>7,544,918</u>	<u>-</u>	<u>644,925,684</u>
<u>Liabilities and shareholders' equity</u>				
Unearned construction-revenue	10,054,800	-	(10,054,800)	-
Advances received from customers under construction contracts	261,310,018	-	(261,310,018)	-
Contract liabilities	-	-	271,364,818	271,364,818
Provision for liabilities under construction project	7,851,641	(4,322,766)	-	3,528,875
Retained earning	(771,498,999)	11,867,684	-	(759,631,315)
	<u>(492,282,540)</u>	<u>7,544,918</u>	<u>-</u>	<u>(484,737,622)</u>
	Baht			
	Separate financial statements			
	As at December 31, 2019			
	As previously reported	Adjustment increase (decrease)	Reclassification increase (decrease)	After adjustment and reclassification
STATEMENT OF FINANCIAL POSITION				
<u>Assets</u>				
Unbilled receivables	411,364,652	77,589,426	(488,954,078)	-
Accounts receivable - retention under construction contracts	68,764,298	-	(68,764,298)	-
Contract assets	-	-	557,718,376	557,718,376
Construction in progress	73,684,933	(73,684,933)	-	-
	<u>553,813,883</u>	<u>3,904,493</u>	<u>-</u>	<u>557,718,376</u>
<u>Liabilities and shareholders' equity</u>				
Advances received from customers under construction contracts	387,031,413	-	(387,031,413)	-
Contract liabilities	-	-	387,031,413	387,031,413
Retained earnings	(551,367,660)	3,904,493	-	(547,463,167)
	<u>(164,336,247)</u>	<u>3,904,493</u>	<u>-</u>	<u>(160,431,754)</u>



	Baht		
	Separate financial statements		
	For the year ended December 31, 2020		
	As previously reported	Adjustment increase (decrease)	After adjustment
STATEMENT OF COMPREHENSIVE INCOME			
Construction services income	1,229,530,534	113,677,673	1,343,208,207
Cost of construction services	1,215,591,522	104,849,929	1,320,441,451
Income tax income (expenses)	1,777,372	(864,553)	912,819
Profit for the year	(220,131,339)	7,963,191	(212,168,148)
Basic earnings (loss) per share (Baht per share)	(0.0229)	0.0008	(0.0221)

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Revenue and expense recognition

Services income and service cost from construction

The Group considered that most of the construction agreement had involved a single performance obligation. The Group recognized the revenue from rendering services under construction agreement throughout the construction period by using the outcome method to measure the success of work which assessed the ratio of work completed by the project engineer. The percentage of work completed had been considered and calculated by comparing the actual construction costs incurred until the end of the year with the total cost of construction that was expected to be used in the construction agreement. The allowance for losses would be provided for the construction project in full amount when it was clear that the construction project would suffer a loss.

The likelihood of contract variations claims and liquidated damages, delays in delivery or contractual penalties are taken into account in determining the revenue to be recognised, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

When the value and stage of completion of the contract cannot be reasonably measured, revenue is recognised only to the extent of contract costs incurred that are expected to be recovered.

The recognised revenue which is not yet due per the contracts has been presented under the caption of "Contract asset" in the statement of financial position. The amounts recognised as contract assets are reclassified to trade receivables when the Group's right to consideration is unconditional such as upon completion of services and acceptance by the customer.

The obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer is presented under the caption of "Contract liability" in the statement of financial position. Contract liabilities are recognised as revenue when the Group performs under the contract.

Costs of construction contracts comprise the costs of supply, subcontractors' charges, other services and overheads which are recognized on the percentage-of-completion method.

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

Sales income

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns and discounts.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis.

Other income and expense

The Group have recognised the other income and expenses based on the accrual basis.

4.2 Cash and cash equivalents

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

4.3 FINANCIAL INSTRUMENTS

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortized cost, fair value through other comprehensive income, or fair value through profit or loss. The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Equity instruments can be classified and cannot be changed by two types of measurement which are measuring fair value through profit or loss or measuring fair value through other comprehensive income that without recycling to profit or loss.

The initial recognition of financial assets that are not measured at fair value through profit or loss with fair value plus or deduct transaction cost directly related to the acquisition or issuance. Financial assets that are measured at fair value through profit or loss, transaction costs of financial assets are recognized as expense in profit or loss. However, trade receivables, that do not contain a significant financing component are measured at the transaction price.

Subsequent measurement of debt instruments by 3 methods depends on the classification of debt instruments.

- Financial assets measured at amortized cost when financial assets are held to receive cash flow under the agreement and condition of the agreement of the financial assets that generate cash flow to pay the principal and interest from the principal balance on the specified date only. Such financial assets have to be calculated using the effective rate and are subject to impairment assessment. Profit or loss arising from derecognized, modified or impaired will be recognized in profit or loss.
- Financial assets measured at fair value through other comprehensive income when financial assets are held to receive cash flow under the agreement and to sell financial assets and the agreement condition of financial assets generating cash flow that only pays the principal and interest from the principal balance on the specified date. The change of value of financial assets is recognized through other comprehensive income except loss on impairment and interest income and gain and loss on exchange rate are recognized as profit or loss upon recognized of financial assets. Earning or deficit previously recognized in other comprehensive income has to be reclassified into profit or loss. Such financial asset has to be calculated using the effective interest rate same as financial assets measured at amortized cost.



- Financial assets measured at fair value through profit or loss when financial assets that do not meet the criteria for amortized cost or financial assets measured at fair value through other comprehensive income will be presented in the statement of financial position at fair value by recognizing the net change of fair value in profit or loss.

Subsequent valuation of equity instruments must present equity instruments using the fair value and record profit/loss from change in fair value through profit or loss or other comprehensive income depending on equity instruments classification.

Classification and valuation of financial liabilities

The Group are recognized initially of financial liabilities at fair value net of transaction costs and classified as financial liabilities as financial liabilities subsequently measured at amortized cost using the effective rate. The amortized cost is calculated taking into account fees or costs that are an integral part of the effective rate. Amortization by the effective rate is presented as part of financial costs in profit or loss.

Derecognition of financial instruments

Financial assets will be derecognized from the account when the right to receive cash flow of such asset has ended or when the right to receive cash flow of the assets is transferred including upon the transfer of all risk and consideration of that asset or transfer of internal control in that asset although there is no transfer or maintaining of nearly all risk and consideration of such asset

Financial liabilities will be derecognized from the account when the obligation of such liabilities has been complied, the obligation is cancelled or the obligation has ended. In case existing financial liabilities are changed to new liabilities from one single lender with considerably different requirements or there is a significant amendment in the requirements of existing liabilities, these are considered as recognition old liabilities and recognizing new liabilities by recognizing the difference of such carrying value under profit or loss.

Impairment of financial assets

Expected credit loss for financial assets measured at amortized cost or debt instrument financial asset measured at fair value through other comprehensive income and assets arising from credit facility obligation and financial guarantee agreement are assessed without having to wait for the credit event to occur first. The Group use the general approach in considering the allowance for loss on impairment. For trade receivables, the Group apply a simplified approach in calculating ECLs. The Group recognize a loss based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

Offset of financial instruments

Financial assets and liabilities will be offset and presented at net balance in the statement of financial position in the case legally enforced in offsetting the recognized amount. The Group intend to pay the net balance or intends to receive assets and settle payment of liabilities at the same time.



4.4 Inventories

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

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

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

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

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

4.5 Investment in subsidiaries

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

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

4.6 Investment in associates

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

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

4.7 Investment in joint ventures

Investment in joint ventures is presented in the separate financial statements by stating at cost net of the allowance for impairment (if any). Joint venture is recorded by the equity method in the consolidated financial statements. Investment in joint venture is initially measured at cost and adjusted thereafter to recognise the Company's share of the post-acquisition profits or losses on the portion that belongs to the Company and movements in other comprehensive income. When the Company's share of losses on the portion that belongs to the Company in a joint venture equals or exceeds its interests in the joint ventures, the Company will recognise such losses as an obligation of the Company's interest in the joint ventures.

4.8 Property, plant and equipment and depreciation

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

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

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

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

The Group have reviewed the residual value and useful life of the assets every year.

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

Depreciation is included in determining income.

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

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

4.9 Intangible assets

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

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

Computer software	3 - 10	years
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The useful lives are reviewed by the Group every year.

The amortization is included in the determination of income.

4.10 Related party transactions

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

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

4.11 Leases

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

The Group assess the lease term for the non-cancellable period as stipulated in lease contract or the remaining period of active leases together with any period covered by an option to extend the lease if it is reasonably certain to be exercised or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercise by considering the effect of changes in technology and/or the other circumstance relating to the extension of the lease term.

Right-of-use assets-as a lessee

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

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

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

Lease liabilities

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

In calculating the present value of lease payments, the Group use its incremental borrowing rate, which is determined by referring to the government bond yield adjusted with risk premium depending on the lease term, at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of the interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.¹

Short-term leases and leases of low-value assets

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

The Group recognized the lease payments from operating leases as revenue on a straight-line basis over the term of the lease agreement.

4.12 Foreign currencies

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

Exchange gains and losses are included in determining earnings.



4.13 Impairment of assets non-financial assets

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

4.14 Employee benefits

Short-term employment benefits

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

Post-employment benefits (Defined contribution plans)

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

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

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

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

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

4.15 Income tax (income) expense

Income tax

Income tax comprises current income tax and deferred tax.

Current tax

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



Deferred tax

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

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

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

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

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

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

4.16 Earnings per share

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

4.17 Measurement of fair values

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

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly.
- Level 3: inputs for the asset or liability that are not based on observable market data (unobserved inputs).

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



4.18 Significant accounting judgements and estimates

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

Construction contracts

The Group recognises revenue from construction contracts over time taking into account the stage of completion. The management has exercised judgement in measuring the progress towards satisfaction of the performance obligation, with reference to information provided by project engineers or project managers and relying on their expertise and past experience.

The expected credit loss allowance

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

Estimated construction project costs

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

Provision for liabilities under construction projects

Provision for liabilities under project warranties

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

Provision for losses on construction projects

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

Provision for penalties due to project delays

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

Impairment of investments

The Group treat these investments as impairment when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgement of the management.

Property, plant and equipment/Depreciation and right of use assets and amortisation of intangible assets

In determining depreciation of plant and equipment including right of use assets, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review the estimated useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment and right of use assets and amortisation of intangible assets for impairment on a periodical basis and record the impairment loss when it is determined that the recoverable amount is lower than the carrying amount. This requires judgement regarding forecast of future revenues and expenses relating to the assets subject to the review.

Determining the lease term of contracts with renewal and termination options

The Group determine the lease term as the non-cancellable term of the lease, together with any period covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The management is required to use judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease, considering all relevant factors that create an economic incentive to exercise either the renewal or termination. After the commencement date, the Group reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Deferred tax assets

Deferred tax assets are recognized for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimated future taxable profits. Post-employment benefits under defined benefit plans and other long-term employee benefits defined benefit plan

The obligation under the defined benefit plan and other long-term employee benefit defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate, staff turnover rate and gold price, etc.

Litigation

The Company has contingent liabilities as a result of litigation. The management has used judgement to assess the results of the litigation and believed that it will win the case. However, for prudent reason, the management has displayed judgement to set up certain provision for litigation as at the end of the reporting period.

Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit of the lease. Therefore, the incremental borrowing rate of the Group are used to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay for necessary borrowing to acquire the assets, or assets with close value to right-of-use assets in similar economic environment, borrowing period and borrowing security.



5. RELATED PARTY TRANSACTIONS

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

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

Company's name	Country of incorporation	Type of relation
Sahakarn Wisavakorn Company Limited	Thailand	Subsidiary company
TRC Investment Limited	The Republic of Mauritius	Subsidiary company
TRC Utility Company Limited	Thailand	Subsidiary company from August 16, 2021 the status of such company changed from the Subsidiary to the Joint venture with 50% shareholding
Hydrotek Sahakarn Joint Venture	Thailand	Subsidiary company
TRC International Limited	Hong Kong	Subsidiary company
TRC Middle East LLC	Sultanate of Oman	Subsidiary company
TRC Engineering LLC	Sultanate of Oman	Subsidiary company
Olive Technology Company Limited	Thailand	Subsidiary company
Mahat Company Limited	Thailand	Subsidiary company
SAHAHYDRO PATTAYA Joint Venture	Thailand	Subsidiary company
ASEAN Potash Chaiyaphum Public Company Limited	Thailand	Associated company
Sinopec-TRC Joint Venture	Thailand	Joint venture
SH Crossing Company Limited	Thailand	Joint venture
AT Energy Solution Company Limited	Thailand	Joint venture
Sahakarn Underground Joint Venture	Thailand	Joint venture

Significant transactions with related companies for the years ended December 31, 2021 and 2020 are as follows :

	In Million Baht				
	Consolidated financial statements		Separate financial statements		Transfer Pricing Policy
	2021	2020	2021	2020	
<u>Transactions with subsidiary companies</u> (eliminated from the consolidated financial statements)					
Cost of construction services	-	-	3	4	Cost plus margin
Interest expenses	-	-	26	23	At rate of 2.5% - 6.25% p.a.
Sale assets	-	-	-	8	Agreed between the parties
Other income	-	-	14	20	Cost plus margin
<u>Transactions with related parties</u>					
Other income	2	8	-	5	Cost plus margin

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

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at December 31,		As at December 31,	
	2021	2020	2021	2020
<u>Trade and other current receivables - related parties</u>				
Subsidiary companies	-	-	486,158	410,417
Associated company	383,420	383,420	383,420	383,420
Joint venture	22,572	18,361	8,471	7,961
Total	405,992	401,781	878,049	801,798
<u>Less</u> The expected credit loss allowance	(383,420)	(383,420)	(803,786)	(734,347)
Trade and other current receivables - related parties - net	22,572	18,361	74,263	67,451
<u>Account receivable - retention under construction contracts - related parties</u>				
Associated company	7,854	7,854	7,854	7,854
Joint venture	-	42,626	-	42,626
Total	7,854	50,480	7,854	50,480
<u>Less</u> : The expected credit loss allowance	(7,854)	(7,854)	(7,854)	(7,854)
Total account receivable - retention under construction contracts - related parties - net	-	42,626	-	42,626



	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at December 31,		As at December 31,	
	2021	2020	2021	2020
<u>Advances paid to subcontractor under construction contract- related party</u>				
Joint venture	33,294	47,666	-	-
Total	33,294	47,666	-	-
<u>Short-term loans to related parties</u>				
Subsidiary companies	-	-	64,784	64,309
Joint venture	21,200	-	-	-
Total	21,200	-	64,784	64,309
<u>Less</u> : The expected credit loss allowance	-	-	(64,784)	(64,259)
Total short-term loans to related parties - net	21,200	-	-	50
<u>Long-term loans to related parties</u>				
Subsidiary companies	-	-	1,306,517	1,306,517
Total	-	-	1,306,517	1,306,517
<u>Less</u> : The expected credit loss allowance	-	-	(1,306,517)	(1,306,517)
Total long-term loans to related parties - net	-	-	-	-
<u>Trade and other current payables - related parties</u>				
Subsidiary companies	-	-	22,255	9,594
Joint ventures	11,092	7,996	-	-
Total	11,092	7,996	22,255	9,594
<u>Short-term loans from related parties</u>				
Subsidiary companies	-	-	693,000	642,000
Total	-	-	693,000	642,000

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

Loans from	Related by	In Thousand Baht			
		Consolidated Financial Statements			
		Balance as at December 31, 2020	Increase	Decrease	Balance as at December 31, 2021
<u>Short-term loans</u>					
Sahakarn Underground Joint Venture	Joint venture	-	9,200	-	9,200
TRC Utility Company Limited	Joint venture	-	12,000	-	12,000
Total		-	21,200	-	21,200
Less : The expected credit loss allowance		-	-	-	-
Short term loans - net		-	21,200	-	21,200

Loans to	Related by	In Thousand Baht				
		Separate Financial Statements				
		Balance as at December 31, 2020	Increase	Decrease	Exchange rate adjustment	Balance as at December 31, 2021
<u>Short-term loans</u>						
TRC Investment Limited	Subsidiary company	3,615	329	-	42	3,986
TRC Engineering LLC	Subsidiary company	56,704	154	-	-	56,858
TRC Middle East LLC	Subsidiary company	3,940	-	-	-	3,940
Olive Technology Company Limited	Subsidiary company	50	850	(900)	-	-
Total		64,309	1,333	(900)	42	64,784
Less : The expected credit loss allowance		(64,259)	(483)	-	(42)	(64,784)
Less : The expected credit loss allowance		50	850	(900)	-	-

<u>Long-term loans</u>						
TRC Investment Limited	Subsidiary company	1,260,508	-	-	-	1,260,508
TRC International Limited	Subsidiary company	46,009	-	-	-	46,009
Total		1,306,517	-	-	-	1,306,517
Less : The expected credit loss allowance		1,306,517	-	-	-	1,306,517
Long-term loans - net		-	-	-	-	-



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

The purpose of loans to TRC Investment Limited and TRC International Limited are long-term investments in ordinary share of ASEAN Potash Chaiyaphum Public Company Limited as described in Note 15 The Company classified these loans as long-term loans to related parties in the separate financial statements.

		In Thousand Baht			
		Separate Financial Statements			
Loans from	Related by	Balance as at December 31, 2020	Increase	Decrease	Balance as at December 31, 2021
Sahakarn Wisavakorn Company Limited	Subsidiary company	642,000	211,000	(160,000)	693,000
SAHAHYDRO PATTAYA Joint Venture	Subsidiary company	-	68,000	(68,000)	-
Total		642,000	279,000	(228,000)	693,000

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

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 33.4 and 33.5

Management benefit expenses

Management benefit expenses represent the benefits paid to the Company's management such as salaries and related benefit including the benefit paid by other means. The Company's management is the persons who are defined under the Securities and Exchange Act.

Management benefit expenses for the years ended December 31, 2021 and 2020, are as follows :

		In Million Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		For the year ended December 31,		For the year ended December 31,	
		2021	2020	2021	2020
Management					
Management benefit expenses					
Short-term employee benefits		22	26	15	16
Post-employment benefits		1	3	1	1
Total		23	29	16	17

6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at December 31,		As at December 31,	
	2021	2020	2021	2020
Cash	1,620	1,611	453	437
Deposits at banks (saving and current account)	51,322	88,174	29,236	1,811
Total	52,942	89,785	29,689	2,248

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

7. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at December 31,		As at December 31,	
	2021	2020	2021	2020
Trade accounts receivable - related parties				
Aged on the basis of due dates				
Not yet due	-	-	-	-
Past due				
Up to 3 months	-	-	-	-
3 - 6 months	-	-	-	-
6 - 12 months	-	-	-	-
Over 12 months	383,420	383,420	383,420	383,420
Total trade accounts receivable - related parties	383,420	383,420	383,420	383,420
Less : The expected credit loss allowance	(383,420)	(383,420)	(383,420)	(383,420)
Total trade accounts receivable - related parties - net	-	-	-	-



	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at December 31,		As at December 31,	
	2021	2020	2021	2020
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	222,400	241,509	112,141	53,797
Past due				
Up to 3 months	82,854	16,033	23,686	14,707
3 - 6 months	214	2,159	214	-
6 - 12 months	-	2,925	-	-
Over 12 months	12,972	11,726	-	-
Total trade accounts receivable - unrelated parties	318,440	274,352	136,041	68,504
Less : The expected credit loss allowance	(11,928)	(11,966)	-	-
Translation adjustment	(1,044)	269	-	-
Total trade accounts receivable - unrelated parties - net	305,468	262,655	136,041	68,504
Total trade accounts receivable - net	305,468	262,655	136,041	68,504
<u>Other current receivables</u>				
Advance to related parties	22,187	18,361	76,280	69,468
Interest receivable from related parties	385	-	418,349	348,910
Others	80,564	2,282	27,408	2,055
Total other current receivables	103,136	20,643	522,037	420,433
Less : The expected credit loss allowance	-	-	(420,366)	(350,927)
Total other current receivables - net	103,136	20,643	101,671	69,506
Total trade and other current receivables - net	408,604	283,298	237,712	138,010

The Group transferred rights to receive payment from accounts receivable under construction contracts to secure the credit facilities with banks. Pledged trade accounts receivable amounting to Baht 268 million included in the trade accounts receivable balance as at December 31, 2021 (the Company only : Baht 99 million) (December 31, 2020 : Baht 243 million, the Company only : Baht 52 million).

8. CONTRACT ASSETS / CONTRACT LIABILITIES

8.1 Contract balances

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2021	2020 (Restated)	2021	2020 (Restated)
<u>Contract assets</u>				
Unbilled receivable	2,042,845	1,428,565	675,299	505,449
Accounts receivable - retention under construction contracts	250,567	279,024	78,326	133,051
Less : The expected credit loss allowance	(7,854)	(7,854)	(7,854)	(7,854)
Total contract assets	2,285,558	1,699,735	745,771	630,646
<u>Contract liabilities</u>				
Unearned construction – revenue	54,289	10,055	54,289	10,055
Advances received from customers under construction project	856,704	913,864	163,583	261,310
Total contract liabilities	910,993	923,919	217,872	271,365

8.2 Unbilled receivable

As at 31 December 2021 and 2020, the Group had balance of unbilled receivables of Baht 1,960 million and Baht 1,428 million respectively. (Separate financial statements: Baht 593 million and Baht 505 million, respectively) was expected to be billed within one year.

As at 31 December 2021, the Group and the Company had balance of unbilled receivables of Baht 82 million was expected to be billed after one year as the Company was suing the party for breaching the terms of employment agreement according to the detail of Note 34 (the fourth case of the company).

8.3 Revenue recognised in relation to contract balances

During the years 2021 and 2020, the Group recognised contract liabilities at the beginning of the year of Baht 381 million and Baht 285 million, respectively. (Separate financial statements: Baht 212 million and Baht 126 million respectively) as revenue.

8.4 Revenue to be recognised for the remaining performance obligations

As at December 31, 2021 and 2020, the Group expected to recognise revenue totaling Baht 6,861 million and Baht 8,574 million, respectively. (Separate financial statements: Baht 1,065 million and Baht 1,607 million, respectively) in the future in respect of performance obligations under contracts with customers that have not been satisfied or partially unsatisfied. The Group expects to satisfy these performance obligations within 1-3 years.



9. INVENTORIES

Inventories are as follows:

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

10. WITHHOLDING TAX DEDUCTED AT SOURCE

Withholding tax deducted at source are as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2021	2020 (Restated)	2021	2020
Year 2016	-	6,522	-	-
Year 2017	-	5,674	-	-
Year 2018	-	26,423	-	26,423
Year 2019	566	72,510	-	57,712
Year 2020	64	62,034	-	39,275
Year 2021	68,480	-	44,804	-
	69,110	173,163	44,804	123,410

The Group record withholding tax deducted at source as an asset since they are entitled to claim for a refund of such tax. However, the net realisable value of tax refund is subject to the exercise of the claim right and the result of tax audit of the Group by Government Agency.

11. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Financial assets and financial liabilities are as follows:

	In Thousand Baht			
	Consolidated Financial Statements			
	FVPL	FVOCI	Amortized cost	Total
Financial assets as at December 31, 2021				
Cash and cash equivalents	-	-	52,942	52,942
Trade and other current receivables	-	-	408,604	408,604
Contract assets	-	-	2,285,558	2,285,558
Advances paid to subcontractors under construction contracts	-	-	380,783	380,783
Restricted deposits at banks	-	-	31,960	31,960
	-	-	3,159,847	3,159,847

	In Thousand Baht	
	Consolidated Financial Statements (Restated)	
	Amortized cost	Total
Financial liabilities as at December 31, 2021		
Bank overdrafts and short-term loans from financial institution	796,617	796,617
Trade and other current payables	780,522	780,522
Contract liabilities	910,993	910,993
Accounts payable - retention under construction contracts	229,606	229,606
Lease liabilities	21,264	21,264
	2,739,002	2,739,002



	In Thousand Baht			
	Consolidated Financial Statements (Restated)			
	FVPL	FVOCI	Amortized cost	Total
Financial assets as at December 31, 2020				
Cash and cash equivalents	-	-	89,785	89,785
Trade and other current receivables	-	-	283,298	283,298
Contract assets	-	-	1,699,735	1,699,735
Advances paid to subcontractors under construction contracts	-	-	498,303	498,303
Restricted deposits at banks	-	-	32,198	32,198
	-	-	2,603,319	2,603,319

	In Thousand Baht	
	Consolidated Financial Statements (Restated)	
	Amortized cost	Total
Financial liabilities as at December 31, 2020		
Bank overdrafts and short-term loans from financial institution	709,460	709,460
Trade and other current payables	718,490	718,490
Contract liabilities	923,919	923,919
Accounts payable - retention under construction contracts	158,959	158,959
Lease liabilities	32,382	32,382
	2,543,210	2,543,210

	In Thousand Baht		
	Separate Financial Statements		
	FVOCI	Amortized cost	Total
Financial assets as at December 31, 2021			
Cash and cash equivalents	-	29,689	29,689
Trade and other current receivables	-	237,712	237,712
Contract assets	-	745,771	745,771
Advances paid to subcontractors under construction contracts	-	39,095	39,095
Restricted deposits at banks	-	29,110	29,110
	-	1,081,377	1,081,377

	In Thousand Baht	
	Separate Financial Statements	
	Amortized cost	Total
Financial liabilities as at December 31, 2021		
Bank overdrafts and short-term loans from financial institutions	373,158	373,158
Trade and other current payables	393,726	393,726
Contract liabilities	217,872	217,872
Accounts payable - retention under construction contracts	27,813	27,813
Short-term loans from related parties	693,000	693,000
Lease liabilities	14,112	14,112
	1,719,681	1,719,681



	In Thousand Baht		
	Separate Financial Statements (Restated)		
	FVOCI	Amortized cost	Total
Financial assets as at December 31, 2020			
Cash and cash equivalents	-	2,248	2,248
Trade and other current receivables	-	138,010	138,010
Contract assets	-	630,646	630,646
Advances paid to subcontractors under construction contracts	-	175,760	175,760
Restricted deposits at banks	-	29,350	29,350
	-	976,014	976,014

	In Thousand Baht	
	Separate Financial Statements (Restated)	
	Amortized cost	Total
Financial liabilities as at December 31, 2020		
Bank overdrafts and short-term loans from financial institutions	414,660	414,660
Trade and other current payables	406,437	406,437
Contract liabilities	271,365	271,365
Accounts payable - retention under construction contracts	9,588	9,588
Short-term loans from related parties	642,000	642,000
Lease liabilities	17,213	17,213
	1,761,263	1,761,263

12. OTHER CURRENT ASSETS

Other current assets are as follows :

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2021	2020	2021	2020
Prepaid expenses	14,014	16,528	9,444	12,836
Account receivable - Revenue Department	8,921	11,929	-	-
Other current assets	900	16,101	-	1,490
Total other current assets	23,835	44,558	9,444	14,326

13. RESTRICTED DEPOSITS AT BANKS

These balances represent saving deposit and fixed deposits that the Group pledged with bank guarantee facilities issued by the banks on behalf of the Group, as described in Note 33.4 including the collateral lawsuits as described in Note 34 (case 3 of the Company) for the year 2020.



14. INVESTMENTS IN SUBSIDIARIES

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

Company's name	Business type	Country of registration	In Baht					
			Shareholding percentage (%)		Paid-up capital		Cost method	
			As at December 31,		As at December 31,		As at December 31,	
			2021	2020	2021	2020	2021	2020
Sahakorn Wisavakorn Company Limited	Construction services - basic infrastructure	Thailand	99.99	99.99	500,000,000 Baht	500,000,000 Baht	620,894,691	(145,071,416)
							620,894,691	(145,071,416)
TRC Investment Limited	Holding company	The Republic of Mauritius	100.00	100.00	1 USD	1 USD	32	-
							32	-
TRC Utility Company Limited	To produce and distribute tap water	Thailand	-	99.97	-	250,000 Baht	249,925	-
							-	-
Olive Technology Company Limited	Data management and processing	Thailand	49.97	49.97	3,100,000 Baht	250,000 Baht	1,549,070	-
							124,925	-
							-	-
							1,549,070	124,925
Total							622,443,793	(145,071,416)
							621,269,573	(145,071,416)
							477,372,377	476,198,157

TRC Utility Company Limited

According to the Extraordinary Shareholders' Meeting No. 2/2021, it had a resolution to increase the registered capital of the Company in the amount of Baht 49,000,000 as the new registered capital amounting Baht 50,000,000 by issuing 490,000 capital increase ordinary shares at Baht 100 per share.

TRC Construction Public Company Limited had a resolution to waive the right to purchase some of the newly issued ordinary shares of TRC-UT for 249,851 shares or 49.97% of the total capital increase ordinary shares of TRC-UT to Planet Utility Company Limited as the new investor. at the price below fair value. The estimated fair value of the ordinary shares of TRC Utility Company Limited is calculated by an independent appraiser as at the right offering at Baht 48.68 per share which is higher than the exercise price to purchase shares Baht 23.68 per share. TRC Utility Company Limited has recognised the expense from the share-based payment in profit and loss along with recognising the capital surplus from the share-based payment in shareholder's equity in the amount of Baht 5.92 million.

From such transaction, the Company then had lost control in TRC Utility Company Limited and now held the Joint venture status of the Company from August 16, 2021, onwards. The Company had changed the shareholding in TRC Utility Company Limited from 99.97% to 50% of the total number of ordinary shares. According to the agreement in the joint venture agreement, the Board of Directors of TRC Utility Company Limited has to consist of directors who are from both parties at equal number. The meeting resolution requires to receive the majority votes of all directors. At least, consent votes must be received from the directors of TRC Construction Public Company Limited and directors of Planet Utility Company Limited at least 1 director from each side. The Company had recognised the difference incurred from the loss of control in the subsidiary stated as profit (loss) for the period in the consolidated financial statements as follows:

	Baht
The fair value of the retained investment (50%)	12,169,951.00
(Less) Net assets in the subsidiary that are derecognized	(8,204,731.47)
Loss from the loss of control in the subsidiary	<u>3,965,219.53</u>

Olive Technology Company Limited

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

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



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

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

Sahakarn Wisavakorn Company Limited

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



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

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

Hydrotek Sahakarn Joint Venture

Sahakarn Wisavakorn Company Limited, which is the Company's subsidiary, and Hydrotek Public Company Limited agree that the subsidiary will be responsible for project execution of Hydrotek Sahakarn Joint Venture whereas Hydrotek Public Company Limited will not share any gain and loss as well as damage maybe arisen from this project. Later, on October 31, 2019, the Board of Directors' Meeting No.2/2019 approve to cease the business operation. As at December 31, 2021 such subsidiary is under liquidation process.

TRC Middle East LLC and TRC Engineering LLC

On March 10, 2016, the Meeting No. 3/2016 of the Company's Board of Directors passed a resolution to approve the closure of TRC Middle East LLC and TRC Engineering LLC. On December 31, 2021, these subsidiaries have been in the liquidation process.

SAHAHYDRO PATTAYA Joint Venture

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

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

15. INVESTMENTS IN ASSOCIATE

15.1 Details of associate

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

Company's name	Business type	Country of registration	Shareholding percentage (%)	Paid-up capital (Thousand Baht)	In Thousand Baht					
					Carrying amounts based on equity method		Allowance for loss on impairment of investment	Carrying amounts based on equity method - net		
					As at December 31, 2021	As at December 31, 2020		As at December 31, 2021	As at December 31, 2020	
<u>Held by TRC Investment Limited</u>										
ASEAN Potash Chaiyaphum Public Company Limited	Mining Industries	Thailand	22.46	2,805,797	2,805,797	1,126,742	1,126,742	(1,126,742)	(1,126,742)	-
<u>Held by TRC International Limited</u>										
ASEAN Potash Chaiyaphum Public Company Limited	Mining Industries	Thailand	2.67	2,805,797	2,805,797	85,989	85,989	(85,989)	(85,989)	-
Total						1,212,731	1,212,731	(1,212,731)	(1,212,731)	-

ASEAN Potash Chaiphum Public Company Limited

According to the concession application agreement between the associated company and the Department of Primary Industries and Mines, Ministry of Industry, in January 2015. The associated company was obligated to pay the special benefits in 8 installments amounting to Baht 433 million per installment with interest at the rate of 6.5% per annum, totaling Baht 569 million. It had started from 2018 and had an obligation to pay various fund payments every year throughout the concession certificate period. In addition, the associated company received a letter from the Chaiphum Provincial Industrial Office requesting payment of the first installment of the special benefits of Baht 569 million, including a fine at the rate of 15% per annum within 90 days from the date of receipt of the letter which was due in August 2018, otherwise the concession certificate might be revoked in accordance with Section 128 of the Minerals Act B.E. 2560.

In April 2018, the associated company had allocated and called for payment of newly issued ordinary shares No. 1, amounting to no more than 29 million shares, by offering the newly issued ordinary shares to the existing shareholders at the price of Baht 68.43 per share. The subscription and payment of shares will be made in July 2018. After the subscription and payment period had expired, there was no shareholder paid for the capital increase shares.

Such associated company was unable to pay the first installment of the special benefit payment according to such special benefit payment agreement as it was in the process of seeking the funding sources from both capital increase from shareholders and/or from requesting a credit line from commercial banks. In November 2018, the associated company was notified to the Company to pay the second installment of the special benefits amounting to Baht 569 million by January 15, 2019. If the payment deadline was overdue, the associated company would be required to pay a fine of 15 percent per annum of the amount of special benefit payments for the benefit of the state. At present, the associated company is unable to comply with such special benefit payment agreement.

According to the 2019 Annual General Meeting of Shareholders of the associated company, it had the resolutions to approve the amendment of the offering price of newly issued shares from the price of Baht 68.43 per share to the price of Baht 15.00 per share and consider approving the call for payment of shares by offering shares to the existing shareholders at the rate of 4 existing shares per 5 new shares at the offering price of Baht 15.00 per share and the subscription and payment period between May 27 - 31 and June 3 - 7, 2019 and had extended the subscription period to June 4 to August 5, 2019. When the subscription period and payment for the capital increase shares had expired, then there were 5 shareholders who paid for the newly issued shares amounting to Baht 18.38 million, but the amount received for the payment of the newly issued ordinary shares from the allotment of the newly issued ordinary shares was not complied to the planned operation. As a result, the associated company was unable to continue as planned, therefore, it had to return the payment for the newly issued ordinary shares to the shareholders on September 9, 2019.

Therefore, the Board of Directors' Meeting No. 3/2019 dated February 12, 2019, it had the resolutions to approve the Company not to take any additional action in relation to investment in associated company. It was included not accepting any construction work from the associated company until there was a reliable source of funding for project development and approve the Company's subsidiary to record an allowance for impairment of investment in full amount with the total value of Baht 1,361 million. Due to the associated company had significant uncertainty, such as the obligation to pay the special benefits in both installments, it had then resulted in the risk of being revoked the concession certificate. There was still uncertainty about seeking additional funding to develop potash mining projects both in the part of the capital increase and there was no progress in finding new investors from both the public and private sectors and/or obtaining credit from commercial banks. As a result, the associated company had problems with working capital resulting in the delay in the project development plan of the associated company. The Company had to recognize the loss of the associated company by the equity method in the consolidated operating results for consecutive years. It would be more recognized in the future from recording the fine from the associated company's failure to pay the special benefits that had to pay every year. Although the Company's management had recorded full provision for loss for assets related to

the associated company's potash mining project, the Company continued to have the duty and responsibility to do the best to restore the value of those assets as much as possible. In the future, if the value of those assets is returned, the Company will then be able to reverse the excess loss reserve and can recognize the future profits to compensate for losses from such reserves.

As at December 31, 2021, the associated company was still unable to settle payment for the special state benefits installment 1 - 5 of Baht 2,843 million, including the penalty fee at the rate of 15% per annum as the associated company is in the process of procuring additional funding sources in term of both calling for capital increase from the existing shareholders of the associated company and recruiting the new potential investors and the associated company has suspended the mine construction project temporary.

15.2 Share of Profit (loss)

During the year ended December 31, 2021 and 2020, the Company has stop recognised its share of loss from investments in ASEAN Potash Chaiphaphum Public Company Limited in the consolidated financial statements as the share of loss in that ASEAN Potash Chaiphaphum Public Company Limited has the value equal to the value of the interest of the ASEAN Potash Chaiphaphum Public Company Limited. The Company did not guarantee for the debt obligation of the associated company.

15.3 Summary of significant financial information on associate

ASEAN Potash Chaiphaphum Public Company Limited

Summary of information about financial position as at December 31, 2021 and 2020

	In Million Baht	
	2021	2020
Current assets	5	5
Non-current assets	6,818	6,832
Current liabilities	(4,540)	(3,585)
Non-current liabilities	(2,051)	(2,537)
Net assets	232	715
Shareholding percentage (%)	25.13	25.13
Share of net assets	58	180
Elimination entries	-	-
Goodwill	847	847
Total	905	1,027
Less: Allowance for loss on impairment of investment	(1,213)	(1,213)
Carrying amounts of associate based on equity method	(308)	(186)

Summary of information about comprehensive income for the year ended December 31, 2021 and 2020

	In Million Baht	
	2021	2020
Revenue	3	2
Profit (loss)	(483)	(434)
Other comprehensive income	-	-
Total comprehensive income	(483)	(434)



16. INVESTMENTS IN JOINT VENTURES

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

Company's name	Business type	Shareholding percentage (%)	In Thousand Baht					
			Cost (Thousand Baht)		Carrying amounts based on equity method		Allowance for loss on impairment of investment	
			As at December 31,	As at December 31,	As at December 31,	As at December 31,	As at December 31,	As at December 31,
			2021	2020	2021	2020	2021	2020
<u>Held by the Company</u>								
Sinopec-TRC Joint Venture	Construction service	30	30	2,376	2,376	2,376	-	2,376
AT Energy Solution Company Limited	Energy production and distribution	50	50	100,000	100,000	102,839	-	102,839
TRC Utility Company Limited	To produce and distribute tap water	50	-	6,999	-	9,424	-	9,424
<u>Held by Sahakarn Wisavakorn Company Limited</u>								
SH Crossing Company Limited	Construction service	51	51	20,400	20,400	23,704	-	23,704
Sahakarn Underground Joint Venture	Construction service	50	50	200	200	546	-	546
Total			129,975	122,976	138,889	123,583	-	138,889

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

Company's name	Business type	Shareholding percentage (%)	In Thousand Baht					
			Cost method		Allowance for loss on impairment of investment		Cost method - net	
			As at December 31,	As at December 31,	As at December 31,	As at December 31,	As at December 31,	As at December 31,
			2021	2020	2021	2020	2021	2020
Sinopec-TRC Joint Venture	Construction service	30	30	2,376	2,376	-	2,376	2,376
AT Energy Solution Company Limited	Energy production and distribution	50	50	100,000	100,000	-	100,000	100,000
TRC Utility Company Limited	To produce and distribute tap water	50	-	6,999	-	-	6,999	-
Total			109,375	102,376	-	-	109,375	102,376

SH Crossings Company Limited

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

AT Energy Solution Company Limited

On August 14, 2019, the Board of Directors' Meeting No.8/2019 had a resolution for the company to sign the joint venture agreement with Asia Green Energy Public Company Limited. and Appliance Technology Supply Company Limited to operate the energy production and distribution business at the shareholding 45%, 45%, 10%, respectively. The registered date was on August 14, 2019 with the registered capital of Baht 1 million. The Company invested Baht 449,900. Later Appliance Technology Supply Company Limited intended to sell all of the shares to the former joint investor : TRC Construction Public Company Limited and Asia Green Energy Public Company Limited On November 27, 2019, AT Energy Solution Company Limited. had increased its registered capital from Baht 1 million to Baht 200 million. On January 14, 2020, AT Energy Solution Company Limited had called for the payment of the remaining capital increase shares, resulting in an investment AT Energy Solution Company Limited for 99,999 shares at Baht 99,999,900 or shareholding of 50%.

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

Sahakarn Underground Joint Venture

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

TRC Utility Company Limited

The Company has changed the status of investment in TRC Utility Company Limited from the previous subsidiary that it has control to the Joint venture since August 16, 2021 onwards. In the consolidated financial statements, the Company has initially recognized the retained investment in the former subsidiary that it once has control at the fair value at Baht 48.68 per share in the total amount of Baht 12.17 million (as discussed in the notes to interim financial statements Note 14).



16.1 Share of profit (loss)

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

Company's name	In Thousand Baht			
	Share of profit (loss) from investments in joint ventures		Share of other comprehensive income from investments in joint ventures	
	For the years ended December 31,			
	2021	2020	2021	2020
SH Crossings Company Limited	(37)	(121)	-	-
AT Energy Solution Company Limited	4,999	(2,735)	574	-
Sahakarn Underground Joint Venture	345	1	-	-
TRC Utility Company Limited	(2,745)	-	-	-
Total	2,562	(2,855)	574	-

The consolidated financial statements for the years ended December 31, 2021 and 2020 do not include share of profit (loss) on investment in Sinopec-TRC Joint Venture because the effect of these transactions on the financial statements is immaterial.

16.2 Summary of significant financial information on joint venture

SH Crossings Company Limited

Summary information about financial position

	In Million Baht	
	2021	2020
Cash and cash equivalent	0	6
Other current assets	173	150
Non-current assets	9	13
Current liabilities	(136)	(123)
Net assets	46	46
Shareholding percentage (%)	51	51
Share of net assets	24	24

Summary information about comprehensive income

	In Million Baht	
	For the years ended December 31,	
	2021	2020
Revenue	165	115
Depreciation and amortization	(2)	(4)
Income tax expense	(0)	(0)
Profit (loss)	(0)	(0)
Other comprehensive income	-	-
Total comprehensive income	(0)	(0)

AT Energy Solution Company Limited

Summary information about financial position

	In Million Baht	
	2021	2020
Cash and cash equivalent	45	26
Other current assets	14	154
Non-current assets	330	18
Current liabilities	(22)	(3)
Non - current liabilities	(157)	-
Net assets	210	195
Shareholding percentage (%)	50	50
Share of net assets	105	98

Summary information about comprehensive income

	In Million Baht	
	For the years ended December 31,	
	2021	2020
Revenue	52	5
Depreciation and amortization	6	(0)
Income tax expense	(2)	-
Profit (loss)	14	(4)
Other comprehensive income	1	-
Total comprehensive income	15	(4)



17. PROPERTY, PLANT AND EQUIPMENT

Consolidated financial statements (In Thousand Baht)						
	Balance as at January 1, 2021	Additions	Disposals / Written-off	Transfer in/ (Transfer out)	Decrease of loss control in subsidiary	Balance as at December 31, 2021
Cost						
Land	142,062	-	-	-	-	142,062
Building	343,414	111	-	52,011	(32)	395,504
Tools and equipment	603,385	16,983	(2,923)	39,288	(24,179)	632,554
Furniture, fixtures and office equipment	97,230	610	(7,609)	-	(426)	89,805
Vehicles	87,409	161	(6,288)	-	-	81,282
Construction in progress	75,127	47,778	-	(91,299)	-	31,606
Total cost	1,348,627	65,643	(16,820)	-	(24,637)	1,372,813
Accumulated depreciation						
Building	(59,567)	(18,440)	-	-	6	(78,001)
Tools and equipment	(495,804)	(31,492)	2,089	-	14,329	(510,878)
Furniture, fixtures and office equipment	(90,035)	(3,246)	7,565	-	352	(85,364)
Vehicles	(84,520)	(1,196)	6,288	-	-	(79,428)
Total accumulated depreciation	(729,926)	(54,374)	15,942	-	14,687	(753,671)
Less Allowance for impairment	(344)	-	-	-	344	-
Property, plant and equipment	618,357					619,142

Consolidated financial statements (In Thousand Baht)					
	Balance as at January 1, 2020	Additions	Disposals / Written-off	Transfer in/ (Transfer out)	Balance as at December 31, 2020
Cost					
Land	142,062	-	-	-	142,062
Building	301,840	101	-	41,473	343,414
Tools and equipment	596,054	27,269	(25,023)	5,085	603,385
Furniture, fixtures and office equipment	98,523	1,221	(2,514)	-	97,230
Vehicles	88,402	-	(993)	-	87,409
Construction in progress	34,359	77,686	-	(36,918)	75,127
Total cost	1,261,240	106,277	(28,530)	9,640	1,348,627
Accumulated depreciation					
Building	(46,714)	(12,853)	-	-	(59,567)
Tools and equipment	(450,417)	(53,487)	13,835	(5,735)	(495,804)
Furniture, fixtures and office equipment	(86,761)	(5,781)	2,507	-	(90,035)
Vehicles	(81,096)	(4,315)	891	-	(84,520)
Total accumulated depreciation	(664,988)	(76,436)	17,233	(5,735)	(729,926)
Less Allowance for impairment	(344)	-	-	-	(344)
Property, plant and equipment	595,908				618,357

	Separate financial statements (In Thousand Baht)				
	Balance as at January 1, 2021	Additions	Disposals / Written-off	Transfer in/ (Transfer out)	Balance as at December 31, 2021
Cost					
Land	140,472	-	-	-	140,472
Building	343,381	111	-	43,092	386,584
Tools and equipment	405,337	15,310	(2,087)	39,288	457,848
Furniture, fixtures and office equipment	86,130	423	(6,866)	-	79,687
Vehicles	70,164	143	(6,288)	-	64,019
Construction in progress	66,318	47,668	-	(82,380)	31,606
Total cost	1,111,802	63,655	(15,241)	-	1,160,216
Accumulated depreciation					
Building	(59,561)	(18,073)	-	-	(77,634)
Tools and equipment	(327,079)	(27,085)	2,001	-	(352,163)
Furniture, fixtures and office equipment	(79,519)	(3,026)	6,832	-	(75,713)
Vehicles	(67,292)	(1,189)	6,288	-	(62,193)
Total accumulated depreciation	(533,451)	(49,373)	15,121	-	(567,703)
Property, plant and equipment	578,351				592,513

	Separate financial statements (In Thousand Baht)				
	Balance as at January 1, 2020	Additions	Disposals / Written-off	Transfer in/ (Transfer out)	Balance as at December 31, 2020
Cost					
Land	140,472	-	-	-	140,472
Building	301,807	101	-	41,473	343,381
Tools and equipment	451,219	21,200	(72,167)	5,085	405,337
Furniture, fixtures and office equipment	87,374	1,049	(2,293)	-	86,130
Vehicles	70,164	-	-	-	70,164
Construction in progress	34,359	68,877	-	(36,918)	66,318
Total cost	1,085,395	91,227	(74,460)	9,640	1,111,802
Accumulated depreciation					
Building	(46,710)	(12,851)	-	-	(59,561)
Tools and equipment	(328,492)	(46,215)	53,363	(5,735)	(327,079)
Furniture, fixtures and office equipment	(76,294)	(5,511)	2,286	-	(79,519)
Vehicles	(63,209)	(4,083)	-	-	(67,292)
Total accumulated depreciation	(514,705)	(68,660)	55,649	(5,735)	(533,451)
Property, plant and equipment	570,690				578,351



	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	For the years ended December 31,		For the years ended December 31,	
	2021	2020	2021	2020
Depreciation charged to the statements of comprehensive income				
Cost of sales and services	9,601	16,506	6,069	9,493
Administrative expenses	44,773	59,930	43,304	59,167
Total	54,374	76,436	49,373	68,660

As at December 31, 2021 and 2020, the Group's certain equipment items have been fully depreciated but are still in use. The gross carrying amount, before deducting accumulated depreciation of those assets, amounted to approximately Baht 560 million and Baht 517 million, respectively. (The company only : 429 million and 385 million, respectively)

As at December 31, 2021 and 2020, the Group has tools and motor vehicles acquired under finance lease agreements, with net book value amounting to approximately Baht 2 million and Baht 7 million, respectively. (The company only : 2 million and 5 million, respectively)

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

18. RIGHT-OF-USE ASSETS

18.1 Right-of-use assets consists of:

	In Thousand Baht			
	Consolidated financial statements			
	Balance as at	Transactions during the year		Balance as at
	January 1, 2021	Addition/ reassessment lease term	Change in conditions/ written-off	December 31, 2021
<u>At cost</u>				
Land and land improvement	16,345	-	(2,411)	9,820
Building and building improvement	1,296	-	-	810
Furniture, fixture and office equipment	17,855	6,791	(3,886)	20,760
Vehicles	5,848	3,340	-	9,188
Total	41,344	10,131	(6,297)	40,578
<u>Less Accumulated depreciation</u>				
Land and land improvement	(3,773)	(6,062)	1,639	(6,770)
Building and building improvement	(459)	(80)	-	(337)
Furniture, fixture and office equipment	(5,258)	(6,015)	1,397	(9,876)
Vehicles	(2,231)	(2,899)	-	(5,130)
Total	(11,721)	(15,056)	3,036	(22,113)
Right-of-use assets - net	29,623			18,465

	In Thousand Baht			
	Consolidated financial statements			
	Balance as at	Transactions during the year		Balance as at
	January 1, 2020	Addition/reassessment lease term	Change in conditions/ written-off	December 31, 2020
<u>At cost</u>				
Land and land improvement	4,840	11,505	-	16,345
Building and building improvement	462	834	-	1,296
Furniture, fixture and office equipment	11,383	6,472	-	17,855
Vehicles	3,407	2,441	-	5,848
Total	20,092	21,252	-	41,344
<u>Less Accumulated depreciation</u>				
Land and land improvement	-	(3,773)	-	(3,773)
Building and building improvement	-	(459)	-	(459)
Furniture, fixture and office equipment	-	(5,258)	-	(5,258)
Vehicles	-	(2,231)	-	(2,231)
Total	-	(11,721)	-	(11,721)
Right-of-use assets - net	20,092			29,623



	In Thousand Baht				
	Separate financial statements				
	Balance as at	Transactions during the year			Balance as at
	January 1, 2021	Addition/reassessment lease term	Change in conditions/ written-off	Transfer-in (Transfer-out)	December 31, 2021
<u>At cost</u>					
Land and land improvement	3,418	-	(2,032)	-	1,386
Furniture, fixture and office equipment	15,727	6,791	(2,753)	-	19,765
Vehicles	2,088	1,775	-	-	3,863
Total	21,233	8,566	(4,785)	-	25,014
<u>Less Accumulated depreciation</u>					
Land and land improvement	(778)	(1,308)	1,355	-	(731)
Furniture, fixture and office equipment	(4,755)	(5,737)	1,068	-	(9,424)
Vehicles	(1,215)	(1,180)	-	-	(2,395)
Total	(6,748)	(8,225)	2,423	-	(12,550)
Right-of-use assets - net	14,485				12,464

	In Thousand Baht			
	Separate financial statements			
	Balance as at	Transactions during the year		Balance as at
	January 1, 2020	Addition/reassessment lease term	Change in conditions/ written-off	December 31, 2020
<u>At cost</u>				
Land and land improvement	-	3,418	-	3,418
Furniture, fixture and office equipment	10,193	5,534	-	15,727
Vehicles	2,082	6	-	2,088
Total	12,275	8,958	-	21,233
<u>Less Accumulated depreciation</u>				
Land and land improvement	-	(778)	-	(778)
Furniture, fixture and office equipment	-	(4,755)	-	(4,755)
Vehicles	-	(1,215)	-	(1,215)
Total	-	(6,748)	-	(6,748)
Right-of-use assets - net	12,275			14,485

The Group lease several assets including land and land improvement of which lease term 3 years, office buildings, equipment and vehicles of which average lease term during 3 years.

19. INTANGIBLE ASSETS

Consolidated financial statements (In Thousand Baht)						
	Balance as at January 1, 2021	Additions	Disposals / Written-off	Transfer in/ (Transfer out)	Decrease of loss control in subsidiary	Balance as at December 31, 2021
Cost						
Computer software	30,968	221	(7)	-	(64)	31,118
Total cost	30,968	221	(7)	-	(64)	31,118
Accumulated amortisation						
Computer software	(17,695)	(2,268)	-	-	24	(19,939)
Total accumulated amortisation	(17,695)	(2,268)	-	-	24	(19,939)
Intangible assets - net	13,273					11,179

Consolidated financial statements (In Thousand Baht)					
	Balance as at January 1, 2020	Additions	Disposals / Written-off	Transfer in/ (Transfer out)	Balance as at December 31, 2020
Cost					
Computer software	26,240	4,728	-	-	30,968
Total cost	26,240	4,728	-	-	30,968
Accumulated amortisation					
Computer software	(15,493)	(2,202)	-	-	(17,695)
Total accumulated amortisation	(15,493)	(2,202)	-	-	(17,695)
Intangible assets - net	10,747				13,273



Separate financial statements (In Thousand Baht)					
	Balance as at January 1, 2021	Additions	Disposals / Written-off	Transfer in/ (Transfer out)	Balance as at December 31, 2021
Cost					
Computer software	30,390	153	-	-	30,543
Total cost	30,390	153	-	-	30,543
Accumulated amortisation					
Computer software	(17,323)	(2,207)	-	-	(19,530)
Total accumulated amortisation	(17,323)	(2,207)	-	-	(19,530)
Intangible assets - net	13,067				11,013

Separate financial statements (In Thousand Baht)					
	Balance as at January 1, 2021	Additions	Disposals / Written-off	Transfer in/ (Transfer out)	Balance as at December 31, 2021
Cost					
Computer software	25,739	4,651	-	-	30,390
Total cost	25,739	4,651	-	-	30,390
Accumulated amortisation					
Computer software	(15,172)	(2,151)	-	-	(17,323)
Total accumulated amortisation	(15,172)	(2,151)	-	-	(17,323)
Intangible assets - net	10,567				13,067

In Thousand Baht				
	Consolidated financial statements		Separate financial statements	
	For the years ended December 31,		For the years ended December 31,	
	2021	2020	2021	2020
Amortisation charged to the statements of comprehensive income				
Cost of sales and services	23	7	10	6
Administrative expenses	2,245	2,195	2,197	2,145
Total	2,268	2,202	2,207	2,151

20. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

20.1 Deferred tax assets and deferred tax liabilities are as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020 (Restated)	2021	2020 (Restated)
Deferred tax assets	27,591	42,763	19,394	14,598
Deferred tax liabilities	(287)	(280)	(333)	(318)
	27,304	42,483	19,061	14,280

Changes in deferred tax assets and deferred tax liabilities for the years ended December 31, 2021 and 2020, were as follows:

	In Thousand Baht			
	Consolidated financial statements			
	Balance as at December 31, 2020 (Restated)	Recognized in Profit and Loss Additions	Recognized in Other Comprehensive Income Utilized/ Reversal	Balance as at December 31, 2021
Deferred tax assets resulted from				
Allowance for decline in value				
in inventories	139	-	-	139
Employee benefit obligations	16,364	2,613	(1,218)	12,253
Other provision	26,260	23,232	(34,293)	15,199
Total	42,763	25,845	(35,511)	27,591
Deferred tax liabilities from				
Financial lease	(280)	(7)	-	(287)
Total	(280)	(7)	-	(287)
Net	42,483	25,838	(35,511)	27,304



	In Thousand Baht				
	Consolidated financial statements (Restated)				
	Balance as at	Recognized in Profit and Loss		Recognized in Other	Balance as at
	December 31, 2019	Additions	Utilized/ Reversal	Comprehensive Income	December 31, 2020
Deferred tax assets resulted from					
Allowance for decline in value					
in inventories	476	-	(337)	-	139
Employee benefit obligations	14,985	2,929	(1,550)	-	16,364
Other provision	15,177	74,254	(63,171)	-	26,260
Total	30,638	77,183	(65,058)	-	42,763
Deferred tax liabilities from					
Financial lease	(1,666)	38	1,348	-	(280)
Total	(1,666)	38	1,348	-	(280)
Net	28,972	77,221	(63,710)	-	42,483

	In Thousand Baht				
	Separate financial statements				
	Balance as at	Recognized in Profit and Loss		Recognized in Other	Balance as at
	December 31, 2020 (Restated)	Additions	Utilized/ Reversal	Comprehensive Income	December 31, 2021
Deferred tax assets resulted from					
Allowance for decline in value					
in inventories	139	-	-	-	139
Employee benefit obligations	13,668	1,841	(367)	(7,732)	7,410
Other provision	791	23,232	(12,178)	-	11,845
Total	14,598	25,073	(12,545)	(7,732)	19,394
Deferred tax liabilities from					
Financial lease	(318)	(15)	-	-	(333)
Total	(318)	(15)	-	-	(333)
Net	14,280	25,058	(12,545)	(7,732)	19,061

	In Thousand Baht			
	Separate financial statements (Restated)			
	Balance as at December 31, 2019	Recognized in Profit and Loss		Balance as at December 31, 2020
		Additions	Utilized/ Rever	
Deferred tax assets resulted from				
Allowance for decline in value				
in inventories	476	-	(337)	139
Employee benefit obligations	12,665	2,401	(1,398)	13,668
Other provision	1,419	11,251	(11,879)	791
Total	14,560	13,652	(13,614)	14,598
Deferred tax liabilities from				
Financial lease	(1,193)	-	875	(318)
Total	(1,193)	-	875	(318)
Net	13,367	13,652	(12,739)	14,280

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

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

		In Thousand Baht			
		Consolidated financial statements		Separate financial statements	
		As at December 31,		As at December 31,	
		2021	2020	2021	2020
Interest rate	(% per annum)				
Bank overdrafts	6.00 - 6.03	6,256	-	1,184	-
Trust receipts	4.47 (2563 : 4.47 - 5.25)	4,474	20,405	4,474	20,405
Promissory note	2.26 - 6.00 (2563 : 3.25 - 6.00)	785,887	689,055	367,500	394,255
Total		796,617	709,460	373,158	414,660



22. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables were as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2021	2020	2021	2020
Trade accounts payable - related parties	11,092	7,996	-	-
Trade accounts payable - unrelated parties	701,797	643,404	319,545	340,757
Advances from related parties	-	-	5,081	5,628
Fixed assets payable	7,482	17,093	7,378	14,835
Accrued interest expense - related parties	-	-	17,174	3,966
Accrued expenses - unrelated parties	60,151	49,997	44,548	41,251
Total trade and other current payables	780,522	718,490	393,726	406,437

23. PROVISION FOR LIABILITIES UNDER CONSTRUCTION PROJECTS

Provision for liabilities under construction projects are as follows:

	In Thousand Baht					
	Consolidated financial statements			Separate financial statements		
	Warranties	Loss on construction	Total	Warranties	Loss on construction	Total
As at January 1, 2021	7,101	123,771	130,872	2,975	554	3,529
Increase during the year	-	116,158	116,158	-	116,158	116,158
Decrease from occurrence of actual expense	(751)	(167,390)	(168,141)	(80)	(57,486)	(57,566)
Reversal of provisions	(2,895)	-	(2,895)	(2,895)	-	(2,895)
As at December 31, 2021	3,455	72,539	75,994	-	59,226	59,226

	In Thousand Baht (Restated)					
	Consolidated financial statements			Separate financial statements		
	Warranties	Loss on construction	Total	Warranties	Loss on construction	Total
As at January 1, 2020	16,719	60,173	76,892	8,101	-	8,101
Increase during the year	1,000	370,269	371,269	-	56,256	56,256
Decrease from occurrence of actual expense	(7,016)	(306,671)	(313,687)	(2,468)	(55,702)	(58,170)
Reversal of provisions	(3,602)	-	(3,602)	(2,658)	-	(2,658)
As at December 31, 2020	7,101	123,771	130,872	2,975	554	3,529

24. LEASE LIABILITIES

The carrying amounts of lease liabilities and the movement for the year ended December 31, 2021 and 2020 are presented below

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Lease liabilities, beginning	32,382	23,965	17,213	14,383
Addition	10,131	21,252	8,566	8,958
Accretion of interest	1,653	1,640	1,025	933
Payments	(17,932)	(14,475)	(10,238)	(7,061)
Decrease from cancel of lease agreement	(3,343)	-	(2,454)	-
Decrease of loss control in subsidiary	(1,627)	-	-	-
Lease liabilities, ending	21,264	32,382	14,112	17,213
Less : current portion	(13,052)	(16,709)	(7,349)	(9,156)
Lease liabilities - net	8,212	15,673	6,763	8,057

The following are the amounts recognized in profit or loss :

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	For the years ended December 31,		For the years ended December 31,	
	2021	2020	2021	2020
Depreciation of right-of-use assets	15,056	11,721	8,225	6,748
Interest expense on lease liabilities	1,653	1,640	1,025	933
Expense relating to short-term lease	7,038	9,745	5,029	7,889
Leases of low - value assets	1,200	4,528	660	4,192
Total	24,947	27,634	14,939	19,762

The Group had total cash outflows for leases of Baht 18 million (the separate: Baht 10 million) and also had non-cash additions to right-of-use assets and lease liabilities of Baht 10 million (the separate: Baht 9 million).



25. OTHER CURRENT LIABILITIES

Other current liabilities are as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2021	2020	2021	2020
Undue output VAT	-	104	7,631	-
VAT payable	-	8,811	6,068	8,706
Others	7,769	6,936	2,317	2,365
Total	7,769	15,851	16,016	11,071

26. NON-CURRENT PROVISION FOR employee benefits

26.1 Movements in the non-current provision for employee benefits are as follows:

	Consolidated Financial Statements (In Thousand Baht)					
	2021			2020		
	Post-employment benefits	Other long-term benefits	Total	Post-employment benefits	Other long-term benefits	Total
Non-current provisions for employee benefits, beginning	74,166	7,941	82,107	68,776	6,346	75,122
Gain estimation over actuarial principles	(26,433)	(1,099)	(27,532)	-	-	-
Current service cost and Interest cost	10,913	2,021	12,934	12,796	1,942	14,738
Non-current provisions for employee benefits paid	(5,683)	(404)	(6,087)	(7,406)	(347)	(7,753)
Decrease of loss control in subsidiary	(156)	-	(156)	-	-	-
Non-current provisions for employee benefits, ending	52,807	8,459	61,266	74,166	7,941	82,107

	Separate Financial Statements (In Thousand Baht)					
	2021			2020		
	Post-employment benefits	Other long-term benefits	Total	Post-employment benefits	Other long-term benefits	Total
Non-current provisions for employee benefits, beginning	61,551	6,787	68,338	57,842	5,485	63,327
Gain estimation over actuarial principles	(35,923)	(2,739)	(38,662)	-	-	-
Current service cost and Interest cost	7,938	1,267	9,205	10,430	1,573	12,003
Non-current provisions for employee benefits paid	(1,632)	(200)	(1,832)	(6,721)	(271)	(6,992)
Non-current provisions for employee benefits, ending	31,934	5,115	37,049	61,551	6,787	68,338

26.2 Expenses recognized in the statement of comprehensive income for the year ended December 31, 2021 and 2020 are as follows:

The statement of comprehensive income	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	For the year ended December 31,		For the year ended December 31,	
	2021	2020	2021	2020
Recognized in profit or loss				
Cost of construction services	6,053	6,488	4,400	5,282
Administrative expenses	6,881	8,250	4,805	6,721
Total	12,934	14,738	9,205	12,003
Recognized in other comprehensive income				
Gain on actuarial gain loss	(22,025)	-	(30,929)	-
Total	(9,091)	14,738	(21,724)	12,003

26.3 Gain and loss from the estimate based on actuarial principles recognized in the statement of comprehensive income for the year ended December 31, 2021 arise from

	In Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
Recognized in other comprehensive income		
Population assumption	2,054	2,637
Financial assumption	8,247	5,481
Improvement from experience	17,231	30,544
Total	27,532	38,662

26.4 The main assumptions in the assessment financial assumptions

For the year ended December 31	(% per annum)			
	Consolidated Financial Statement		Separate Financial Statement	
	2021	2020	2021	2020
Discount rate (% per annum)	0.81 - 0.94	2.28 - 2.43	0.94	2.28
Salary increase rate (% per annum)	1.00	5.00	1.00	5.00
Employee turnover rate (depending on age) (% per annum)	0 - 42.00	0 - 46.00	0 - 34.00	0 - 46.00
Mortality rate	Table of death B.B.2017	Table of death B.B.2017	Table of death B.B.2017	Table of death B.B.2017
Gold price (Baht)	27,350	20,600	27,350	20,600



26.5 Sensitivity analysis

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at December 31, 2021 and 2020 are summarized below:

	In Million Baht							
	Consolidated Financial Statements				Separate Financial Statements			
	2021		2020		2021		2020	
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
Discount rate (Changing 1%)	(3.6)	3.5	(6.3)	7.2	(2.2)	2.2	(5.3)	6.1
Future salary increase rate (Changing 1%)	4.3	(3.8)	9.2	(8.0)	2.6	(2.4)	7.7	(6.7)
Employee turnover rate (Changing 1%)	(3.8)	1.3	(6.7)	2.4	(2.3)	0.8	(5.6)	2.1
Mortality rate (Changing 1 year)	0.2	(0.2)	-	-	0.1	(0.1)	-	-
Gold price (1,000 Baht)	0.2	(0.1)	0.2	(0.2)	0.1	0.1	0.2	(0.2)

27. LEGAL RESERVE

Company

Section 116 of the Public Companies Act B.E. 2535 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

Local subsidiaries

according to the thai civil and commercial code, the subsidiaries are required to set aside to a statutory reserve an amount equal to at least 5% of its net profit each time the company pays out a dividend, until such reserve reaches 10% of its registered share capital. The statutory reserve cannot be used for dividend payment.

Overseas subsidiaries

according to the civil and commercial code, the subsidiaries are required to set aside to a statutory reserve an amount equal to at least 10% of its net profit until such reserve reach one-third of the company's capital.

28. EXPENSES BY NATURE

Significant expenses by nature for the years ended December 31, 2021 and 2020 are as follow:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Construction materials and consumables				
used and subcontractors costs	2,770,796	2,944,422	1,030,394	994,067
Salary and wage and other employee benefits	451,741	468,081	345,101	331,242
Depreciation	69,430	88,158	57,598	75,409
Amortisation expenses	2,268	2,202	2,207	2,150
Rental expenses from operating lease Agreements	83,705	118,979	54,704	73,444

29. Income tax expense (income)

29.1 Major components of tax expense (income)

For the years ended December 31, 2021 and 2020 consisted of:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020 (Restated)	2021	2020 (Restated)
Income tax expense (income) shown in profit or loss :				
Current tax expense :				
Income tax expense for the year	3,247	-	-	-
Deferred tax expense (income) :				
Changes in temporary differences relating to the				
original recognition and reversal	7,446	(13,511)	(12,513)	(913)
Total	10,693	(13,511)	(12,513)	(913)



29.2 A numerical reconciliation between tax expense (income) and the product of accounting profit multiplied by the applicable tax rate

For the years ended December 31, 2021 and 2020 which are summarized as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020 (Restated)	2021	2020 (Restated)
Accounting profit (loss) for the year	(48,607)	(454,583)	(152,456)	(213,081)
The applicable tax rate (%)	12% - 20%	12% - 20%	20%	20%
Tax expense (income) at the applicable tax rate	(9,721)	(90,917)	(30,491)	(42,616)
Reconciliation items:				
Tax effect of expenses that are not deductible in determining tax profit:				
Tax effect of intercompany transactions				
- Expenses not allowed as expenses in determining taxable profit				
- Expenses allowed increase in determine taxable				
- Share of (gain) loss from investment in joint venture				
- Unused tax losses which may net utilise				
Total reconciliation items				
Total tax expense (income)				

29.3 A numerical reconciliation between the average effective tax rate and the applicable tax rate

For the years ended December 31, 2021 and 2020 are summarized as follows:

	Consolidated financial statements			
	2021		2020 (Restated)	
	Tax amount (In Thousand Baht)	Tax rate (%)	Tax amount (In Thousand Baht)	Tax rate (%)
Accounting profit (loss) before tax expense for the year	(48,607)		(454,583)	
Tax expense (income) at the applicable tax rate	(9,721)	(12 – 20)	(90,917)	(12 – 20)
Reconciliation items	20,414	42.00	77,406	17.03
Tax expense (income) at the average effective tax rate	10,693	22.00	(13,511)	(2.97)

	Separate financial statements			
	2021		2020 (Restated)	
	Tax amount (In Thousand Baht)	Tax rate (%)	Tax amount (In Thousand Baht)	Tax rate (%)
Accounting profit (loss) before tax expense for the year	(152,456)		(213,081)	
Tax expense (income) at the applicable tax rate	(30,491)	(20.00)	(42,616)	(20.00)
Reconciliation items	17,978	11.98	41,703	19.57
Tax expense (income) at the average effective tax rate	(12,513)	(8.02)	(913)	(0.43)

Corporate income tax of overseas subsidiaries company is calculated at the rate 12% on taxable profit in excess of 30,000 Omani Rial.

As at December 31, 2021, the Group have deductible temporary differences totaling Baht 2,331 million (the Company only: Baht 2,331 million) (2020: Baht 2,279 million, the Company only: Baht 2,279 million), on which deferred tax assets have not been recognised as the Company believes that it may not utilise the temporary differences in the future.

As at December 31, 2021, the Group have unused tax losses totaling Baht 573 million, USD 43 million and Omani Rial 1 million (the Company only: Baht 363 million) (2020: Baht 503 million, USD 48 million and Omani Rial 1 million, (the Company only: Baht 361 million) will expire by 2026.

30. EARNINGS PER SHARE

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

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

	For the years ended December 31,			
	Consolidated financial statements		Separate financial statements	
	2021	2020 (Restated)	2021	2020 (Restated)
Profit (loss) for the year (Thousand Baht)	(57,388)	(438,130)	(139,943)	(212,168)
Weighted average number of ordinary shares (Thousand shares)	9,587,147	9,587,147	9,587,147	9,587,147
Earnings per share (Baht per share)	(0.0060)	(0.0457)	(0.0146)	(0.0221)

31. PROVIDENT FUND

The Company, the subsidiary and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company, the subsidiary and their employees contributed to the fund monthly at the rate of 3% - 7% of basic salary. The fund, which is managed by TISCO Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2021 amounting to approximately Baht 6 million (Separate financial statements: Baht 4 million) (2020 : Baht 7 million, Separate financial statements: Baht 4 million) were recognised as expenses.



32. SEGMENT INFORMATION

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Company and its subsidiaries are organized into business units based on its products and services and have four reportable segments as follows:

- Pipeline system construction segment
- Engineering system installation and factory construction for energy and petrochemical business segment
- Civil work construction segment
- Sales and other services

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit information regarding the Company's and its subsidiaries' operating segments for the year ended December 31, 2021 and 2020, respectively.

	In Thousand Baht						
	For the year ended December 31, 2021						
	Pipeline system	Engineering system	Civil work	Sales and other services	Total Segments	Adjustments and eliminations	Consolidated
Revenues from external customers	1,569,575	(27,390)	2,204,953	100,915	3,848,053	(2,703)	3,845,350
Revenues from subsidiary	-	-	-	-	-	-	-
Revenues from associate	-	-	-	-	-	-	-
Depreciation	(46,912)	819	(18,701)	(5,203)	(69,997)	1,481	(68,516)
Administrative expense	(122,302)	2,130	(82,251)	(10,002)	(212,425)	(28)	(212,453)
Segment profit (loss)	(52,626)	(69,530)	41,186	2,392	(78,578)	19,559	(59,019)
Other income							42,424
Interest revenue							487
Financial cost							(35,060)
Share of profit (loss) from investments in joint ventures							2,562
Profit (loss) before income tax expense							(48,606)
Income tax income (expense)							(10,693)
Profit (loss) for the year							(59,299)

	In Thousand Baht						
	For the year ended December 31, 2020 (Restated)						
	Pipeline system	Engineering system	Civil work	Sales and other services	Total Segments	Adjustments and eliminations	Consolidated
Revenues from external customers	958,549	254,420	2,128,891	30,271	3,372,131	-	3,372,131
Revenues from subsidiary	-	-	-	-	-	-	-
Revenues from associate	-	-	-	-	-	-	-
Depreciation	(55,913)	(14,780)	(13,583)	(5,308)	(89,584)	1,435	(88,149)
Administrative expense	(137,068)	(36,234)	(77,092)	(2,923)	(253,317)	4,300	(249,017)
Segment profit (loss)	(197,473)	(17,671)	(295,192)	6,554	(503,782)	25,427	(478,355)
Other income							49,223
Interest revenue							886
Financial cost							(23,482)
Share of profit (loss) from investments in joint ventures							(2,855)
Profit (loss) before income tax expense							(454,583)
Income tax income (expense)							13,511
Profit (loss) for the year							(441,072)

Geographic information

The Group operated in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customers

For the year 2021, the Group have revenue from two major customers in amount of Baht 842 million and Baht 793 million, respectively arising from pipeline system segment and engineering system segment (2020 : Baht 827 million and Baht 1,075 million, two major customers from pipeline system segment and civil work segments).

33. COMMITMENTS AND CONTINGENT LIABILITIES

33.1 Purchase construction materials and subcontracted work commitments

As at December 31, 2021, the Company and the subsidiary have outstanding commitments of Baht 4,944 million and USD 1 million in respect of purchase construction materials and subcontracted work (the Company only: Baht 407 million and USD 1 million) (December 31, 2020 : Baht 4,898 million (the Company only: Baht 630 million)).

33.2 Operating lease commitments

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



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

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

33.3 Service agreement commitments

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

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

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

33.4 Bank guarantees

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

	In Million Baht			
	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2021	2020	2021	2020
Guarantee of construction contract and bidding	1,372	1,219	421	359
Guarantee of advance payment bond and retention	1,682	2,111	194	826
Guarantee of others	187	68	118	45
Total	3,241	3,398	733	1,230

As at December 31, 2021, the Group had the obligations from related parties to use the letter of guarantee of the Group amounted Baht 337 million (December 31, 2020 : Baht 282 million).

33.5 Guarantees

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

34. LITIGATIONS

As at December 31, 2021 , The Group have a total of 12 lawsuits with significant changes during the year as follow:

	Amount (Million Baht)	Status of the Cases	Remark
<u>The Company</u>			
Case 1	20	Under the Administrative Court's consideration. (The Company : plaintiff)	The Company had filed the litigation against the government agency and others to reclaim the bank guarantee and repay the damages. Since the government agency had issued the letter, dated 6 December 2011, to the bank to enforce the bank guarantee, which the Company had submitted to the government agency in accordance with the trade proposal for 20 million Baht due to their consideration that the Company could not fulfil such proposal. The Administrative Court adjudged the government agency to return the bank guarantee to the Company and the Company to repay the damage for 10 million Baht with interest at 7.5% p.a. to the government agency. The government agency had appealed to the court. On 30 December 2021, the Company repaid the damage with interest at 15% p.a. in accordance with the court verdict for totally of 17.51 million Baht to the Administrative Court and requested the court to inform the government agency to collect the proceeds within 7 days. At present, it is under the court proceeding to submit the letter to the government agency to collect the proceeds and under the consideration of the Administration Court. The Company had recorded the allowance for the contingency liability for 20 million Baht.
Case 2	10.5	Final judgement (The Company : defendant)	The Company was sued by a trade account payable of the construction project to claim damage from breach of contract at amount of Baht 10.5 million. Presently, the Company ended the dispute and the trade account payable has withdrawn the charge in July 2021. The Company agreed to pay to trade account payable at amount of Baht 2.1 million excluding VAT) Such amount the Company recorded overdue debt that there is no effect on the Company's financial statement. The case is said to be final.
Case 3	23.5	Final judgement (The Company : defendant)	The Company was sued by trade account payable of the construction project to claim the overdue product payment of Baht 23.5 million. On February 11, 2021 the Company and the plaintiff reached an agreement. The Company agreed to settle debt to the plaintiff at amount of Baht 18 million, divided by 3 installments of Baht 2 million , Baht 8 million and Baht 8 million. The plaintiff will not intend to appeal the case further. For the overdue product cost, the Company has already paid to the creditor in full amount as agreed and the case is said to be final.
Case 4	118	Under testimony to amend the counter claim (Company : claimant)	The Company sued the counterparty to pay the fee and damage due to breach of hiring contract on July 30, 2021 in the amount of Baht 121.18 million with interest at 7.5 percent per annum. On September 16, 2021 the counterparty filed an objection to counterclaim Baht 232.14 million. On December 22, 2021 the appointment and dispute topic were set. Later, it was postponed and the dispute topic was defined again on March 1, 2022.



	Amount (Million Baht)	Status of the Cases	Remark
<u>The Subsidiary</u>			
Case 1	28.6	Under the Appeal Court's consideration (The Subsidiary : plaintiff)	The Subsidiary had filed the litigation against 2 government agencies to repay the additional works, expenses and damage for totally of 28.6 million Baht due to the breach of contract. On 25 September 2020, the Civil Court adjudged the government agencies to repay the Subsidiary for 4.4 million Baht with interest at 7.5% p.a. and also repay the court and lawyer fees. On 22 January 2021, the Subsidiary had appealed to the Appeal Court for the additional damage compensation. On 11 November 2021, the Appeal Court adjudged to dismiss 1 of 2 government agencies. The court fees of both Civil Court and Appeal Court were waived and maintained the verdict of the Civil Court. On 10 January 2022, the Subsidiary had submitted the claim to the Supreme Court. At present, it is under the appealing period and the Subsidiary is preparing the statement to submit to the Supreme Court. The management of the Subsidiary consider it will win the case.
Case 2	14.15	Under scheduling for arbitrator appointment (The Subsidiary : objector))	The Subcontractor of the construction project had filed the litigation against the Subsidiary for claims as per the subcontractor contract for 14.15 million Baht (VAT included) with interest at 7.5% p.a. from the claiming date till the propose date for totally of 16.30 million Baht. This case was under the consideration of the Arbitrators, which determined the 5th day of November 2021 to identify the dispute issue. On 16 November 2021, the Arbitrators, the Subsidiary and the Subcontractor attended the meeting to identify the dispute issue and determined the witness hearing date to be on the 12th and 19th day of January 2022. The Arbitrators determined the judgement day on 10 March 2022. At present, it is under the consideration of the Arbitrators to adjudge the case. The management of the Subsidiary consider there is sufficient information to win the case. The Subsidiary had not recorded the allowance for the contingency liability.
<u>The Associate</u>			
Case 1		Final judgement	On October 16, 2017, the Nakhon Ratchasima Administrative Court accepted a lawsuit between a litigant and the government agencies, requesting the Court to issue an order as relating to the following issues: 1) Requesting that the government agencies revoke the permission to use the water from a reservoir that had been granted to the associate. 2) Requesting the revocation of the Environmental Impact Assessment Report for the associate's potash and rock salt mining project, and 3) Requesting the revocation the report on changes in project details and the associate's environmental impact prevention and mitigation measures and environmental impact monitoring and inspection measure for the potash and rock salt mining project. On December 24, 2021, the Administrative Court of Nakhonratchasima had an opinion that the associated company did not use the water a Bueng Talay Sidor and dismissed the cases.
Case 2		Under the Administrative Court's consideration	On June 28, 2018, the Nakhon Ratchasima Administrative Court accepted a lawsuit between a litigant and government agencies, requesting the Court to issue an order to revoke the environmental impact assessment report for the Cogeneration Power Plant for the associate's Potash and rock salt mining project. The management of the associate, by the internal legal counsellor's comment, considered that the associate has proceeded in full compliance with the principles, procedures and conditions stipulated by the law and therefore believes that the case will have any material impact to the business of the associate.

35. FINANCIAL INSTRUMENTS

Financial risk management

The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group are exposed to credit risk primarily with respect to trade and other current receivables, and loans to. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. The maximum exposure to credit risk is limited to the carrying amounts of trade accounts receivables, other current receivable and loans to as stated in the statement of financial position.

Interest rate risk

The Group exposure to interest rate risk relates primarily to its deposits at banks, loans to/from and lease liabilities. However, since most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

As at December 2021 and 2020, the significant financial assets and financial liabilities classified by types of interest rates were as follows:

	In Million Baht					
	Consolidated Financial Statements					
	As at December 31, 2021					
	Fixed interest rates within 1 year	Fixed interest rates 1 – 5 years	Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
Financial Assets						
Cash and cash equivalents	-	-	51	2	53	0.00 - 0.25
Trade and other current receivables	-	-	-	408	408	-
Contract assets	-	-	-	2,286	2,286	-
Restricted deposits at banks	-	-	32	-	32	0.05
	-	-	83	2,696	2,779	
Financial liabilities						
Bank overdrafts and short-term loans from financial institution	797	-	-	-	797	2.26 - 6.03
Trade and other current payables	-	-	-	781	781	-
Contract liabilities	-	-	-	911	911	-
Accounts payable - retention under construction contracts	-	-	-	230	230	-
Lease liabilities	13	8	-	-	21	3.81 - 6.26
	810	8	-	1,922	2,740	



In Million Baht						
Consolidated Financial Statements						
As at December 31, 2020 (Restated)						
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
	within 1 year	1 – 5 years				
Financial Assets						
Cash and cash equivalents	-	-	88	2	90	0.00 - 0.50
Trade and other current receivables	-	-	-	283	283	-
Contract assets	-	-	-	1,700	1,700	-
Restricted deposits at banks	-	-	32	-	32	0.05
	-	-	120	1,985	2,105	
Financial liabilities						
Bank overdrafts and short-term loans from financial institution	709	-	-	-	709	3.25 - 6.00
Trade and other current payables	-	-	-	718	718	-
Contract liabilities	-	-	-	924	924	-
Accounts payable - retention under construction contracts	-	-	-	159	159	-
Lease liabilities	16	16	-	-	32	5.92 - 6.26
	725	16	-	1,801	2,542	

In Million Baht						
Separate financial statements						
As at December 31, 2021						
	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
	within 1 year	1 - 5 years				
Financial Assets						
Cash and cash equivalents	-	-	29	1	30	0.00 - 0.25
Trade and other current receivables	-	-	-	238	238	-
Contract assets	-	-	-	746	746	-
Restricted deposits at banks	-	-	29	-	29	0.05
	-	-	58	985	1,043	
Financial liabilities						
Bank overdrafts and short-term loans from financial institutions	373	-	-	-	373	3.75 - 6.03
Trade and other current payables	-	-	-	394	394	-
Contract liabilities	-	-	-	218	218	-
Accounts payable - retention under construction contracts	-	-	-	28	28	-
Short-term loans from related parties	693	-	-	-	693	2.50 - 6.25
Lease liabilities	7	7	-	-	14	3.81 - 6.26
	1,073	7	-	640	1,720	

	In Million Baht					
	Separate financial statements					
	As at December 31, 2020 (Restated)					
	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
	within1 year	1 - 5 years				
Financial Assets						
Cash and cash equivalents	-	-	2	0	2	0.00 - 0.50
Trade and other current receivables	-	-	-	138	138	-
Contract assets	-	-	-	631	631	-
Restricted deposits at banks	-	-	29	-	29	0.05
	-	-	31	769	800	
Financial liabilities						
Bank overdrafts and short-term loans from financial institutions	415	-	-	-	415	3.75 - 5.25
Trade and other current payables	-	-	-	406	406	-
Contract liabilities	-	-	-	271	271	-
Accounts payable - retention under construction contracts	-	-	-	10	10	-
Short-term loans from related parties	642	-	-	-	642	2.50 - 6.25
Lease liabilities	9	8	-	-	17	5.92 - 6.26
	1,066	8	-	687	1,761	

Foreign currency risk

The Group's exposure to foreign currency risk arises mainly from buying and services transactions and borrowings that are denominated in foreign currencies. In certain circumstances, the Group enter into forward exchange contracts when it considers appropriate.

As at December 31, 2021 and 2020, the material balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Consolidated financial statements	Consolidated financial statements					
	Financial assets as at December 31,		Financial liabilities as at December 31,		Average exchange rate as at December 31,	
	2021	2020	2021	2020	2021	2020
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
US dollar	4	4	272	-	33.4199	30.0371
Euro	1	1	-	-	37.8948	36.8764
Foreign currency	Separate financial statements					
	Financial assets as at December 31,		Financial liabilities as at December 31,		Average exchange rate as at December 31,	
	2021	2020	2021	2020	2021	2020
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Thousand)
US dollar	24	23	272	-	33.4199	30.0371
Euro	1	1	-	-	37.8948	36.8764



Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

36. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Changes in the liabilities arising from financing activities for the years ended December 31, 2021 and 2020 are as follows:

Consolidated Financial Statements (In Thousand Baht)				
	Balance as at January 1, 2021	Cash flows Increase (decrease)*	Non-cash trans- action Increase	Balance as at December 31, 2021
Bank overdrafts and short-term loans from financial institutions	709,460	87,157	-	796,617
Lease liabilities	32,382	(17,932)	6,814	21,264
Total	741,842	69,225	6,814	817,881

Consolidated Financial Statements (In Thousand Baht)				
	Balance as at January 1, 2020	Cash flows Increase (decrease)*	Non-cash trans- action Increase	Balance as at December 31, 2020
Bank overdrafts and short-term loans from financial institutions	473,051	236,409	-	709,460
Debentures	30,000	(30,000)	-	-
Lease liabilities	23,965	(14,475)	22,892	32,382
Total	527,016	191,934	22,892	741,842

Separated Financial Statements (In Thousand Baht)				
	Balance as at January 1, 2021	Cash flows Increase (decrease)*	Non-cash transaction Increase	Balance as at December 31, 2021
Bank overdrafts and short-term loans from financial institutions	414,660	(41,502)	-	373,158
Short-term loans from related parties	642,000	51,000	-	693,000
Lease liabilities	17,213	(10,238)	7,137	14,112
Total	1,073,873	(740)	7,137	1,080,270

Separated Financial Statements (In Thousand Baht)				
	Balance as at January 1, 2020	Cash flows Increase (decrease)*	Non-cash transaction Increase	Balance as at December 31, 2020
Bank overdrafts and short-term loans from financial institutions	249,051	165,609	-	414,660
Short-term loans from related parties	748,000	(106,000)	-	642,000
Debentures	30,000	(30,000)	-	-
Lease liabilities	14,383	(7,062)	9,892	17,213
Total	1,041,434	22,547	9,892	1,073,873

*Financing cash flows included net proceed and repayment cash transactions in the statements of cash flows.

37. CORONAVIRUS DISEASE 2019 PANDEMIC

The Coronavirus disease 2019 pandemic has slowed down the economic recovery, adversely impacting most businesses and industries. This situation may affect the results of operations of business. Nevertheless, the management of the Group have continuously monitored ongoing developments and regularly assess the financial impact in respect of the valuation of assets, provisions and contingent liabilities.

38. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by the Board of Directors on February 22, 2022.



Part **4**



Certification of Information

Certification of Information

“The Company has reviewed the information on this annual registration statement /annual report with care and hereby certifies that the information is accurate, complete, not false or misleading, and does not lack material information that should be notified. In addition, the Company certifies that:

The financial statements and financial information summarized in this annual registration statement /annual report show material information accurately and completely regarding the financial condition, the operating results and the cash flows of the Company and the subsidiaries;

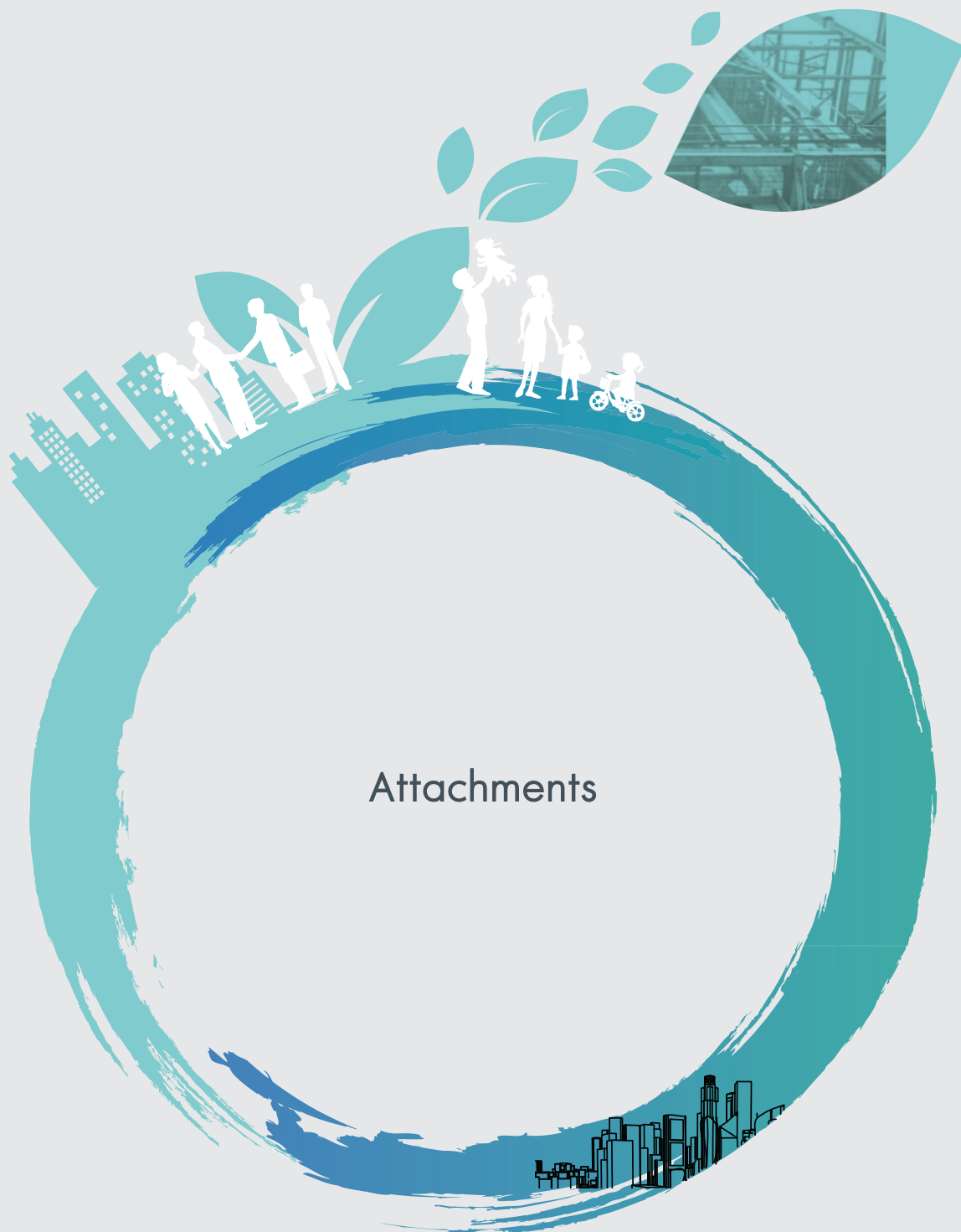
The Company has provided an efficient disclosure system to ensure that the material information of the Company and the subsidiaries is disclosed accurately and completely, and has supervised compliance with such disclosure system;

The Company has provided an efficient internal control system, supervised compliance with the system, and submitted the information on the internal control assessment on February 22, 2022 available to the auditor and the Audit Committee, which covers deficiencies, significant changes to the internal control system, and wrongful acts that may affect the preparation of financial report of the Company and the subsidiaries.

In this regard, as proof that all the documents are identical to those certified by the Company, the Company has authorized **Mr. Smai Leesakul** or **Mr. Pasit Leesakul** to sign on every page of the documents, and the absence of the authorized signature of **Mr. Smai Leesakul** or **Mr. Pasit Leesakul** on any document shall be deemed that such unsigned document has not been certified by the Company.”

Name	Position	Signature
1. Mr. Smai Leesakul	Authorized Director and Chairman of Executive Committee	
2. Mr. Pasit Leesakul	Authorized Director and Chief Executive Officer	
Authorized person		
Name	Position	Signature
Mr. Pasit Leesakul	Authorized Director and Chief Executive Officer	





Details of Directors, Executives, Persons with Controlling Authority and company secretary



Mrs. Paichit Rattananon

Chairman of the Board and Authorized Director

Age: 66 years old

Appointment Date to be TRC's Director:	25 April 2005
Tenure as the director:	16 years 8 months (until December 2021))
Attendance in Board of Directors meetings during year 2021:	8/8
Shareholding in TRC as at 31 December 2021:	28.660% (2,747,711,285 shares) Directly and indirectly holds the shares through KPK 1999 Co., Ltd. in which Mrs. Paichit holds 50.50% of its shares
Family Relationship among Executives:	Mother of Mr. Pasit Leesakul, Director and Chief Executive Officer, and Ms. Pavita Leesakul, Director and Vice President, Corporate Affairs Division
Education:	Master of Arts in Political Economy, Faculty of Economics, Chulalongkorn University

Training:

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



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

Year	Position
2005 - present	Chairman

Position in other listed companies: None

Position in other non-listed companies: 3 companies

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

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

Criminal offense record during the past 10 years: None





Mrs. Rachadaporn Rajchataewindra

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

Age: 64 years old

Appointment Date to be TRC’s Director:		21 June 2019		
Tenure as the director:		2 years 6 months (until December 2021)		
Attendance in meetings during year 2021:				
Board of Directors	Audit Committee	Risk Management Committee	Corporate Governance Committee	Remuneration and Nomination Committee
8/8	4/4	2/2	2/2	2/2
Shareholding in TRC as at 31 December 2021:		None		
Family Relationship among Executives:		None		
Education:		Master of Business Administration, International Business (English Program), University of the Thai Chamber of Commerce		
Training:				
Institution		Program		
King Prajadhipok’s Institute and the Medical Council of Thailand		Certificate Course in Good Governance for Medical Executives (PTP), Class 9/2020		
Thai Institute of Director Association		- Advanced Audit Committee Program (AACP)), Class 32/2019 - Director Certification Program (DCP) Class 204/2015 - Successful Formulation and Execution of Strategy (SFE) Class 21/2014 - Corporate Governance for Executive (CGE) Class 1/2014 - Director Accreditation Program (DAP) Class 111/2014		
Capital Market Academy		Leadership Program, Class 25 (2017)		
Thai Listed Companies Association		TLCA Executive Development Program (EDP), Class 4/2009		
Governance Matters Australia		The Board’s Role in Strategic Formulation		



Working Experience in the last 5 years:

TRC Construction Public Company Limited

Year	Position
21 June 2019 - present	Independent Director, Chairman of Audit Committee, Risk Management Committee and Remuneration and Nomination Committee
14 May 2021 - present	Corporate Governance Committee

Position in other listed companies: 1 company

Year	Position	Company	Business Type
2018 - present	Independent Director, Chairman of Audit Committee	Thai Union Feedmill Public Company Limited)	Production and distribution of animal feeds
12 Nov 2019 – 25 Nov 2020	Independent Director and Audit Committee	MCOT Public Company Limited “MCOT”	Public broadcaster
2015 - 2018	Senior Executive Vice President, Corporate Accounting & Finance	IRPC Public Company Limited	Petroleum and petrochemical
2015 - 2018	Executive Vice President,	PTT Public Company Limited	Petroleum

Position in other non-listed companies: 3 companies

Year	Position	Company	Business Type
2021 - present	Director and Chairman of Audit Committee	Fish Marketing Organization	State enterprise
2021 - present	Director	Thailand Privilege Card Co., Ltd.	State enterprise
2020 - present	Director and Chairman of Audit Committee	The Zoological Park Organization of Thailand	State enterprise
2016 - 2018	Director	IRPC PCC Company Limited	Sales of petrochemical products
2016 - 2018	Director	IRPC OIL Company Limited	Sales of oil products and gas
2016 - 2018	Director	IRPC Polyol Company Limited	Manufacturing and sales of chemical products for polyurethanes
2016 - 2018	Director	UBE Chemicals (Asia) Public Company Limited)	Manufacturing and sales of petrochemical products
2016 - 2018	Director	IRPC Clean Power Company Limited	Manufacturing and sales of electricity and steam
2016 - 2018	Director	IRPC A&L Company Limited	Distributing of petrochemical products
2016 - 2018	Director	Thai ABS Company Limited	Manufacturing and sales of plastic resin

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

Criminal offense record during the past 10 years: None



Association. Prof. Kamjorn Tatiyakavee, M. D

Independent Director, Chairman of Risk Management Committee,
Audit Committee and Chairman of Remuneration and Nomination Committee
Age: 66 years old

Appointment Date to be TRC's Director:	29 April 2019
Tenure as the director:	2 years 8 months (until December 2021)

Attendance in meetings during year 2021:

Board of Directors	Audit Committee	Remuneration and Nomination Committee	Risk Management Committee
8/8	4/4	2/2	2/2

Shareholding in TRC as of 31 December 2021: None

Family Relationship among Executives: None

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

Training:

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



Working Experience in the last 5 years:

TRC Construction Public Company Limited

Year	Position
23 Nov 2021 - present	Chairman of Remuneration and Nomination Committee
13 Nov 2019 - present	Chairman of Risk Management Committee,
29 April – 12 Nov 2019	Risk Management Committee
29 April 2019 – present	Independent Director, Audit Committee and Remuneration and Nomination Committee

Position in other listed companies: 1 company

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

Position in other non-listed companies: 2 companies

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

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

Criminal offense record during the past 10 years: None



Mrs. Puangthip Silpasart

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

Age: 67 years old

Appointment Date to be TRC's Director:	24 February 2016
Tenure as the director:	5 years 10 months (until December 2021)

Attendance in meetings during year 2021:

Board of Directors	Audit Committee	Remuneration and Nomination Committee	Corporate Governance Committee
8/8	4/4	2/2	2/2

Shareholding in TRC as of 31 December 2021:	None
Family Relationship among Executives:	None
Education:	Bachelor of Arts (B.A.), English Major, Silpakorn University

Training:

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



Working Experience in the last 5 years:

TRC Construction Public Company Limited

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

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

Position in other non-listed companies: 3 companies

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

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

Criminal offense record during the past 10 years: None



Mr. Smai Leesakul

Authorized Director and Chairman of Executive Committee

Age: 66 years old

Appointment Date to be TRC's Director: 9 May 2007

Tenure as the director: 14 years 7 months (until December 2021)

Attendance in meetings during year 2021:

Board of Directors	Executive Committee
8/8	15/15

Shareholding in TRC as of 31 December 2021: 1.227 % (117,631,494 shares)

Family Relationship among Executives: Father of Mr. Pasit Leesakul, Director and Chief Executive Officer and Ms. Pavita Leesakul, Director and Vice President, Corporate Affairs Division

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

Training:

Institution	Program
Digital Economy Promotion Agency (DEPA)	Chief of Digital Agro Business (CDA) 2/2020
King Prajadhipok's Institute	Certificate Course in Good Governance for Medical Executives (PTP), Class 8/2019
The Thai Fintech Association and ICORA Co., Ltd.	Cryptoasset Revolution (CAR) 1/2018
Squadron 604, Wing 6, Royal Thai Air Force	RTAF Civil Flying Training Division 72
The Federation of Thai Industries	Business Revolution and Innovation Network (BRAIN) 1/2017
Thailand Energy Academy	Top Executive Program in Energy (TEA) 8/2016
The National Defense College of Thailand	- Advanced Security Management Program Year 2014 - Diploma, The Joint State-Private Sector Course Class 16/2003 (NDC 46)
Commerce Academy, University of the Thai Chamber of Commerce	Top Executive Program in Commerce and Trade (TEPCoT) 5/2013
Thai Institute of Director Association (IOD)	- Financial Statements for Directors (FSD) 18/2012 - Director Accreditation Program (DAP) 64/2007
Urban Green Development Institute Bangkok	Bangkok Metropolitan Administration Executive Program (Mahanakorn) 1/2011
Capital Market Academy	Capital Market Academy Leader Program (CMA) 7/2008

Working Experience in the last 5 years:

TRC Construction Public Company Limited

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

Position in other listed companies: None

Position in other non-listed companies: 14 companies

Year	Position	Company	Business Type
October 2021 - Present	Director and Chairman of the Board of Directors	TRC Utility Company Limited	Investment of basic utility projects
April 2020 - Present	Director and Chairman of the Board of Directors	Master Style Company Limited	Cosmetic surgery clinic Complete skin treatment
March 2020 - Present	Director	Olive Technology Co., Ltd.	Provides research, development, audit and control services, as well as management services and Big Data results.
August 2019 - Present	Chairman of the Board of Directors	At Energy Solution Co., Ltd.	Provide utility supply and services to industrial plants.
2018 - Present	Committee	The Joint Standing Committee on Commerce, Industry and Banking	-
2017 - present	Director	Thai Listed Companies Association	-
2016 - present	Vice Chairman	The Federation of Thai Industries	-
2015 - present	Director, Chief Executive Officer and Managing Director	ASEAN Potash Chaiyaphum Public Company Limited	Potash mining
2011 - present	Director	TRC Engineering LLC (Sultanate of Oman)	Construction Services
2010 - present	Director	TRC Middle East LLC (Sultanate of Oman)	Construction Services
2008 - present	Director	TRC International Limited (Hong Kong)	Investment and bidding of new projects
2008 - present	Director	TRC Investment Limited (Mauritius)	Investment and bidding of new projects
2007 - 2021	Director	Sahakarn Wisavakorn Company Limited	Construction Services

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

Criminal offense record during the past 10 years: None



Mrs. Podchanee Phaosavasdi

Authorized Director, Remuneration and Nomination Committee, Corporate Governance Committee, Risk Management Committee and Executive Committee
Age: 61 years old

Appointment Date to be TRC's Director: 9 August 2007

Tenure as the director: 14 years 4 months (until December 2021)

Attendance in meetings during year 2021:

Board of Directors	Remuneration and Nomination Committee	Corporate Governance Committee	Risk Management Committee	Executive Committee
8/8	2/2	2/2	2/2	9/15

Shareholding in TRC as of 31 December 2021: None

Family Relationship among Executives: None

Education: Master of Business Administration Marketing, Ramkhamhaeng University

Training:

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



Working Experience in the last 5 years:

TRC Construction Public Company Limited

Year	Position
2015 - present	Executive Committee
2015 - 2020	Chief Commercial Officer
2013 - present	Remuneration and Nomination Committee and Risk Management Committee
2012 - present	Corporate Governance Committee
2007 - present	Director
2007 - 2018	Management Committee

Position in other listed companies: None

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

Position in other non-listed companies: 7 companies

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

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

Criminal offense record during the past 10 years: None



Mr. Pasit Leesakul

Authorized Director, Chief Executive Officer,
Remuneration and Nomination Committee,
Risk Management Committee and Executive Committee
Age: 38 years old

Appointment Date to be TRC's Director: 21 March 2013

Tenure as the director: 8 years 9 months (until December 2021)

Attendance in meetings during year 2021:

Board of Directors	Remuneration and Nomination Committee	Risk Management Committee	Executive Committee
8/8	2/2	2/2	15/15

Shareholding in TRC as of 31 December 2021: 0.114% (10,919,998 shares)

Family Relationship among Executives:

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

Education:

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

Training:

Institution

Program

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



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

Year	Position
2013 - present	Director
2009 - present	Chief Executive Officer, Executive Committee, Remuneration and Nomination Committee and Risk Management Committee
2018 – August 2021	Acting Chief Financial Officer
February - September 2018	Acting Chief Operation Officer
2015 - 2018	Chairman of Management Committee

Position in other listed companies: None

Position in other non-listed companies: 5 companies

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

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

Criminal offense record during the past 10 years: None



Ms. Pavita Leesakul

Director, Corporate Governance Committee, Vice President,
Corporate Affairs Division and Acting Vice President, Commercial Division
Age: 35 years old

Appointment Date to be TRC's Director:	8 August 2018
Tenure as the director:	3 year 4 months (until December 2021)
Board of Directors	Corporate Governance Committee
8/8	2/2
Shareholding in TRC as of 31 December 2021:	0.184% (17,645,411 shares)
Family Relationship among Executives:	- Daughter of Mrs. Paichit Rattananon, Chairman and Mr. Smai Leesakul, Director and Chairman of Executive Committee - Sister of Mr. Pasit Leesakul, Director and Chief Executive Officer
Education:	Master of Arts, International Economics and Finance, Keio University, Japan and Brandeis International Business School, U.S.A
Training:	
Institution	Program
King Prajadhipok's Institute	Intermediate Certificate course of Young Leadership in Democratic Governance (Batch 9)
Thai Institute of Director Association	Director Accreditation Program (DAP) 151/2018 How to Develop a Risk Management Plan (HRP) 11/2016
Chulalongkorn University	Diploma "Human Resources Management" #40
King Prajadhipok's Institute	Political Leadership in the New Era Program (PNP 9)
Stock Exchange of Thailand	Corporate Sustainability Strategy #4
Thai Listed Companies Association	TLCA Executive Development Program (EDP 16)
The Federation of Thai Industries	Young F.T.I. Elite # 3
Academy of Business Creativity, Sripatum University	ABC Talent: Grooming Rising Professionals



Working Experience in the last 5 years:

TRC Construction Public Company Limited

Year	Position
2021 - present	Acting Vice President, Commercial Division
2018 - present	Director and Corporate Governance Committee
2016 - present	Vice President, Corporate Affairs Division
2015 - 2017	Corporate Communication Manager

Position in other listed companies: None

Position in other non-listed companies: 5 companies

Year	Position	Company	Business Type
July 2021 - present	Director	Sahakarn Wisavakorn Company Limited	Construction Services
Nov 2020 - present	Director	Mahat Company Limited	Manufacturing, distribution, management services of information technology and platform development
Jan 2020 – present	Audit Committee and Monitoring of Police Administration	In the area of the Khanna Yao Police Station	-
Mar 2020 - present	Director	Olive Technology Company Limited	Provides research, development, audit and control services, as well as management services and Big Data results.
2017 - present	Director	TRC Utility Company Limited	Investment of the infrastructure projects

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

Criminal offense record during the past 10 years: None



Mr. Loh Eng Kee

Chief Operating Officer and Executive Committee

Age: 64 years old

Attendance in Executive Committee meetings during year 2021:	15/15
Shareholding in TRC as of 31 December 2021:	0.026% (2,515,574 shares)
Family Relationship among Executives:	None
Education:	Technical Diploma in Mechanical Engineering, Singapore Polytechnic, Singapore

Attendance in meetings during year 2021:

Training:

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

Working Experience in the last 5 years:

TRC Construction Public Company Limited)

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

Position in other listed companies: None

Position in other non-listed companies: None

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

Criminal offense record during the past 10 years: None





Mrs. Phanalee Noragitt

Chief Financial Officer

Age: 56 years old

Family Relationship among Executives:

None

Education:

Master of Accounting, Chulalongkorn University

Training:

Institution

Program

The Stock Exchange of Thailand

e-learning CFO's Orientation Course

Thai Institute of Director Association

Director Accreditation Program (DAP) 90/2011

Working Experience in the last 5 years:

TRC Construction Public Company Limited

Year

Position

August 2021 - present

Chief Financial Officer

Position in other listed companies:

None

Year

Position

Company

Business Type

November 2011 –
February 2019

Director of Accounting
and Finance

Hydrotek Public Company Limited

Property & Construction

September 1995
-September 2000

Director of Accounting
and Finance

EMC Public Company Limited

Property & Construction

Position in other non-listed companies:

1 company

Year

Position

Company

Business Type

2015 - present

Consultant

Mango Consultant Company Limited

Accounting system installation,
bookkeeping, ERP program advisor
and provider and computer systems
installation and consulting.

October 2000 –
September 2009

Director of Administration

G.M. Tour & Travel Company Limited

Administration and support provider

Position in the rival company/related to the company:

None

Criminal offense record during the past 10 years:

None



Ms. Rewadee Ardham

Senior Accounting Manager and Bookkeeping Supervisor

Age: 53 years old

Shareholding in TRC as of 31 December 2021:	0.007% (63,200 shares)
Family Relationship among Executives:	None
Education:	Master of Business Administration-Management, Eastern Asia University

Training:

Institution	Program
Federation of Accounting Professions under royal patronage	Key Audit Matters: KAMs
Dharmniti Training and Seminar Company Limited	Summary of accounting standards and financial reporting standards revised edition 2021
Actuarial Business Solution Company Limited	TAS19 Employee Benefit Calculator and TFRS9 set aside provision for impairment of financial instruments
The Stock Exchange of Thailand (SET)	CFO Refresher Course #1/2020
Thai Listed Companies Association	- Strategic Financial Leadership Program (SFLP) - TLCA CFO Professional Development Program 1/2021

Working Experience in the last 5 years:

TRC Construction Public Company Limited

Year	Position
2000 - present	Senior Accounting Manager and Bookkeeping Supervisor

Position in other listed companies: None

Position in other non-listed companies: None

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

Criminal offense record during the past 10 years: None



Ms. Fungfun Chansiri

Company Secretary

Age: 32 years old

Family Relationship among Executives:	None
Education:	Bachelor's degree, Faculty of Sociology and Anthropology, Kasetsart University

Training:

Institution	Program
Thai Listed Companies Association	Fundamentals for Corporate Secretaries Professional Development Program for Company Secretary Year 2021
Thai Institute of Directors: IOD	Company Secretary Program (CSP) 98/2019
Thai Institute of Banking and Finance Association	Foundation Financial Analysis for Non-Finance Manager 1

Working Experience in the last 5 years:

TRC Construction Public Company Limited

Year	Position
February 2021 - December 2021	Company Secretary
January 2020 - January 2021	Head of Company Secretary Division

Position in other listed companies: None

Year	Position	Company	Business Type
June 2006 - December 2009	Company Secretary Officer	Osotspa Public Company Limited	Food & Beverage

Position in other non-listed companies: None

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

Criminal offense record during the past 10 years: None

Details of the directors of subsidiaries

Details on Tenure of Directors, Executives and Authorized Persons of the Company and subsidiaries as of 31 December 2021

Directors and Executives of the Company	TRC	Subsidiaries								
		Sahakam Wisavakorn Co., Ltd.	TRC Investment Limited	TRC International Limited	TRC Middle East LLC	TRC Engineering LLC	Hydrotek Sahakan Joint Ventures	Olive Technology Co., Ltd.	Mahat Co., Ltd.	Sahahydro Pattaya Joint Venture
1. Mrs. Paichit Rattananon	X, O	X, O		O						
2. Mrs. Rachadaporn Rajchataewindra	XX, /									
3. Association. Prof. Kamjorn Tatiyakavee, M. D.	A, /									
4. Mrs. Puangthip Silpasart	A, /									
5. Mr. Smai Leesakul	XXX, /, O, M		O	O	X, O	X, O		/, O		
6. Mr. Pasit Leesakul	/, //, O, C, M	/, O, C, M						X, /, O	X, /, O	
7. Mrs. Podchanee Phaovasasdi	/, //, O, M	/, O, M			O	O	O			O
8. Ms. Pavita Leesakul	/, M	/, O, M						/, O	/, O	
9. Mr. Loh Eng Kee	//, M									
10. Mrs. Panalee Narajit	M									
11. Ms. Rewadee Ardharn	M									

Note:

X = Chairman of the Board of Directors
 XX = Chairman of the Audit Committee
 XXX = Chairman of the Executive Committee
 A = Audit Committee
 / = Director
 // = Executive Director
 O = Authorized Director
 C = Chief Executive Officer
 M = Executive

Details on Tenure Directors, Executives and Authorized Persons of the Company and subsidiaries as of 31 December 2021 (continued)

Directors and Executives of the Company	Joint Ventures						Associates
	Sinopec-TRC Joint Venture	SH Crossings Co., Ltd.	Sahakam Underground Joint Venture	TRC Utilities Co., Ltd.	At Energy Solutions Co., Ltd.	At Energy Solutions One Co., Ltd.	
1. Mrs. Paichit Rattananon							
2. Mrs. Rachadaporn Rajchataewindra							
3. Association. Prof. Kanjorn Tatiyakavee, M. D.							
4. Mrs. Puangthip Silpasart				/			
5. Mr. Smai Leesakul				X, /, O	/, O	/, O	XXX, /, O, C, M
6. Mr. Pasit Leesakul	O	X, /, O		/			
7. Mrs. Podchanee Phaovasadi		/, O	O				/
8. Ms. Pavita Leesakul							
9. Mr. Loh Eng Kee							
10. Mrs. Panalee Narajit				/, O	/, O		
11. Ms. Rewadee Ardham							

Note:

X = Chairman of the Board of Directors
 XX = Chairman of the Audit Committee
 XXX = Chairman of the Executive Committee
 A = Audit Committee
 / = Director
 // = Executive Director
 O = Authorized Director
 C = Chief Executive Officer
 M = Executive

Details on internal audit supervisor

From 2015 to present, the Company and Sahakarn Wisavakorn Company Limited have appointed EL Business Advisory Company Limited to perform their duties as internal auditors. The Audit Committee considered EL Business Advisory Company Limited's qualification and of the opinion that it was suitable and sufficient as it was independent and had proven experiences in internal audit and internal audit report. Management can apply their feedback to improve internal control systems to be more efficient.

A person assigned by EL Business Advisory Company Limited to serve as head of the internal audit team.

Name:	Mr.Suvit Chanamporn	
Education:	Master’s degree	Faculty of Commerce & Accountancy, Chulalongkorn University
	Bachelor’s degree	Faculty of Law, Ramkhamhaeng University
	Bachelor’s degree	Business Administration (accounting), Assumption University
	Certificate	Accounting Auditor, Chulalongkorn University
Professional certificatio:	Certified Public Accountant (CPA) of Thailand	
Work experience:		
Current:		
Managing Director		EL Business Advisory Company Limited
Past:		
Assistant Auditor		Pricewaterhouse Coopers ABAS Company Limited
Internal Audit Manager		IBM (Thailand) Company Limited and IBM Corporation Company Limited, USA
Senior Director of Internal Audit		UTAC Thai Company Limited
Training:	- COSO ERM	
	- Risk Management	
	- CIA Review Program	
	- Quality auditing work	
	- Anti-Corruption Working Paper	
	- Review the process of preparing and monitoring the implementation of the strategic plan.	
	- Orientation course for Chief Accountants focusing on financial reporting	
	- Thailand IFRS Conference	
	- Accounting in accordance with the financial reporting standards	

Since 2016, the Audit Committee has appointed Miss Rewadee Ardhan, Senior Accounting Manager, to perform as secretary to the Audit Committee.

Nonetheless, the selection/proposed of appointment, revocation or relocation of the Company's internal auditor must be approved by the Audit Committee.



Assets for business undertaking and details of asset appraisal

Assets for business under taking and details of asset appraisal

Fix assets of TRC and its subsidiaries

As at 31 December 2021, the fix assets the Company and subsidiaries used in their business commanded a net value after accumulated depreciation and allowance for impairment of Baht 619.14 million, as follows:

Type of Asset	Ownership	Net value* (Million Baht)	Collateral value to secure (Million Baht)	Obligations
1. Land	Owner	142.06	100.31	Collateral to secure credit facilities of Baht 1,100 million
2. Building	Owner	317.50		None
3. Tool and equipment	Owner	121.68		None
4. Furniture and office equipment	Owner	4.44		None
5. Vehicles ¹	Owner/ Lease	1.85		None
6. Construction in progress	Owner	31.61		None

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

1. As at 31 December 2021, the Company owns vehicles according to 4 year leasing agreement of Baht 2.29 million

Details of asset appraisal

-None-



TRC CONSTRUCTION PLC

บริษัท ทีอาร์ซี คอนสตรัคชั่น จำกัด (มหาชน)

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