

Information Memorandum for the Acquisition of Assets (Schedule 2)

**of TRC Construction Public Company Limited for the investment in the newly issued ordinary shares of
ASEAN Potash Chaiyaphum Public Company Limited to the existing shareholders**

According to the Board of Directors' Meeting of TRC Construction Public Company Limited ("**Company**") No. 8/2023, held on October 9, 2023, it was resolved to approve the changes in limit for additional investment in the newly issued ordinary shares in proportion to the shareholding of ASEAN Potash Chaiyaphum Public Company Limited ("**APOT**") in the amount not more than 4,020,240,000.00 Baht, comprising 40,202,400.00 shares at an offering price of 100 Baht per share. The capital increase in ordinary shares in proportion is based on the resolution of the 2023 Annual General Meeting of APOT, which approved an increase in APOT's registered capital to 18,000,000,000.00 Baht, comprising 180,000,000 ordinary shares with a par value of 100 Baht each. These ordinary shares will be issued and offered to existing shareholders in proportion to their current shareholding, a process known as Right Offering. In the first quarter of 2023, APOT has already called for a capital increase via Right Offering in the amount of 450,930,000.00 Baht to study the feasibility of starting commercial operations, for which the company has already increased capital in proportion to the amount of 113,303,500.00 Baht.

The primary objective of the remaining capital increase amount of 17,549,070,000.00 Baht, which is expected to be paid-up capital at the amount of 16,000.00 million Baht, is to serve as a source of funds for the construction and development of mining projects and a potash ore processing plant in Bamnet Narong District, Chaiyaphum Province ("**Potash Mining Project**"), collectively referred to as the "**The transaction**". The timeline of this transaction is as follows:

- **Between 2012 and 2015**, the Company's Board of Directors approved the acquisition of 7,050,000 ordinary shares of APOT through its subsidiaries, TRC Investment Limited ("**TRC INV**") and TRC International Limited ("**TRC INT**"). TRC INV held 6,300,000 shares and TRC INT held 750,000 shares, respectively. In total, the Company held 7,050,000 shares, which represents a shareholding percentage of 22.46% and 2.67%, or a combined shareholding percentage of 25.13% of the total paid-up shares of APOT.
- **In 2018**, the Company recorded loss from impairment on investment in its consolidated financial statements, amounting to 2,047 million Baht. The impairment was primarily due to (1) delays in the development of the Potash Mining Project, (2) working capital challenges, (3) the lack of financial support

from financial institutions for the construction, and (4) the failure of shareholders to subscribe to additional ordinary shares.

- **In the first quarter of 2023**, the Russia-Ukraine conflict and the growing demand for potash ores in electric vehicle battery production significantly increased the price of potash. This development made the Potash Mining Project get interest from investors. Consequently, APOT has called for a capital increase to conduct a feasibility study of the potash mining project to resume the project. After careful consideration, the Company's Board of Directors approved an investment of 113.30 million Baht in its subsidiaries to invest in APOT's ordinary shares for the purpose of conducting the feasibility study. This investment received strong support from other shareholders, and APOT was able to raise its full capital to a total of 450.93 million Baht. Moreover, the development plan of the potash mining project has been enhanced in terms of clarity following the Cabinet meeting's resolution as following details:

- On February 14, 2023, the Cabinet meeting resolved to acknowledge and assign the Ministry of Industry to address the debt and special state benefits of the potash mining project. They assigned the Department of Primary Industries and Mines (DPIM) to proceed with the debt and fine structure adjustment for the potash mining project, allowing the use of potash production as a form of payment for special state benefits and fines in lieu of monetary payments. This will benefit APOT by reducing significant financial liabilities and be beneficial to Thailand, especially for farmers who will have reduced costs and increased fertilizer supply.
- On February 28, 2023, the Cabinet meeting approved the capital increase in APOT to study the feasibility of the potash mining project, in line with the Company's Board of Directors opinion.

In this regard, the Company's Board of Directors has approved additional investment in APOT in proportion to the subsidiary's shareholding, not exceeding 4,020,240,000.00 Baht, comprising 40,202,400.00 ordinary shares of APOT with an offering price of 100 Baht per share. The transaction is considered an Asset Acquisition according to the Capital Market Supervisory Board Announcement Tor. Jor. 20/2551 regarding the "Regulation on significant transactions subjecting to be an acquisition or disposition of assets", including the Announcement of additional amendments and Notification of The Board of Governors of the Stock Exchange of Thailand RE: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, B.E. 2547. The transaction size is determined based on the reviewed financial statements for the period ending June 30, 2023, for both the Company and APOT, considering the total value of consideration as the

determining criterion. This criterion resulted in a percentage of 94.51 percent for the transaction. Additionally, the Company had previously engaged in a transaction to acquire 1,133,035 ordinary shares of APOT, amounting to 113,303,500.00 Baht, within the six months preceding the Company's Board of Directors Meeting No. 8/2023. The prior transaction size is equivalent to 2.60 percent. This earlier transaction, when combined with the current transaction size of 97.11 percent, falls under the category of a Type 3 transaction, with a size exceeding 50 percent but not more than 100 percent. Consequently, the Company is obligated to adhere to the specified procedures, which include:

- (A) Preparing reports and disclosing information regarding the Company's transactions to the Stock Exchange of Thailand (SET).
- (B) Engaging an independent financial advisor to provide opinions concerning the transaction. The Company has appointed Beyond Securities Public Company Limited, an independent financial advisor approved by the Securities and Exchange Commission, to offer its expert opinions for the transaction.
- (C) Convening a shareholder meeting to seek approval for entering into the transaction. This approval requires a vote of not less than three-fourths of the total number of shareholders, attending shareholder meetings and having a right to cast the votes, excluding the votes of shareholders who have a conflict of interest. The Company will issue the notice of invitation of the shareholder meeting, ensuring compliance with the information disclosure requirements specified in the Asset Acquisition or Disposal Announcement and Connected Transactions Announcement, at least 14 days before the meeting date.

The Company provides information regarding the transaction to the Stock Exchange of Thailand (SET) as follows:

1. Transaction Date

Following the Extraordinary General Meeting No. 1/2023, scheduled for November 27, 2023, resolved to approve entering into the transaction, and considering that APOT has secured loan approval to support the construction of the potash mining project, the Company anticipates that APOT will receive loan approval to support the construction of the Potash mining project between the fourth quarter of 2023 and the first quarter of 2024 and The company will gradually raise funds to increase APOT's capital, not exceeding 4,020,240,000.00 Baht, equivalent to 40,202,400 ordinary shares of APOT. The timeline will align with APOT's capital increase plan, in accordance with the loan terms. The expected schedule for payment and receipt of additional ordinary shares in the capital increase is as follows:

Table: Summary of payment schedule receipt of additional ordinary shares (Unit: Million Baht)

Year	2024	2025	2026	2027	Total
Total APOT's investment value	15,382.9	13,135.8	6,877.0	4,604.3	40,000.0
Debt portion	9,229.7	7,881.5	4,126.2	2,762.6	24,000.0
Shareholder portion	6,153.1	5,254.3	2,750.8	1,841.7	16,000.0
The investment value relative to the Company's shareholding (25.13%)	1,546.1	1,320.2	691.2	462.8	4,020.2
Number of additional ordinary shares received by the Company (Unit: Million shares)	15.5	13.2	6.9	4.6	40.2

Note: Additional details are located within Section 10, Source of Funds for the transaction.

2. Relevant Parties and Relationships with Listed Companies:

Topic	Details
The seller of shares	ASEAN Potash Chaiyaphum Public Company Limited (“APOT”)
The buyer of shares	The Company's subsidiaries: <ul style="list-style-type: none"> - TRC Investment Limited in the Republic of Mauritius - TRC International Limited in the Hong Kong Special Administrative Region of the People's Republic of China
Relationship	APOT is an associated company of the Company held by the Company's subsidiaries, amounting to a total ownership of 25.13 percent, comprising TRC Investment Limited and TRC International Limited in proportions of 22.46% and 2.67%, respectively.

3. General Characteristics of the Transaction

APOT needs to procure sources of funds for the construction of the mining project, not exceeding 40,000.0 million Baht. The management of APOT has a policy to procure funds through two methods as follows:"

1) Project Finance with financial institutions

This financing method involves entering into a loan agreement with financial institutions. Typically, financial institutions require that the funding source for project construction comes from shareholders' equity, comprising approximately 30.00 - 40.00 percent of the project's total construction value. With this ratio, APOT's shareholders would need to source funds amounting to 12,000.0 - 16,000.0 million Baht (30.00 - 40.00 percent of the total construction value, not exceeding 40,000.0 million Baht). Given this, APOT faces the risk of being unable to procure full funding from its existing shareholders due to their financial constraints. Recognizing this issue, to achieve the project's fundraising aims and restore the value of APOT shares for existing shareholders, APOT's management and shareholders have proactively engaged in negotiations with potential investors, often referred to as "Strategic Partners." The primary focus of these Strategic Partners is a group of investors with a substantial demand for potash, which would enhance the opportunity for APOT to secure long-term offtake agreements and/or High-Net-Worth Investors. This strategy increases the likelihood of APOT receiving financial support through stable cash flow generated from Offtake Agreements and gaining full capital increase from

shareholders with the backing of Strategic Partners, ultimately reducing the fundraising risk significantly. In this regard, APOT is expected to succeed in procuring Strategic Partners, as it has received cooperation in expediting the search for Strategic Partners from both existing shareholders and APOT's executives. It is anticipated that the results of negotiations with Strategic Partners will be completed within the first quarter of 2024.

2) Engineering Procurement Construction and Finance (EPC + F)

This financing method involves entering into a construction contract, where the contractor will proceed with the project's construction with upfront payments, and the project will make payment for the construction expenses after the construction is successfully completed. Additionally, the project will be required to pay interest to the contractor, which may have higher interest rates compared to loans from financial institutions. However, the contractor offers comprehensive support. Under the EPC + F arrangement, the contractor will require APOT to make upfront payments for construction costs, which represent a significantly smaller portion of equity compared to Project Finance. (This proportion is lower than Project Finance, which typically requires shareholders to procure funds amounting to 30.00 - 40.00% of the total construction cost). If APOT successfully proceeds and secures the EPC + F contract, after commencing commercial operations for a period of 1 - 2 years, APOT's management will seek loans from financial institutions with lower interest rates to repay the debts incurred under the EPC + F contract. This process, known as refinancing, aims to reduce APOT's interest expenses. This financing method offers the highest chance of success, as it requires less funding from shareholders' equity than Project Finance and provides a strong likelihood of receiving financial support after commencing commercial operation.

However, the main contractor is the only responsible party to procure source of funds under EPC + F. Therefore, The Company as the sub-contractor, which is expected by the Company's executives, does not have any responsibility to provide any funding to APOT and can recognize income according to percentage of completion as normal practice in the construction business.

APOT's management will reconsider the financing methods again after evaluating proposals from both parties, taking into account various factors such as the shareholder financing burden, financial costs, and other conditions while prioritizing the interests of stakeholders which are of utmost importance.

Therefore, during the 2023 Annual General Meeting of APOT, a resolution was approved to increase APOT's registered capital to 18,000,000,000.00 Baht, comprising 180,000,000 ordinary shares with a par value of 100 Baht. However, according to APOT's current business plan, it is anticipated that the investment in the project's construction will not exceed 40,000.00 million Baht. This amount is calculated as shareholders' equity, not exceeding 16,000.00 million Baht. These additional ordinary shares will be issued and offered to existing shareholders in proportion to their shareholding (Right Offering). APOT will call for a capital increase according to the actual construction investment value, following the ratio specified by the funding provider.

Hence, entering into this transaction involves an additional investment in APOT's ordinary shares to serve as a funding source for the potash mining project, as per the terms of the provider, whether it's a financial institution or EPC + F contractors. However, if the company increases capital in APOT in proportion to its shareholding is completed but APOT fails to raise funds as intended through EPC + F, Project Finance, or shareholder fundraising, it could hinder APOT from commencing commercial operations and potentially lead to investment impairment. The Board of Directors acknowledges these risks, and, as a result, entering into the transaction is subject to specific important conditions, as outlined below:

- APOT has received approval from the Company's shareholder meeting, with a vote of no less than three-fourths of the total number of votes cast by attending shareholders with voting rights, excluding votes from shareholders who have a conflict of interest which is expected to be completed in the Extraordinary General Meeting No. 1/2023.
- APOT has received credit approval from financial institutions and/or non-financial lenders which is expected to be completed within the first quarter of 2024.
- APOT has entered into an Engineering Procurement and Construction (EPC) contract with the contractor which is expected to be completed within the first quarter of 2024.
- APOT can raise capital from shareholders, amounting to at least 75.00 percent of the total capital increase from shareholders, excluding the Company's portion. This is expected to be completed within the second quarter of 2024.

In this regard, the investment in APOT's capital increase, in proportion to the Company's shareholders, is contingent upon meeting all four conditions mentioned above. Therefore, the Company's ability to invest in

APOT will be subject to the transaction's entry conditions, to be assessed following APOT's successful procurement of funding sources, effectively mitigating the risks previously mentioned.

4. Calculating the Size of the Asset Acquisition Transaction:

Calculation of the transaction size, in accordance with the guidelines outlined in the Asset Acquisition or Disposal Announcement, is based on the financial statements of the Company and its subsidiaries ending on June 30, 2023, reviewed by the Company's auditor and also takes into account APOT's financial statements, reviewed by the APOT's auditor, ending on June 30, 2023, with details as follows:

Financial Information as of September 30, 2023 (Reviewed Financial Statements)	The Company and its Subsidiaries (Baht)	APOT (Baht)
Total Assets	4,254,007,000	6,876,484,000
Less: Intangible Assets	8,001,000	4,321,426,000
Less: Total Liabilities	4,133,612,000	7,154,680,000
Less: non-controlling interests	2,461,000	0
Net Tangible Assets (NTA)	109,933,000	(4,599,622,000)
Net Income	(180,586,000)	(306,369,000)

Criteria	Calculation Formula	Calculation	Transaction Size
1. Calculation based on the value of net tangible assets	$\frac{\text{NTA}^* \text{ of investment in the company} \times \text{Proportion of assets acquired or disposed}}{\text{NTA of the company}} \times 100$	Unable to calculate because APOT's NTA is negative	N/A
2. Calculation based on net operating profits ^{1/}	$\frac{\text{Net operating profits of the investment} \times \text{Buying or selling ratio}}{\text{Net operating profits of the company}} \times 100$	Unable to calculate because APOT's NTA has incurred an operating loss	N/A
3. Calculation based on total value of consideration paid or received	$\frac{\text{Value of transaction paid or received}^*}{\text{Total assets of the company}} \times 100$	$\frac{4,020,240,000}{4,254,007,000}$	94.51
4. Calculation based on value of equity shares issued for the payment of assets	$\frac{\text{Equity shares issued for the payment of assets}}{\text{Paid-up shares of the company}} \times 100$	Unable to calculate as the company didn't issue equity shares for the payment of assets	N/A

The determination of the transaction size is in accordance with the guidelines outlined in the Asset Acquisition or Disposal Announcement, considering the preceding six months leading up to the Company's Board of Directors Meeting No. 8/2023. This calculation is based on the financial statements of the Company and its subsidiaries as of December 31, 2022, reviewed by the Company's auditor, and also takes in to

account APOT's financial statements subsidiaries as of December 31, 2022, reviewed by APOT's auditor. The aforementioned Asset Acquisition involves the acquisition of common shares of APOT through a call for capital increase in the amount of 450,930,000.00 Baht, with the purpose of studying the feasibility of commencing commercial operations. The company increased its capital by 113,303,500.00 Baht in the first quarter of 2023, with the details as follows:

Financial Information as of December 31, 2022 (Reviewed Financial Statements)	The Company and its Subsidiaries (Baht)	APOT (Baht)
Total Assets	4,353,391,265	6,584,799,035
Less: Intangible Assets	9,096,591	4,328,333,979
Less: Total Liabilities	4,050,563,377	7,007,556,084 ^{1/}
Less: non-controlling interests	2,461,130	0
Net Tangible Assets (NTA)	291,270,167	(4,751,091,028)
Net Income	(112,554,569)	(544,883,278)

Note: 1/ The total liabilities of APOT amounted to 7,007.56 million Baht, including long-term liabilities for concession totaling 4,475.38 million Baht and accrued interest for special government benefits totaling 1,261.60 million Baht.

Criteria	Calculation Formula	Calculation	Transaction Size
1. Calculation based on the value of net tangible assets	$\frac{\text{NTA}^* \text{ of investment in the company} \times \text{Proportion of assets acquired or disposed}}{\text{NTA of the company}} \times 100$	Unable to calculate because APOT's NTA is negative	N/A
2. Calculation based on net operating profits ^{1/}	$\frac{\text{Net operating profits of the investment} \times \text{Buying or selling ratio}}{\text{Net operating profits of the company}} \times 100$	Unable to calculate because APOT's has an operating loss	N/A
3. Calculation based on total value of consideration paid or received	$\frac{\text{Value of transaction paid or received}^*}{\text{Total assets of the company}} \times 100$	$\frac{113,303,500}{4,353,391,265}$	2.60
4. Calculation based on value of equity shares issued for the payment of assets	$\frac{\text{Equity shares issued for the payment of assets}}{\text{Paid-up shares of the company}} \times 100$	Unable to calculate as the company didn't issue equity shares for the payment of assets	N/A

Therefore, when combined with the size of the transaction as per the Asset Acquisition or Disposal Announcement within the preceding six months before the Company's Board of Directors Meeting No. 8/2023, the total transaction size equals 97.11 percent, falls under the category of a Type 3 transaction, with a size exceeding 50 percent but not more than 100 percent. Consequently, the Company is obligated to adhere to the specified procedures, which include:

- (A) Preparing reports and disclosing information regarding the Company's transactions to the Stock Exchange of Thailand (SET).
- (B) Engaging an independent financial advisor to provide opinions concerning the transaction. The Company has appointed Beyond Securities Public Company Limited, an independent financial advisor approved by the Securities and Exchange Commission, to offer its expert opinions for the transaction.
- (C) Convening a shareholder meeting to seek approval for entering into the transaction. This approval requires a vote of not less than three-fourths of the total number of shareholders, attending shareholder's meeting and having right to cast the votes, excluding the votes of shareholders who have a conflict of interest. The Company will issue the notice of invitation of the shareholder meeting, ensuring compliance with the information disclosure requirements specified in the Asset Acquisition or Disposal Announcement and Connected Transactions Announcement, at least 14 days before the meeting date.

5. Details of the Acquired Assets

The acquired assets consist of 40,202,400 newly issued ordinary shares in APOT, with a par value of 100.00 Baht per share and an offering price of 100.00 Baht per share. The total value of these shares does not exceed 4,020,240,000.00 Baht. APOT currently holds underground mining concession No. 31708/16118, which is valid until 2040. The Company anticipates that APOT will receive loan approval to support the construction of the Potash mining project between the fourth quarter of 2023 to the first quarter of 2024 and expects approximately 4 years for the construction process. This concession is intended for the execution of a potash mining project within the local area of Bamnet Narong District, Chaiyaphum Province. An overview of APOT's key details is as follows:

5.1 APOT's business information as of June 30, 2023

Topic	Details
Business sector	Mining and processing of potash ore
Location ^{1/}	5th Floor, TRC Building, No. 8, Soi Sukhapiban 5, Soi 32, Tha Raeng Subdistrict, Bang Khen District, Bangkok 10220
Authorized Capital	20,805,797,300 Baht comprising 208,057,973 ordinary shares
Paid-Up Capital	3,256,727,300 Baht comprising 32,567,273 ordinary shares
Par value	100 Baht per share

Note: 1/ APOT has entered into an office lease agreement with the Company

5.2 Project Overview

APOT's potash mining project is situated in the northeastern region of Thailand, specifically in the Bamnet Narong District of Chaiyaphum Province, approximately 285 kilometers from Bangkok. The mining area encompasses Ban Tan Subdistrict, Ban Phet Subdistrict, and Hua Thale Subdistrict, located on the southeastern side of the Korat basin. The project area comprises three main areas:

1. Underground Mining Area: Encompassing a total of 9,707-0-83 rai, with an area designated for underground mining activities not exceeding a depth of 100 meters from the surface, covering approximately 155-0-50 rai.
2. Ground Mining Areas: Including the mineral processing plant, raw ore storage, product storage, access tunnels to the mineral layer, and office buildings, among others, with a total area of approximately 883-3-18 rai.
3. Area Outside the Concession: Approximately 5,713-0-75 rai for use as a tailing storage pond and for the construction of a tailing transportation pipeline.

Picture: Location of the Potash Mining Project



Globally, 90.00 percent of potash ore is utilized as a crucial raw material in the production of potassium fertilizers, one of the essential components in chemical fertilizer production, alongside nitrogen and phosphorus. Potassium fertilizers contribute to increased crop yields and disease prevention. Furthermore, potash ore serves as a raw material in various chemical industries, including glass, soap, ceramics, and more.

The potash mining project primarily engages in underground mining, aiming to extract carnallite mineral resources from the Bamnet Narong mine to produce potassium fertilizer. Based on the project feasibility study report by Ercosplan Ingenieurgesellschaft Geotechnik und Bergbau mbH (“Ercosplan”), the concession area is estimated to hold a total reserve of approximately 156 million tons of raw ore derived from Carnallite. After completing all necessary mineral extraction processes, Ercosplan estimates a total potash ore of approximately 24 million tons of Potassium chloride or KCl within the concession. Consequently, the potash mining project has set a target production capacity of Muriate of Potash (MOP) with a KCl content of no less than 95 percent, at 1.235 million tons per year.

The project has undergone a public hearing and received approval for its Environmental Impact Assessment (EIA) report from the Ministry of Natural Resources and Environment in 2014. As of now, the potash mining project is in the process of project financing which is anticipated to be completed between the fourth quarter of 2023 and the first quarter of 2024.

5.3 Industry Situation

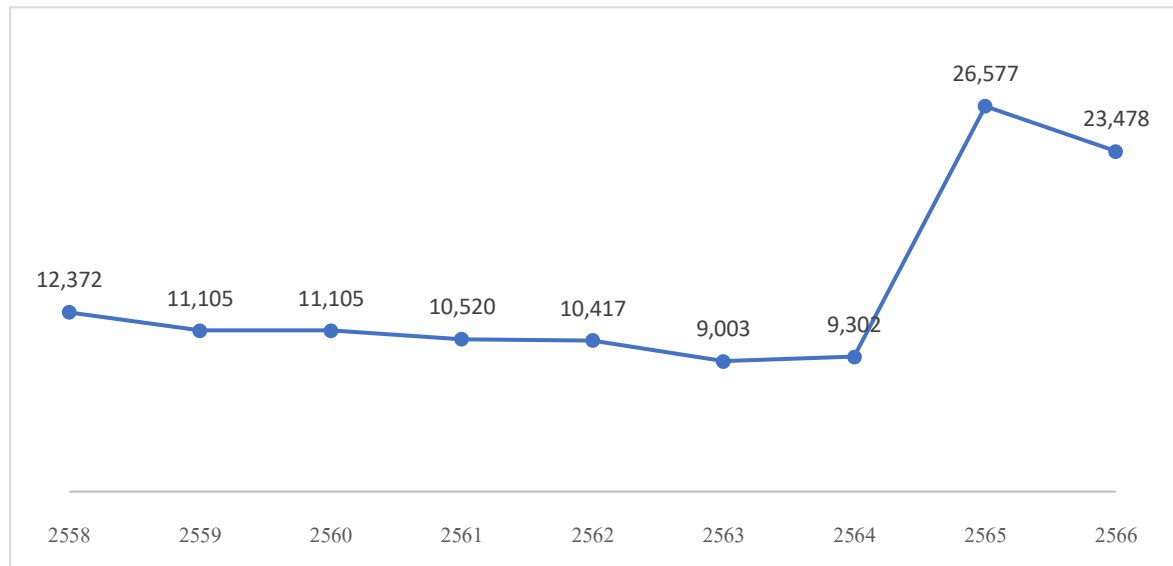
Chemical fertilizers play a vital role as a key input for boosting agricultural production in Thailand's agricultural sector. Historically and currently, Thailand has heavily depended on imports of nitrogen (N), phosphorus (P), and potassium (K) fertilizers from international sources. These imported fertilizers serve as essential raw materials for the formulation of various chemical fertilizer products within the agricultural sector. The annual consumption of fertilizers in Thailand is approximately 5 million tons in quantity, with a corresponding value of approximately 40,000 to 50,000 million Baht.

Notably, Thailand imports substantial quantities of potash ore, approximately 700,000 to 800,000 tons annually, ranking the country as the 5th largest importer of potash ore in Asia. However, the industry has faced challenges, including fertilizer shortages, and increasing fertilizer prices. The situation has been exacerbated by factors such as the conflict between Russia and Ukraine, leading many of the world's major fertilizer producers and exporters to impose export restrictions and delays on fertilizer shipments. Consequently, this has had a severe impact on Thailand's agricultural sector.

Unprecedented increases in both domestic and global fertilizer prices, along with rising costs related to shipping, oil, gas, and freight expenses, have driven the current price of ready-mixed fertilizer to approximately 20,000 to 30,000 Baht per ton (with reference to local retail prices for Potassium fertilizer (0-0-60) as reported by the Office of Agricultural Economics). Import values for these fertilizers range from approximately 100,000 to 150,000 million Baht. This significant cost escalation has had a profound impact on farmers, as they must absorb higher chemical fertilizer expenses. Consequently, the increased production costs have led to higher prices for agricultural products in the market.

In summary, the reliance on imported chemical fertilizers, coupled with global supply chain disruptions and escalating prices, has placed considerable financial pressure on Thai farmers and impacted the overall economics of agricultural production.

Details of potash ore prices in Thailand, as per the Department of Primary Industries and Mines (DPIM)



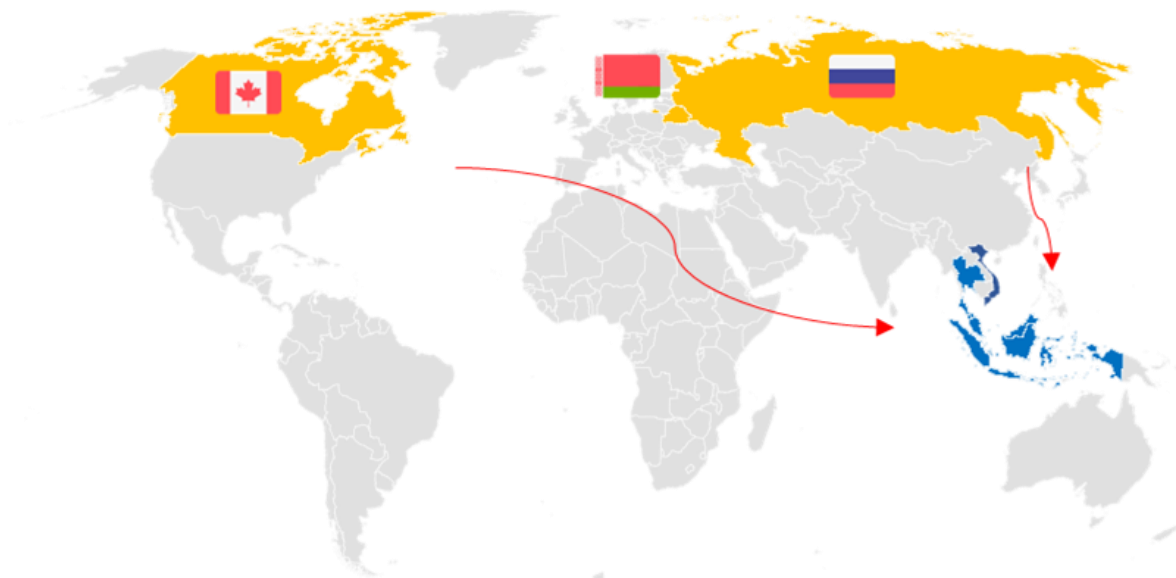
Reference: Department of Primary Industries and Mines (DPIM)

Therefore, if the potash mining project commences commercial operations, it will bring several benefits to Thailand as follows:

- 1) **Reducing Dependency on Imported Potassium Fertilizer:** With a projected potash production capacity of approximately 1.235 million tons per year, the project can potentially replace the need for imports of potassium fertilizer, which currently stands at around 700,000 to 800,000 tons per year, with an estimated annual value of approximately 25,000 million Baht (based on local retail prices for Potassium fertilizer (0-0-60) by the Office of Agricultural Economics).
- 2) **Stabilizing Domestic Potassium Fertilizer Prices:** By achieving self-sufficiency in potassium fertilizer production, Thailand can stabilize the price of potassium fertilizer within the country. This would eliminate the need for reliance on foreign imports and could result in potassium fertilizer prices that are 20 to 30 percent cheaper, providing farmers with more affordable access to chemical fertilizers.
- 3) **Reducing Production Costs for Farmers:** Chemical fertilizers account for a significant portion, typically ranging from 20 to 40 percent, of the total cost of crop cultivation. Domestic production of potassium fertilizer would lead to a reduction in its price within the country by at least 20 to 30 percent, relieving farmers from the burden of higher production costs associated with imported fertilizers.

- 4) **Enhancing Food Security:** Self-sufficiency in fertilizer production contributes to increased food security for the country. Fertilizers play a critical role in boosting agricultural production for key economic crops such as rice, rubber, oil palm, sugarcane, and more.
- 5) **Generating Export Income:** The surplus potassium fertilizer, beyond domestic demand, can be exported to generate income for the country. This export focus can position Thailand as a regional hub for potassium fertilizer production in the Asian market.

In addition, Asian countries are significantly impacted by the global potash market dynamics since they heavily rely on potash ore imports, which account for more than 40.00 percent of the total export market. The increasing demand for potash in Asia is driven by a large proportion of its population engaged in agriculture and experiencing relatively high population growth rates. However, the region lacks a substantial potash production and export industry, with China being the primary exception. Currently, China maintains a production capacity of approximately 4.4 million tons and exports only approximately 100,000 tons. This is in stark contrast to the estimated 15 million tons of potash demand in Asia. Consequently, it can be stated that all Asian countries, excluding China, heavily rely on imports from countries such as Canada, Russia, and Belarus. This situation is illustrated as follows.



Therefore, due to the state of war between Russia and Ukraine, many countries, particularly major fertilizer producers and exporters worldwide, have implemented policies prohibiting or delaying the export of chemical fertilizers. Additionally, rising shipping costs, along with increases in oil, gas, and freight prices, have impacted countries in Asia. Consequently, if the potash mining project commences

commercial operations, it will have the potential to export potash minerals to Asian countries. The project will primarily focus on nations that import substantial quantities of potash ore, including Indonesia, Malaysia, Vietnam, and others. This focus is driven by two key factors: (1) APOT's potash mining project typically has lower production costs compared to other potash mines, and (2) the project's geographical proximity to these countries, resulting in cost-effective transportation compared to countries like Canada, Russia, and Belarus. This competitive advantage positions the project favorably for exporting to Southeast Asian countries (SEA).

Unit: Ton (otherwise stated)

Maximum potash production volume of the potash mining project	1.235
Deduct: Amount of special government benefit debt repayment ^{1/}	0.1235
Deduct: Amount of Expected to be sold within the country	0.5000
Potash ore available for export	0.6115
Import volume of Indonesia, Malaysia, and Vietnam ^{2/}	7.1780
Market Share	8.52 %

Note: 1/ Refers to the Cabinet resolution dated February 14, 2023, which mandates that potash mining project makes installment payments for special benefits and default payments equivalent to not less than 10.00 percent of the total production volume

2/ Import volumes are based on data from Nutrien Ltd., a listed company on the New York Stock Exchange and Toronto, with import volumes from Indonesia, Malaysia, and Vietnam amounting to 4.265 million tons, 1.775 million tons, and 1.138 million tons per year, respectively.

From the analysis table above, it is evident that if APOT can produce potash ore as anticipated, selling 0.6235 million tons within the country (to cover debts of special benefits to the state, amounting to 0.1235 million tons, and an expected domestic sale of 0.5000 million tons) and exporting the remaining 0.6115 million tons of potash ore to Indonesia, Malaysia, and Vietnam, with a total import volume of 7.1780 million tons, would grant APOT a market share of 8.52 percent. This suggests a high likelihood that the potash mining project can successfully sell its entire potash production.

5.4 Board of Directors

List of the Company's Board of Directors, as per the latest Company Certificate as of June 30, 2023, is as follows:

Name	Position	Position Origination
Mrs. Chalida Punkrawee	Chairman of the Board of Directors	Representative from Ministry of Finance
Lt. Gen. Mongkol Jivasantikarn	Vice Chairman of the Board of Directors/ Chairman of Compensation and Corporate Governance Committee / Chairman of Executive Director	Appointed by APOT's Board of Directors
Mr. Smai Leesakul	Director / Managing Director / Chief Executive Officer	Appointed by APOT's Board of Directors
Mrs. Danucha Yindeepit	Independent Director / Chairman of the Audit Committee	Appointed by APOT's Board of Directors
Mr. Anan Sirisaengthaksin	Independent Director / Audit Committee / Compensation and Corporate Governance Committee	Appointed by APOT's Board of Directors
Mr. Kraithip Krairiksh	Independent Director/Audit Committee	Appointed by APOT's Board of Directors
Mr. Bowon Vongsinudom	Director / Executive Director	Appointed by APOT's Board of Directors
Mrs. Podchane Phaosavasdi	Director	Appointed by the Company
Mr. Monthien Innoy	Director / Compensation and Corporate Governance Committee / Executive Director	Appointed by APOT's Board of Directors
Mr. Raweewat Maschamadol	Director	Appointed by APOT's Board of Directors
Mr. Antonilo de la Cruz Mauricio	Director	Representative from the Republic of the Philippines
Mr. Ahmad Fathi Junaidi	Director	Representative from Negara Brunei Darussalam
Mr. Deddy Furman Ramadi	Director	Representative from the Republic of Indonesia
Mrs. Nik Roselin Binti Nik Ramzi Shah	Director	Representative from Federation of Malaysia

The directors authorized to sign are Lt. Gen. Mongkol Jivasantikarn, Mrs. Chalida Punkrawee, and Mr. Monthien Innoy.

Any two of these three directors must jointly sign and affix the company's official seal.

5.5 Shareholders

List of shareholders from the latest shareholder register as of June 30, 2023.

No.	Shareholders	No. of shares	%
1	TRC Investment Limited	7,312,500	22.46
2	Ministry of Finance, Thailand	6,513,464	20.00
3	Thai-German Mining Company Limited ^{1/}	5,253,456	16.13
4	Thermal Trade and Investment Limited ^{2/}	2,445,690	7.51
5	PT Petrokimia Gresik (Persero), Indonesia	1,673,100	5.14
6	Minister of Finance (Incorporated), Malaysia	1,673,100	5.14
7	S. Group AEC (Thailand) Company Limited ^{3/}	1,585,679	4.87
8	Mr. Lucahi Phukhan-Anan	1,016,145	3.12
9	TRC International Limited	870,535	2.67
10	Mrs. Sirikarn Saktidejphanubandh Na Ayudhya	350,000	1.07
11	Other shareholders (30 individuals)	3,873,604	11.8
Total number of shares		32,567,273	100.00

Note: 1/ The ultimate shareholders of Thai-German Mining Co., Ltd. are S. Group AEC (Thailand) Co., Ltd. (99.9999% ownership) and Ms. Panjit Kulkarnatwat (0.0005% ownership) and Ms. Payao Yuktawat (0.0005% ownership).

2/ The ultimate shareholder of Thermal Trade and Investment Limited is Mr. Chin Joek Poen, Singapore.

3/ The ultimate shareholders of S. Group AEC (Thailand) Co., Ltd. are Ms. Panjit Kulkarnatwat (99.9999% ownership), Mr. Somchai Muangsi (0.0005% ownership), and Ms. Payao Yuktawat (0.0005% ownership).

5.6 Summary of APOT financial information

(Unit: THB million)	2020	2021	2022	Q2/2023
	(Reclassification)	(Reclassification)		(6 months)
Statement of financial position				
Assets				
Cash and cash equivalent	0.60	0.47	0.76	298.03
Current investment	0.03	0.04	0.04	0.04
Other current receivables	0.00	0.00	0.26	0.00
Advance payment under construction contracts	3.17	3.17	3.17	3.17
Other current assets	1.61	1.62	1.67	3.28
Restricted bank deposits	1.50	0.50	0.50	0.50
Bank deposits under commitment to establish funds	0.01	0.01	0.01	0.01
Property, plant and equipment, net	295.31	293.13	292.67	292.64
Mine under construction	1,033.19	1,033.19	1,033.19	1,033.19
Assets from exploration and mine evaluation	924.17	924.17	924.17	924.17
Intangible assets ^{1/}	4,355.97	4,342.15	4,328.33	4,321.43
Other non-current assets	0.06	0.02	0.02	0.02
Total Assets	6,615.63	6,598.48	6,584.80	6,876.48
Liabilities				
Trade and other current payables	1,056.86	1,414.15	1,845.02	2,102.83
Unbilled construction payable	0.30	0.30	0.30	0.30
Short-term loan from related person or parties	204.81	222.76	239.31	96.61
Current portion of long-term liabilities for concession ^{2/}	2,273.78	2,842.48	3,411.17	3,979.87
Current portion of long-term liabilities for fund contribution - mining concession	75.03	104.53	134.04	161.81
Other current liabilities	1.56	1.75	1.72	2.65
Long-term liabilities for concession - net of current portion	2,042.13	1,563.62	1,064.21	519.52
Long-term liabilities for fund contribution - mining concession - net of current portion	339.40	324.78	309.64	288.82
Deferred tax liability	0.00	0.00	0.01	0.01
Non-current provisions for employee benefits	2.04	2.05	2.14	2.27

Total Liabilities	5,995.91	6,476.40	7,007.56	7,154.68
Shareholders' Equity				
Issued and paid-up	2,805.80	2,805.80	2,805.80	3,256.73
Share discount	(313.95)	(313.95)	(313.95)	(313.95)
Deficits	(1,872.13)	(2,369.77)	(2,914.60)	(3,220.97)
Total Shareholders' Equity	619.72	122.08	(422.76)	(278.20)
Total Liabilities and Shareholders' Equity	6,615.63	6,598.48	6,584.80	6,876.48
Statement of Comprehensive Income				
Revenues				
Other income	2.08	3.12	5.05	1.56
Total revenues	2.08	3.12	5.05	1.56
Expenses				
Administrative expenses	56.98	41.60	28.56	15.25
Loss on exchange rate	0.00	0.00	0.00	5.77
Fine for the special benefit to the state	252.27	338.56	422.87	250.73
Total expenses	309.24	380.16	451.43	271.25
Loss from operating activities	(307.16)	(377.05)	(446.38)	(269.69)
Finance cost	126.48	120.59	98.50	36.68
Loss before income tax expenses	(433.64)	(497.64)	(544.88)	(306.37)
Income tax expenses	0.00	0.00	0.00	0.00
Loss for the year	(433.64)	(497.64)	(544.88)	(306.37)

Note: Based on APOT's reviewed financial statements at the end of 2022 and the second quarter of 2023

1/ Intangible assets include Mining concession, Fund contribution, and computer software programs

2/ Liabilities arising from agreements for special compensation benefits to the state

5.7 Summary of APOT's Key Contracts

The key contracts in APOT's operations primarily consist of underground mining concessions received from Ministry of Industry and a letter of agreement to provide special government benefits in exchange for the issuance of a concession certificate by Department of Primary Industries and Mines (DPIM). The details are summarized in the following table.

Table: Summary of Underground Mining Concession

Undermining Concession Number	31708/16118
The holder of Concession Certificate	ASEAN Potash Chaiyaphum Public Company Limited
Concession period	From February 6, 2015, to February 5, 2040
Conditions of Underground Mining	<ol style="list-style-type: none"> 1. Underground mining of potash and rock salt 2. Using the Room and pillar mining method 3. Before commencing mineral production as outlined in item 1, the holder of the Concession Certificate must notify Local Mineral Industry officer for a comprehensive inspection to ensure compliance with the authorized conditions. Mining operations can only commence once approval is obtained from the district mineral industry officer. 4. The underground mining project shall be in accordance with Section 88/6 of Minerals Act, B.E. 2510, as amended by Minerals Act (No. 5), B.E. 2545. 5. The management of by-product mining shall be in accordance with the underground mining project area and the mining method for which permission has been granted. 6. The measures for preventing and mitigating environmental impacts and monitoring shall be in accordance with the conditions specified in the Environmental Impact Assessment (EIA) report.

	<ol style="list-style-type: none"><li data-bbox="751 163 1443 646">7. Insurance shall be in accordance with the approval from the Director-General. In the case of a modification to the insurance agreement, it shall be in accordance with Section 57 of Minerals Act, B.E. 2510, and with the payment of insurance premiums under the insurance policy. Evidence of premium payment shall be submitted to Department of Mineral Resources within thirty days from the contractually specified installment payment date.<li data-bbox="751 678 1443 940">8. The fund supporting the involvement of stakeholders in inspecting underground mining operations under Section 88/1 of Minerals Act, B.E. 2510, as amended by Minerals Act (No.5), B.E. 2545, shall be in accordance with the approval from the Director-General.<li data-bbox="751 972 1443 1276">9. Protection of workers and the provision of safety to third persons not prescribed by the Ministerial Regulations shall be governed by the provision of the safety regulation concerning mining operations and the promotion of employee well-being in accordance with Section 16 of the underground mining project plan.<li data-bbox="751 1308 1443 1738">10. The provision of special government benefits shall be in accordance with the agreement to provide special government benefits as compensation for the issuance of the Concession Certificate on January 13, 2015, and record a certified letter of agreement regarding payment of special government benefits as compensation for the issuance of the Concession Certificate on January 5, 2015.<li data-bbox="751 1770 1443 1906">11. Special conditions regarding Underground Mining Concession under Section 45 of Minerals Act, B.E. 2510, as amended by Minerals Act (No. 5), B.E. 2545,
--	---

	<p>shall execute for the issuance of liability insurance in accordance with Section 88/12 of Minerals Act, B.E. 2510 within six months from the date of receiving Concession Certificate, as recorded in document on January 8, 2015, and before commencing mining operation, a health examination must be conducted for all parameters that may be affected by mining operation within a 5-kilometer radius of the project area.</p> <p>12. The results of the assessment from hearing stakeholders' opinions under Section 88/7 of the Minerals Act, B.E. 2510, as amended by Minerals Act (No. 5), B.E. 2545, shall be in accordance with the additional measures outlined in Section 88/7 and Section 88/10 of Minerals Act, B.E. 2510.</p>
--	---

Note: APOT has met the conditions for underground mining, with the exception of the following:

Clause (3) states that the holder of the Concession Certificate must notify the Local Mineral Industry officer for a comprehensive inspection to ensure compliance with the authorized conditions. Mining operations can commence only after obtaining approval from the district mineral industry officer. However, this process will occur after the completion of APOT's project construction contract. Subsequently, the local mineral industry officers will be informed for project construction inspection.

Clause (7) states that insurance shall be in accordance with the approval from the Director-General. In the case of a modification to the insurance agreement, it shall be in accordance with Section 57 of Minerals Act, B.E. 2510, and with the payment of insurance premiums under the insurance policy. Evidence of premium payment shall be submitted to Department of Mineral Resources within thirty days from the contractually specified installment payment date. However, APOT has not entered into an insurance contract yet. Nonetheless, APOT's management is aware of this matter and will ensure insurance compliance following the Director-General's approval.

Clause (9) states that protection of workers and the provision of safety to third persons not prescribed by the Ministerial Regulations shall be governed by the provision of the safety regulation concerning mining operations and the promotion of employee well-being in accordance with Section 16 of the underground mining project plan. Since APOT has not yet commenced commercial operations, APOT's management acknowledges the importance of safeguarding workers/non-company personnel and will ensure compliance with ministry regulations.

Clause (11) states that Special conditions regarding Underground Mining Concession under Section 45 of Minerals Act, B.E. 2510, as amended by Minerals Act (No. 5), B.E. 2545, shall execute for the issuance of liability insurance in accordance with Section 88/12 of Minerals Act, B.E. 2510 within six months from the date of receiving Concession Certificate, as recorded in document on January 8, 2015, and before commencing mining operation, a health examination must be conducted for all parameters that may be affected by mining operation within a 5-kilometer radius of the project area. APOT will issue liability insurance and conduct health checks for all parameters affected by mining in the project's 5-kilometer radius community before engaging in commercial activities.

APOT is obligated to comply with the provisions of Clauses (1), (2), (5), (6), (7), (8), (9), and (10) throughout the entire duration of the project.

Table: Summary of Key Points in the Agreement regarding Special Government Benefit Payment as Compensation for the Issuance of Concession Certificate

Parties	ASEAN Potash Chaiyaphum Public Company Limited and Department of Primary Industries and Mines (DPIM).
Terms of Special Government Benefit Payment	APOT has requested to repay its debt in equal installments (amortization schedule), including a grace period for the first 2 years starting from the issuance of the concession certificate, (with an annual interest rate set at MLR (Marginal Lending Rate) of 6.5%). Additionally, APOT has requested to settle the special government benefit payment through 8 installments, each amounting to 568,695,013.80 Baht. These installments will be due on January 15 of the year following the grace period, for the first 2 years, and subsequently annually until the full amount is paid, to the Department of Primary Industries and Mines at the Chaiyaphum Provincial Industry Office. In the event that APOT defaults on the special government benefit payment within the specified timeframe, the company consents to allow the Department of Primary Industries and Mines to impose a penalty at an annual rate of 15.00%, calculated from the due date to the actual payment date.

However, APOT delayed its investment in the construction of the potash mining project in 2018 due to (1) delays in the development of the Potash Mining Project, (2) working capital challenges, (3) the lack of financial support from financial institutions for the construction, and (4) the failure of shareholders to subscribe to additional ordinary shares. Consequently, APOT lacked cash flow to pay special benefits to the State within a specified timeframe. This resulted in APOT having outstanding debt for the special benefits to the State in 2023, amounting to 4,924.52 million Baht.

However, due to the Russia-Ukraine conflict and the increased transportation costs, the prices of imported potash ore in Thailand have significantly risen. Consequently, this has resulted in an increase in fertilizer and agricultural product prices, affecting the Thai population at large. Consequently, the Cabinet passed a resolution on February 14, 2023, to acknowledge and instruct the Ministry of Industry to address the debt relief and special government benefit payment structure for the Potash Mining Project. Department of Primary Industries and Mines (DPIM) will undertake the restructuring of the project's debt and default payments. They will also consider using potash production as a form of payment for special government benefits and default. This will significantly reduce the company's financial debt and bring benefits to Thailand, especially farmers who will experience reduced costs and increased fertilizer availability.

6. Total Consideration Value and Payment Terms

The total consideration value consists of 40,202,400 newly issued ordinary shares of APOT, offered to existing shareholders in proportion, at an offering price of 100.00 Baht per share, amounting to a total of 4,020,240,000.00 Baht. This amount will be paid in multiple installments, following the payment plan for additional ordinary shares of APOT as required for fund utilization and in alignment with the terms for withdrawing funds from loans obtained from financial institutions. The expected schedule for payment and receipt of additional ordinary shares in the capital increase is as follows:

Table: Summary of payment schedule receipt of additional ordinary shares (Unit: Million Baht)

Year	2024	2025	2026	2027	Total
Total APOT's investment value	15,382.9	13,135.8	6,877.0	4,604.3	40,000.0
Debt portion	9,229.7	7,881.5	4,126.2	2,762.6	24,000.0
Shareholder portion	6,153.1	5,254.3	2,750.8	1,841.7	16,000.0
The investment value relative to the Company's shareholding (25.13%)	1,546.1	1,320.2	691.2	462.8	4,020.2
Number of additional ordinary shares received by the Company (Unit: Million shares)	15.5	13.2	6.9	4.6	40.2

Note: Additional details are located within Section 10, Source of Funds for the transaction.

7. Total value of acquired assets

The company referenced the fair value of APOT's ordinary shares from Beyond Securities Public Company Limited, which has received approval from the Securities and Exchange Commission to serve as an

independent financial advisor to provide opinions on the fair value of the assets acquisition. The independent financial advisor has conducted equity valuation assessments for the shareholders of APOT using various approaches, and the summaries are as follows:

Table: Summary of the Equity Valuation of APOT

Valuation Approaches	APOT's Equity Value (Baht per share)	APOT's Equity Value (Million Baht)	IFA's Opinion
1. Book Value Approach	(15.07)	(422.76)	Not Appropriate
2. Adjusted Book Value Approach	(15.07)	(422.76)	Not Appropriate
3. Market Value Approach	Not evaluable		
4. Price To Book Value Approach (P/BV)	Not evaluable		
5. Price to Earnings Approach (P/E)	Not evaluable		
6. Discounted Cash Flow Approach	111.05	3,616.79	Appropriate

The independent financial advisor expresses the opinion that the Discounted Cash Flow Approach is the most suitable valuation method for assessing ABC's valuation, resulting in a net present value of 111.05 Baht per share. Therefore, the independent financial advisor opines that entering into the transaction at 100.00 Baht per share is reasonable, as it is less than the assessed fair value.

8. Criteria Used for Determining Consideration Value

The offering price for APOT's capital increase is derived from APOT's par value, which is set at 100.00 Baht per share. The calculation of 4,020,240,000.00 Baht is based on the company's proportionate shareholding percentage. This calculation is established in accordance with the resolution for an additional capital increase in APOT, which is based on the anticipated construction value framework. The number of additional ordinary shares and the amount of capital increase for APOT may be subject to adjustment based on the actual construction value and the terms of withdrawal from financial institutions.

9. Anticipated Benefits for the Company

The Company foresees several advantages from engaging in the business transfer transaction, including:

- (1) In the event of a successful capital increase for APOT, it will facilitate the realization of project loans or Financial Close and the execution of the construction contract. The Company has held a

Letter of Award for this contract since 2016, which will result in substantial income from construction services.

- (2) This transaction serves as a risk diversification strategy, reducing the Company's reliance on income and net profits solely from the construction contracting business, which can be vulnerable to price fluctuations in construction materials and high labor costs.
- (3) The Company anticipates recognizing an additional share of profit from APOT resulting in higher net profit once APOT commences its commercial operations.

10. Source of Funds for the transaction

Entering into this transaction, the Company aims to utilize the funds to invest in additional ordinary shares of APOT, with a total value not exceeding 4,020.2 million Baht, which corresponds to a construction value of no more than 40,000.0 million Baht. It is anticipated that this construction will result in a debt-to-equity ratio of 1.5 times, as outlined in the following table.

Table: Investment value in additional ordinary shares relative to the Company's shareholding in APOT (Unit: Million Baht)

Year	2024	2025	2026	2027	Total
Total APOT's investment value	15,382.9	13,135.8	6,877.0	4,604.3	40,000.0
Debt portion	9,229.7	7,881.5	4,126.2	2,762.6	24,000.0
Shareholder portion	6,153.1	5,254.3	2,750.8	1,841.7	16,000.0
The investment value relative to the Company's shareholding (25.13%)	1,546.1	1,320.2	691.2	462.8	4,020.2

The Company plans to secure sources of funds from the following: (1) Funds expected to be received from the Company's internal cash flow, which comprise cash flow from the Company's operations and anticipated payments from APOT for construction work, (2) Funds expected to be received from the anticipated issuance of additional ordinary shares (3) Funds expected to be received from debentures/loans from financial institutions. The details are as follows:

Table: Source of funds for entering transaction (Unit: Million Baht)

Year	2024	2025	2026	2027	Total
Expected to be received from the Company's internal cash flow	289.2	259.9	66.4	83.0	698.5
Expected to be received from the future issuance of additional ordinary shares	650.0	450.0	221.7	0.0	1,321.7
Expected to be received from debentures/loans from financial institutions	600.0	600.0	400.0	400.0	2,000.0
Total	1,539.2	1,309.9	688.1	483.0	4,020.2

Funds expected to be received from the Company's internal cash flow

The Company's executives expected the Company will receive funds from its internal cash flow from 2024 to 2027, totaling 698.5 million Baht. This cash flow comprises cash flow from the Company's operations and anticipated payments from APOT's construction work. Details are summarized as follows:

- **Cash flow from the Company's operations:** The Company's primary source of income is its construction business, with the government sector as its main customer. However, from 2019 to 2023, the company incurred losses due to two key factors:
 1. The COVID-19 situation had a direct impact on the company's construction work. The government sector delayed investments in various projects, and budget policies were adjusted to provide relief and support for those affected by COVID-19. Additionally, COVID-19 led to the postponement of customer work acceptance inspections. Despite these challenges, the company continued to bear expenses. Nevertheless, with the easing of the COVID-19 situation, a gradual improvement is expected in 2024 - 2025. The acceleration of government infrastructure investment, including major projects in the EEC area, electric trains, double-track railways, and other fundamental infrastructure projects, is anticipated.
 2. Increased construction material costs, which constitute the primary expenses in the construction business. Rising crude oil prices and disruptions in the supply of construction materials due to lockdowns in China, a major exporter of such materials, led to cost increases. Given that most of the company's project contracts have fixed values, past operating results were negatively affected. However, current construction material prices are returning to normal levels, resulting in an improvement in the company's operating results.

- **Cash flow from Revenue from APOT's construction work:** The company expected to receive subcontracting work from APOT's primary contractor with an anticipated value of 11,209.3 million Baht, which represents 50.00 percent of the Surface Facilities work. The company's management estimates that this contract work from APOT should yield a gross profit margin of 5.0 percent.

Funds expected to be received from debentures/loans from financial institutions

The Company's executives anticipated receiving 1,321.7 million Baht from an upcoming issuance of additional ordinary shares. They will assess the need for a capital increase, considering the debt-to-equity ratio and interest-bearing debt-to-equity ratio, which represents the Company's default risk, to ensure appropriateness. The capital increase methods may include Right offering (RO), Private Placement (PP), Public Offering (PO), or issuing Warrants for additional ordinary shares. These options will be considered based on the Company's financial situation and economic conditions, both present and future.

Funds expected to be received from the issuance of additional ordinary shares

The Company's executives expected to receive 2,000.0 million Baht through bond issuance and loans from financial institutions. They will consider relative to call in capital increase to maintain a stable financial status. The company's executives has a policy of issuing long-term bonds with a 3-5 year lifespan, depending on future bond market conditions, and with fixed interest rates determined by those conditions. Funds for repaying the debentures will be sourced from (1) future cash flow from the company's operations, including construction work and dividends from APOT after the start of commercial operations, along with other suitable sources based on future conditions. The estimated operating results and financial status of the company are presented in the following table.

Year	2567	2568	2569	2570
Financial performance				
Revenue from construction ^{iv}	3,545.4	4,046.3	4,127.2	4,209.8
Revenue from APOT's construction	5,529.7	4,183.3	493.9	1,002.4
Total Revenue	9,075.1	8,229.6	4,621.2	5,212.1
Total EBITDA	409.7	421.4	243.1	274.7
Cash flow after paying financial obligations and interest	289.2	259.9	66.4	83.0
Financial position				
Total Assets	6,990.7	8,109.7	8,162.3	8,688.0
Total Liabilities	5,532.6	5,976.4	5,779.0	6,263.4
Total Shareholders' equity	1,458.1	2,133.3	2,383.3	2,424.6

Year	2567	2568	2569	2570
<i>Debt-to-equity ratio</i>	3.8x	2.8x	2.4x	2.6x
<i>Interest-bearing debt-to-equity ratio</i>	1.3x	1.1x	1.0x	1.2x

Note: 1/ As of the second quarter of 2023, the company had a remaining Backlog totaling 4,582.21 million Baht. Some portion of the revenue will be recognized in 2024. When combined with new projects that the management expected to receive in the future, the management anticipates that the company will recognize revenue of approximately 4,000.00 million Baht during the period from 2026 to 2030. The overall performance closely aligns with the company's historical achievements, before the direct impact of the COVID-19 pandemic affecting the construction industry.

In this regard, the financing source policy mentioned above was conducted by the Company's executives as of the date of this Information Memorandum. These assumptions were made based on the current economic conditions. However, if the economic situation deviates from the expectations and has an impact on the company's financial performance, it may lead to a revision of the financing policy. Nevertheless, the company will establish funding source policies that prioritize stakeholder interests and consider the Company's debt repayment ability as a crucial factor.

11. Conditions for Transaction Approval

1. APOT has received approval from the Company's shareholder meeting, with a vote of no less than three-fourths of the total number of votes cast by attending shareholders with voting rights, excluding votes from shareholders who have a conflict of interest which is expected to be completed in the Extraordinary General Meeting No. 1/2023.
2. APOT has received credit approval from financial institutions and/or non-financial lenders which is expected to be completed within the first quarter of 2024.
3. APOT has entered into an Engineering Procurement and Construction (EPC) contract with the contractor which is expected to be completed within the first quarter of 2024.
4. APOT can raise capital from shareholders, amounting to at least 75.00 percent of the total capital increase from shareholders, excluding the Company's portion. This is expected to be completed within the second quarter of 2024.

In this regard, the investment in APOT's capital increase, in proportion to the Company's shareholders, is contingent upon meeting all four conditions mentioned above.

12. The opinion of the Company's Board of Directors

The Company's Board of Directors has carefully considered and concluded that the investment in additional ordinary shares of APOT in this transaction is appropriate and beneficial for the company and its shareholders. This transaction presents an opportunity for the successful financial close of APOT, which will enable the company to receive construction service fees as the project's construction contractor. Furthermore, the company and its group of companies are expected to receive long-term returns on the investment in the form of dividend payments in the future, once APOT begins its commercial operations and accumulates sufficient profits to distribute dividends and/or profits from the sale of shares in the future.

The Company's Board of Directors has established a funding policy for this transaction, with total investment value not exceeding 4,020.2 million Baht, stemming from three sources of funds: (1) Expected to be received from the Company's internal cash flow of 698.5 million Baht, (2) Expected to be received from the anticipated issuance of additional ordinary shares of 1,321.7 million Baht, and (3) Expected to be received

from debentures/loans from financial institutions of 2,000.0 million Baht. Following procuring these sources of funds, the debt-to-equity ratio and interest-bearing debt-to-equity ratio will be 2.6 and 1.2 times, respectively, indicating the Company's financial stability. In this regard, these assumptions were based on the current economic conditions. However, if the economic situation deviates from the expectations and impacts on the company's financial performance, it may lead to a revision of the financing policy. Nevertheless, the company will establish funding source policies that prioritize stakeholder interests and consider the Company's debt repayment ability as a crucial factor.

- APOT has received approval from the Company's shareholder meeting, with a vote of no less than three-fourths of the total number of votes cast by attending shareholders with voting rights, excluding votes from shareholders who have a conflict of interest which is expected to be completed in the Extraordinary General Meeting No. 1/2023.
- APOT has received credit approval from financial institutions and/or non-financial lenders which is expected to be completed within the first quarter of 2024.
- APOT has entered into an Engineering Procurement and Construction (EPC) contract with the contractor which is expected to be completed within the first quarter of 2024.
- APOT can raise capital from shareholders, amounting to at least 75.00 percent of the total capital increase from shareholders, excluding the Company's portion. This is expected to be completed within the second quarter of 2024.

In this regard, the investment in APOT's capital increase, in proportion to the Company's shareholders, is contingent upon meeting all four conditions mentioned above. Therefore, the Company's ability to invest in APOT will be subject to the transaction's entry conditions, to be assessed following APOT's successful procurement of funding sources, effectively mitigating the risks previously mentioned.

13. The opinion of the audit committee and/or the directors that differ from the board of directors

-None-

14. Responsibility of the Board of Directors in Information memorandum

The Board of Directors is responsible for this information memorandum and other documents sent to the Company's shareholders. The Board of Directors has carefully examined the information presented to the shareholders and has certified that this information memorandum and other documents sent to the Company's shareholders are accurate and contain important information that should be completely disclosed. Furthermore, these documents do not include any statements that could materially mislead individuals.

15. Liabilities of the Company

15.1 Total amount of issued and unissued bonds as of June 30, 2023

-None-

15.2 Total amount of outstanding Term Loan and collateral as of June 30, 2023

Type of Loans	Collateral	Amount (THB million)
Bank overdrafts from financial institutions	Land and Building	999.32
Lease liabilities	-	15.84
Short-term loans from related parties	-	283.70
Total		1,298.86

15.3 Total amount of other liabilities and collateral as of June 30, 2023

Type of Loans	Collateral	Amount (THB million)
Trade and other current payables	-	692.936
Unbilled payable	-	1,156.20
Contract liabilities	-	515.06
Accounts payable - retention under construction contracts	-	318.23
Provision for liabilities under construction projects	-	34.20
Income tax payable	-	0.17
Non-current provisions for employee benefits	-	43.14
Provision for litigation	-	20.00
Total	-	2,779.94

15.4 Commitments and Contingent Liabilities as of June 30, 2023

Purchase construction materials and subcontracted work commitments

As of June 30, 2023, the Company has outstanding commitments of 3,363 million Baht and 1 million Dollar for the purchase of construction materials and subcontracted work. (In the separate financial statement, the commitments amount to 326 million Baht and 1 million Dollar. (As of December 31, 2022, the outstanding commitments were 3,734 million Baht and 1 million Dollar, with the Company's commitments totaling 391 million Baht and 1 million Dollar.))

Operating lease commitments

The Company has entered into lease agreements for operations related to the leasing of land, machinery, vehicles, and equipment with a minimum amount to be paid in the future, all under non-cancellable operating lease agreements. In the consolidated and separate financial statements, these obligations amount to 3 million Baht and 2 million Baht, respectively.

Service agreement commitments

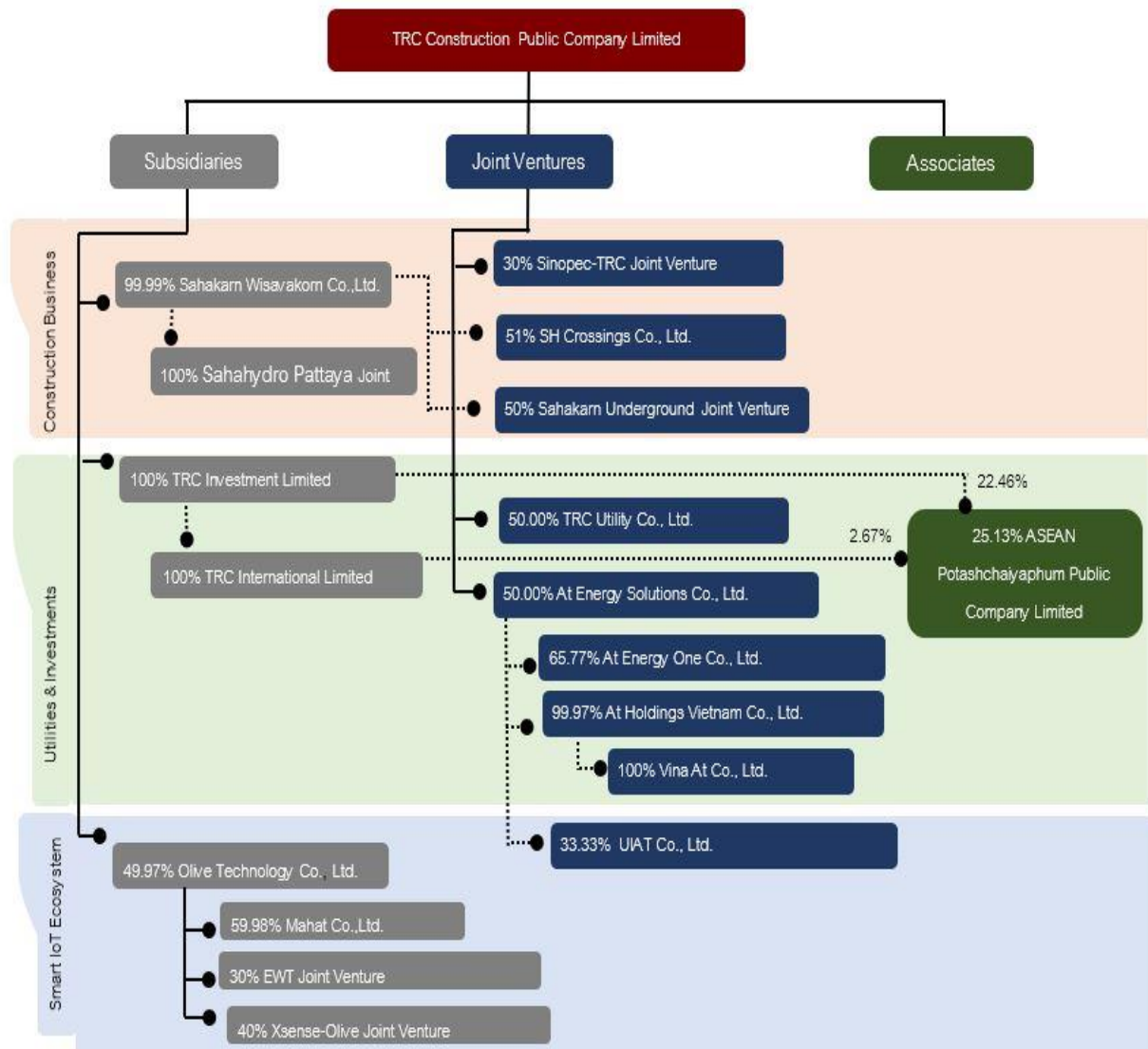
The Company has entered into service contracts related to consulting and security services with a minimum amount to be paid in the future, all under non-cancellable service agreements. In the consolidated and separate financial statements, these obligations amount to 2 million Baht and 1 million Baht, respectively.

16. The Company's business nature and business trends

16.1 Business Nature

At present, TRC Group consists of subsidiaries, associates, and joint ventures, totaling 18 corporate entities, operating in 3 business categories as follows:

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



1. Construction Business

The Company Group provides various construction services as follows:

Construction and Engineering Design for Pipeline System

The Company provides services relating to the 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 pipelines (with a maximum diameter of 30 inches), including laying of provincial natural gas pipeline. In 2015, PTT Public Company Limited awarded the Company and its 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 a lower cost rather than new pipe installation.

Construction and Engineering Design of Energy and Petrochemical Industries

The Company provides integrated construction services consisting of engineering design, sourcing/ installation of machinery and equipment for energy and petrochemical Industries such as the 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 500,000 Baht to provide construction service. Sahakarn Wisavakorn’s business has been continually growing since its founding. However, in 1997, SKW started to have financial problems until entering into the rehabilitation program in 2000. After years of effort to recover its 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 in the second quarter of 2007. Currently, SKW has a registered and paid-up capital of 500 million Baht.

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 be eligible to enter into project bidding of construction of buildings, road, and special bridge with no limited credit.

SKW has experience and expertise in providing integrated construction services and civil works. Most projects are involved with infrastructure construction such as roads, bridges, and buildings for state enterprises/agencies. Other projects consist of construction of energy and petrochemical plants, as well as installation of machinery and equipment. Some of SKW's past performances were Ethanol production plant for Bio Ethanol Company Limited valued of 2,134 million Baht, sourcing, installing, and testing of machinery / equipment system (M-01/2) for producing cigarettes and expanding tobacco for the Tobacco Authority of Thailand under the supervision of the Ministry of Finance valued of 834.14 million Baht.

SKW strongly places importance on quality management and internal processing. From 2009, SKW was certified with ISO 9001:2008 for quality management standards 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.

2. Utilities Business and Investment

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

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

Investment in Energy Business

The company entered into a joint venture agreement with Asia Green Energy Public Company Limited (“AGE”) and established a joint venture company called AT Energy Solution Company Limited (“AT”), with a registered capital of 200 million Baht. In this joint venture, TRC and AGE each hold a 50% share proportion. The purpose of this venture is to provide energy and utility procurement and services to industrial factories and power generation businesses which include the production and distribution of steam, electricity, and water for industrial use. With their expertise and experience across the entire construction cycle, fuel acquisition, design, and maintenance of machinery and equipment related to utility work, the Company anticipated that this joint venture would lead to greater efficiency and expand customer base.

3. 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 has enhanced the capability to compete in speed, accuracy and updated information that is timely and increase work efficiency. Seeing the growing trend of opportunity in Smart IoT Ecosystem, in 2020, the Company entered into an investment agreement with XSense Information Service Company Limited and formed a joint venture company namely Olive Technology Company Limited (“Olive”) to provide research and development services of control and analysis system as well as Big Data. Later, Olive set up a subsidiary namely Mahat Company Limited (“Mahat”) to support production and distribution of information technology management and platform development services.

16.2 Business Trends

In 2022, the global economy faces the risk of rising costs due to factors such as increased construction material prices and transportation costs caused by the Russia-Ukraine conflict that began in February 2022, resulting in a shortage of critical resources, including oil and building materials, particularly steel, which consequently drove up the prices of these commodities. These developments present significant challenges for construction operators. Moreover, there are additional risks to contend with, including the Baht depreciation, labor shortages, increased financial costs, and fragile consumer purchasing power. The Russia-Ukraine conflict is particularly impactful on construction costs because Russia is the world's second-largest oil exporter (as of 2020), and Russia and Ukraine combined accounted for 12% of the world's total steel exports (approximately 47 million tons). This has a pronounced effect on the construction industry in Thailand, where businesses must cope with increased costs across nearly all material categories, particularly iron and steel products, as well as other risk factors affecting various aspects of construction operations. For instance, labor costs remain high due to the persistent labor shortage, both in terms of quantity and skill. The COVID-19 pandemic has affected foreign workers, with some returning to work in Thailand but not in numbers sufficient to match pre-pandemic levels. Additionally, some Thai construction workers have not returned from other provinces to the construction labor market, further complicating the labor situation. Factors such as the minimum wage increase for skilled workers also add to these challenges.

In 2022, contractors in the construction business faced financial liquidity problems and difficulties in managing costs. This is compounded by the unresolved COVID-19 epidemic situation. As a result, many large construction projects, both medium and small, have been indefinitely postponed, leading to missed opportunities for funding from financial institutions.

Despite these challenges, the construction industry in 2022 shows signs of recovery, with the overall construction investment value expected to expand by 5.0% to 6.5%. This growth is primarily driven by government construction investments in large projects linked to the Eastern Economic Corridors (EEC), which are expected to accelerate to achieve the objectives of the Transport Infrastructure Action Plan in the EEC Area, Phase 2 (2022-2026). Additionally, projects aimed at expanding transportation routes, particularly rail and road infrastructure, including electric trains, dual-track trains, motorways, and large-scale transportation networks (Megaprojects), associated with the EEC

area, are contributing to this positive trend. Other infrastructure projects and investments in private construction projects, including factories, industrial estates, residential and commercial real estate construction projects, are also gradually recovering in line with improving economic conditions.

17. Table summarizing the financial statements for the past 3 years and the most recent quarter, along with explanations and analysis of the operational performance and financial position for the year ending December 31, 2022, the 6-month period ending June 30, 2022, and 2023

Statement of Financial Position

Statement of Financial Position	Million Baht			
	2020 (Reclassification)	2021	2022	6M/2023
Assets				
Current Assets				
Cash and cash equivalents	89.78	52.94	15.71	22.38
Trade and other receivables	283.3	408.6	247.03	211.82
Contract assets	1,699.73	2,285.56	2,742.29	2,737.43
Short-term loan to related parties	-	21.2	17.97	14.78
Advance payment to subcontractors	498.3	380.78	354.25	337.50
Inventory	1.68	1.61	1.61	1.61
Withholding Tax	173.16	69.11	122.86	100.49
Other current assets	44.57	23.84	49.7	51.75
Total Current Assets	2,790.52	3,243.64	3,551.42	3,477.75
Non-Current Assets				
Restricted deposits at banks	32.2	31.96	53.55	54.36
Investments in joint ventures	123.58	138.89	123.99	129.81
Property, plant, and equipment	618.36	619.14	571.99	545.78
Right-of-use assets	29.62	18.46	14.67	14.14
Intangible assets	13.27	11.18	9.1	8.00
Deferred tax assets	42.48	27.3	20.51	15.37

Statement of Financial Position	Million Baht			
	2020 (Reclassification)	2021	2022	6M/2023
Other non-current assets	3.43	4.76	8.17	8.81
Total Non-Current Assets	862.94	851.69	801.98	776.26
Total Assets	3,653.46	4,095.33	4,353.39	4,254.01
Current Liabilities				
Bank overdrafts and short-term loans	709.46	796.62	939.91	999.323
Trade and other current payables	718.49	780.52	788.92	692.936
Unbilled payable	454.39	839.73	1,174.28	1,156.20
Contract liabilities	923.92	910.99	617.56	515.06
Short-term loans from related person or parties	-	-	73.3	283.70
Accounts payable - retention under construction contracts	158.96	229.61	284.93	318.23
Provision for liabilities under construction projects	130.87	75.99	64.49	34.20
Current portion of lease liabilities	16.71	13.05	10.38	8.16
Income tax payable	-	1.28	0.24	0.17
Other current liabilities	15.85	7.77	33.67	40.92
Total current liabilities	3,128.65	3,655.56	3,987.67	4,048.89
Non-current liabilities				
Lease liabilities	15.67	8.21	7.8	7.68
Non-current provisions for employee benefits	82.11	61.27	38.71	43.14
Provision for litigation	20	2.49	2.49	20.00
Other non-current liabilities	-	-	13.89	13.89
Total non-current liabilities	117.78	71.97	62.89	84.72
Total Liabilities	3,246.43	3,727.53	4,050.56	4,133.61
Shareholders' Equity				

Statement of Financial Position	Million Baht			
	2020 (Reclassification)	2021	2022	6M/2023
Share capital				
Registered	1,198.39	1,198.39	1,198.39	1,198.39
Issued and paid-up	1,198.39	1,198.39	1,198.39	1,198.39
Share premium	-	-	-	
Other deficit	-2.96	-2.96	-	
Retained earnings (deficits)				
Appropriated - statutory reserve	4.11	4.11	-	
The Company				
Subsidiary				
Unappropriated	-780.89	-816.25	-913.84	-1,094.43
Other components of shareholders' equity	17.39	16.12	15.82	13.97
Equity attributable to owners of the Company	436.05	399.41	300.37	117.93
Non-controlling interests of the subsidiaries	-29.02	-31.61	2.46	2.46
Total shareholders' equity	407.03	367.8	302.83	120.40
Total Liabilities and Shareholders' equity	3,653.46	4,095.33	4,353.39	4,254.01

Statement of Comprehensive Income

Statement of Comprehensive Income	Million Baht				
	2020 (Reclassification)	2021	2022	6M/2022	6M/2023
Revenues					
Construction services income	3,344.07	3,819.47	3,283.82	1,728.98	1,152.06
Other services income	20.55	17.48	57.87	2.64	9.63
Sales income	7.51	8.40	1.60	1.60	0.00
Interest income	0.89	0.49	1.21	0.60	0.58
Other income	49.22	42.42	28.52	18.66	16.80
Total revenues	3,422.24	3,888.26	3,373.02	1,752.47	1,179.07
Expenses					
Cost of construction services	3,517.45	3,625.75	3,067.46	1,628.69	1,078.78
Cost of other services	13.77	10.24	52.05	1.75	8.14
Cost of sales	6.37	8.16	1.22	1.22	0.00
Administrative expenses	312.90	260.21	258.32	133.43	124.50
Expected credit loss allowance	-	-	36.85	-	-
Total expenses	3,850.49	3,904.36	3,415.90	1,765.09	1,211.41
Profit (loss) from operating activities	-428.25	-16.10	-42.88	-12.63	-32.34
Finance cost	-23.48	-35.06	-42.55	-20.11	-29.81
Share of profit (Loss) from investments in associate	-	-	-	-	-113.30
Share of profit (Loss) from investments in joint venture	-2.85	2.56	-21.04	-8.62	0.66
Profit (Loss) before income tax expenses	-454.58	-48.61	-106.46	-41.35	-174.79
Income tax income (expenses)	13.51	-10.69	-6.09	-2.35	-5.80
Profit (Loss) for the period	-441.07	-59.30	-112.55	-43.70	-180.59
Profit (loss) attributable to Equity holders of the Company	-438.13	-57.39	-111.96	-43.51	-180.59

Statement of Cash Flow

Statement of Cash Flow	2020	2021	2022	6M/2022	6M/2023
Cash flows from (used in) operating activities	(72.8)	30.1	(160.6)	(95.7)	(113.9)
Cash flows used in investing activities	(193.6)	(101.1)	(39.5)	(11.3)	(116.4)
Cash flows from financing activities	169.8	36.0	166.5	94.7	238.8
The increase in the difference from the translation of financial statements	4.2	(2.0)	(3.6)	(0.5)	(1.8)
Net increase (decrease) in cash and cash equivalents	(92.4)	(36.8)	(37.2)	(12.7)	6.7
Cash and cash equivalents at the beginning of the year	182.2	89.8	52.9	52.9	15.7
Cash and cash equivalents at the end of the year	89.8	52.9	15.7	40.2	22.4

Calculation of financial ratio

	Unit	2020	2021	2022	Q2/2023
Liquidity Ratios					
Liquidity ratio	Times	0.89	0.89	0.89	0.86
Quick ratio	Times	0.11	0.1	0.04	0.06
Cashflow ratio	Times	-0.02	0.01	-0.05	-0.03
Receivables turnover ratio	Times	7.04	13.54	14.04	8.30
Average Collection Period	Days	51	27	26	43
Inventory turnover ratio	Times	-	-	-	1,601.98
Average Inventory Period	Days	-	-	-	0.22
Account payable turnover ratio	Times	6.48	5.34	4.57	3.30
Average Payment Period	Days	56	67	79	111
Cash Cycle	Days	-5	-41	-53	-66
Profitability Ratios					
Gross profit margin	%	-4.91%	5.23%	6.66%	6.44%
Operating margin	%	-12.70%	-0.42%	-1.28%	-2.74%

	Unit	2020	2021	2022	Q2/2023
Other income to total income ratio	%	1.46%	1.10%	0.88%	1.47%
Cash profitability ratio	%	-2.16%	0.78%	-4.80%	352.35%
Net profit margin	%	-12.80%	-1.48%	-3.32%	-15.32%
Return on equity (ROE)	%	-70.29%	-14.81%	-33.39%	-104.68%
Efficiency Ratios					
Return on asset (ROA)	%	-11.89%	-1.48%	-2.65%	-4.34%
Return on fixed assets	%	-72.16%	-9.27%	-18.80%	-25.94%
Total asset turnover	Times	0.93	1	0.8	0.65
Financial Policy Ratios					
Debt to Equity Ratio (D/E)	Times	7.98	10.13	13.38	34.33
Interest Coverage Ratio	Times	-14.39	1.59	0.62	-4.86
Interest bearing debt to EBITDA ratio	Times	-2.2	14.71	38.62	-2.54
Debt service coverage ratio	Times	-0.47	0.07	0.03	-0.95

Management Discussion and Analysis (“MD&A”) for operating performance

- **Construction services income**

Construction services income in 2022 was 3,283.82 million Baht, which decreased by 535.65 million Baht from 2021, representing a 14.02% decrease. This decline in income can be attributed to the Company's decreased income, which was 643.50 million Baht less than the previous year. This was primarily due to the fact that the large construction project income had been recognized since 2021, and there were no significant rewarded projects in the current year.

In 2022, the Company primarily recognized revenue from construction services in civil works amounting to 2,256.14 million Baht and piping works amounting to 724.85 million Baht. Some of the significant projects included 5 projects for road construction, restoration, and ditch development for the Department of Highway and Department of Rural Roads totaling 861.64 million Baht, 4 projects for the construction of manholes, underground conduit, and the conversion of aerial cables to underground cables for the Metropolitan Electricity Authority, totaling 726.39 million Baht, and Design and construction of oil tank projects for private companies, totaling 296.56 million Baht,

In the second quarter of 2023, Construction services income was 518.95 million Baht, representing a decrease of 376.16 million Baht or 42.02% from the same period last year. This decrease is due to the fact that, as in the previous quarter, some projects were not constructed as planned due to encountering underground obstacles. The company is currently in the process of proposing a solution to the owner and related parties. During the current quarter, the Company revised the budget cost for some projects due to higher material and labor costs than previously estimated, resulting in lower construction service income. The construction service income consisted of civil work, pipeline system work, and other construction work. The Company recognized income from civil work of 303.90 million Baht, pipeline system work of 100.87 million Baht, and other construction work of 114.19 million Baht. Some significant projects include the Na Ranong overpass Project of 112.89 million Baht, the Raw Water Pipeline System Klong Luang Reservoir-Chonburi Project of 30.62 million Baht, and the Mechanical Work for New Hydrogen Manufacturing Unit Project of 84.73 million Baht.

- **Other service income**

In 2022, Other service income was 57.87 million Baht, increased by 40.39 million Baht from the previous year or representing at 230.98%. Revenue is from a subsidiary that has awarded a new project of software development and GPS device installation for a government agency.

In the second quarter of 2023, Other Service Income totaled 8.32 million Baht, reflecting an increase of 7.00 million Baht from the same quarter of the previous year. The growth in revenue was driven by the operational activities of one of the company's subsidiaries, comprising data analysis services and platform management through an IoT system provided by the subsidiary.

- **Gross profit for construction services**

In 2022, the gross profit for construction services amounted to 216.36 million Baht, which is an increase of 22.64 million Baht from the previous year, representing a growth of 11.69%. This translates to a gross profit margin of 6.59%, compared to the previous year's gross margin of 5.07%. The increase in gross profit margin can be attributed to the design and construction of oil tank projects for private companies, which generated a notably high profit margin, despite being short-term projects with an average margin rate of 20%.

In the second quarter of 2023, the Gross Profit for construction services amounted to 8.67 million Baht, marking a decrease of 42.02 million Baht from the same period of the previous year. This decline is

attributed to the revision of budget costs, which, in turn, led to a reduction in construction service income and gross profit.

- **Administrative expenses**

In 2022, administrative expenses were 258.32 million Baht, representing a decrease of 1.89 million Baht or 0.73% from the previous year, which main expenses are employee salaries and related expenses as well as depreciation and amortization.

In the second quarter of 2023, administrative expenses were 62.62 million Baht, reflecting no difference from the same quarter of the previous year, which was 62.12 million Baht.

- **Loss from business dissolution in the subsidiary**

In 2022, loss from business dissolution in the subsidiary was 36.85 million Baht from the dissolution and liquidation of 2 subsidiaries in the Sultanate of Oman, namely TRC Middle East LLC and TRC Engineering LLC, which TRC International Limited held 70% shareholding. The process of dissolution and liquidation of both subsidiaries has already been completed. These items mentioned are one-time items. Therefore, in the second quarter of 2023, there are no such items.

- **Finance Cost**

The Finance cost was 42.55 million Baht in 2022, reflecting an increase of 7.49 million Baht, or 21.36%, compared to the previous year. This increase can be attributed to the higher utilization of bank overdrafts and short-term loans from financial institutions to support the company's working capital needs. As of December 31, 2022, the Company held bank overdrafts and short-term loans from financial institutions amounting to 939.91 million Baht, indicating an increase of 143.29 million Baht, or 17.99%, from the previous year.

In the second quarter of 2023, the finance cost was 16.58 million Baht, which increased by 6.27 million Baht, a 60.77% rise compared to the same period last year. This increase was due to rising bank overdrafts and short-term loans from financial institutions, including short-term loans from related parties, for our working capital. As of June 30, 2022, the company had an outstanding balance of 999.32 million Baht in bank overdrafts and short-term loans from financial institutions, and 283.70 million Baht in short-term loans from related parties.

- **Share of loss from investments in associate**

In the second quarter of 2023, the Company invested in newly issued ordinary shares of ASEAN Potash Chaiyaphum Public Company Limited, referred to as APOT, with an amount of 113.30 million Baht, through two offshore subsidiaries, namely TRC Investment Limited and TRC International Limited. The primary objective of this investment was to increase the capital of APOT through the issuance of new ordinary shares, as part of a feasibility study for the commercial operation of an ASEAN potash mining project in Chaiyaphum Province, known as 'The Project.'. In this regard, the Company stopped recognizing share of losses from its investment in APOT since 2022, as the Company had fully impaired the entire value of its investment in APOT. However, when the Company made an additional investment in APOT during the second quarter of 2023, it led to the recognition of its share of losses in the consolidated financial statements, equivalent to the cost in proportion to the subsidiary's ownership. It's essential to note that the loss share resulting from the investment in APOT is only an accounting impact and does not arise from actual operational losses.

- **Net loss for the year**

In 2022, the Company reported a net loss for the year of 111.96 million Baht, representing a net loss margin of 3.32% whereas the net loss for the previous year was 57.39 million Baht, with a net loss margin of 1.53%. The loss in operating performance is primarily due to high administrative expenses and finance costs, as well as a loss of 36.85 million Baht from the dissolution and liquidation of two subsidiaries. If exclude the loss from the subsidiary dissolution, the Company's net loss would amount to 75.11 million Baht.

- **Total assets**

As of December 31, 2022, the total assets amounted to 4,353.39 million Baht, marking an increase of 258.06 million Baht or 6.30% compared to the previous year. Current assets increased by 307.77 million Baht or 9.49%, driven by unbilled receivables of 430.00 million Baht, equivalent to a 21.05% increase. This was a result of recognizing construction services income based on the proportion of completed work, which could not be invoiced until meeting contract conditions. However, trade and other receivables decreased by 161.57 million Baht or 39.54%, primarily due to the decline in construction income as mentioned earlier.

Non-current assets decreased by 49.71 million Baht or 5.84%, mainly attributed to land, buildings, and equipment which saw a reduction from 619.14 million Baht to 571.99 million Baht, representing a

decrease of 47.15 million Baht or 7.62%. This decline was primarily due to recording depreciation of 55.82 million Baht.

In the second quarter of 2023, total assets were 4,254.01 million Baht, showing a decrease of 99.38 million Baht or 2.28%. This decrease is attributed to a reduction in current assets by 73.66 million Baht and a decrease in non-current assets by 25.72 million Baht. Notably, the significant decrease in assets was due to lower other current receivables by 30.64 million Baht, primarily from debt repayments, a decrease in withholding tax deducted at source by 22.37 million Baht due to the receipt of corporate income tax refunds, and a decrease in advances paid to subcontractors under construction contracts by 16.75 million Baht, as a result of the completion of contractors' work under these contracts.

- **Total liabilities**

As of December 31, 2022, the total liabilities amounted to 4,050.56 million Baht, representing an increase of 323.03 million Baht or 8.67% compared to the previous year. Current liabilities increased by 332.11 million Baht, equivalent to a 9.09% increase. On the other hand, non-current liabilities decreased by 9.08 million Baht, reflecting a 12.62% decline. The significant increase in liabilities was primarily attributed to unbilled payables, which increased by 334.55 million Baht or 39.84%. This increase was a result of higher construction service costs and ongoing payment collection. Additionally, there was an increase of 143.29 million Baht in bank overdrafts and short-term loans from financial institutions, as mentioned in the Finance cost section.

In the second quarter of 2023, Total Liabilities amounted to 4,133.61 million Baht, reflecting an increase of 83.05 million Baht, or 2.05%. This increase is attributed to the rise in current liabilities of 61.22 million Baht and non-current liabilities of 21.83 million Baht. The primary driver of this liability increase was short-term loans from related individuals or parties, amounting to 210.40 million Baht. These loans were utilized for investments in an associate company and to support working capital.

Conversely, the advance received from customers under the construction project decreased by 99.22 million Baht due to the completion and delivery of the construction to the customer.

- **Total Shareholders' Equity**

As of December 31, 2022, the total shareholders' equity was 302.83 million Baht, with 300.37 million Baht attributable to equity holders of the Company. This represents a decrease of 99.05 million Baht, or 24.80%, primarily due to the loss in operating performance.

In the second quarter of 2023, total shareholders' equity was 117.93 million Baht, representing a decrease of 182.43 million Baht or 60.74%, resulting from loss of operating performance.

- **Debt-to-equity Ratio**

The debt-to-equity ratio is calculated by comparing total liabilities to shareholders' equity. As of the second quarter of 2023, the company had a debt-to-equity ratio of 34.33 times, indicating a substantial debt burden relative to shareholders' equity which affected the Company's ability to meet interest and principal repayment obligations. In this regard, the Board of Directors has resolved to approve a capital increase of 479,357,342 Baht with the following objectives: (1) Repaying interest-bearing debt to reduce the debt burden and interest expenses. The repayment will prioritize high-interest and remaining debts. (2) Utilizing the capital increase as working capital for business operations. This capital increase significantly reduced the debt-to-equity ratio from 34.33 times to approximately 6.5 - 8.5 times, depending on the actual capital increase received. This decrease signifies a substantial reduction in financial risk, allowing the company to enhance liquidity for ongoing operations.

18. Risk Factors for the Company's Business Operations

18.1 Risk Factors for the Company's Business Operations

In 2022, in view of the review on significant risks affecting the Company's operations, the Company has considered and reviewed the key risk factors in various areas such as strategic risks, financial risks, operational risks, regulatory risks, etc. as details shown below:

Strategic Risk

- Risks associated with competition in core business

The construction business's nature is price-based. Initially, the project owner will select bidders who passed the pre-qualification process with the proposed lowest price. Even though the overall construction business seems to be continuously growing, when considering our customers, both public and private sectors, there have been increasing changes in the previous

group of customers mainly in private sector related to turn-key pipeline construction of the manufacturing plants to basic utility works of the government sector. Since during the past 3-4 years, the growth rate of energy and petrochemical business slowed down while the government drove the mega projects for transportation infrastructure for economic growth of the country. Consequently, this is one of the reasons why there has been intensifying competition in the energy and petrochemical business forcing the Company to gain lower gross profit or offer better conditions to project owners. In case the Company cannot continually be awarded for new projects, the market share shall reduce impacts the operating goal's achievement. Additionally, the Company has to compete with existing and new competitors both local and foreign companies having strong investment funds, technology and operating capability. To enhance competitiveness, the Company and Sahakorn Wisawakorn Company Limited therefore seek for new alliances having high potential in investment fund and updated technology and maintain a long-term relationship with customers from both public and private sectors to ensure opportunity in the future such as improvement of quality standard by focusing on occupational health and safety, environment management, on time delivery. To ensure competitive advantage, the Company regularly provides in-house training courses for employees to build up skills and proficiency, make changes in organization with digital transformation to cope with the emerging change and enhance more effective operations.

- Risks Associated with Economic Slowdown

Economy has direct impact towards construction industry and whether growing or shrinking, it affects both government and private sectors' investment, which is the main factor of the Company's source of income. As a result, the Company is required to consider risk associated with economy and economic growth rate. Nonetheless, having over 20 years of experience and expertise in natural gas pipeline construction and engineering design serving for companies in petrochemical industry as contractor and subcontractor, the Company then obtains reliability from various organizations from both government and private sectors including overseas customers. In parallel, the Company expands customer base to neighboring countries especially in CLMV (Cambodia, Lao PDR, Myanmar, and Vietnam) to mitigate risk from economy.

- Risks Associated with Business Sustainability

The Company determines the investment strategy to seek new business opportunities that can be extensible from current business for stable and sustainable growth and in 2022, the Board of Directors approved an investment in the following projects.

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 expected to grow from 65 billion Baht in 2019 to 85 billion Baht in 2021. (referred to <https://www.scbeic.com/th/detail/product/4863>)
3. Big Data R&D business: It is an innovative technology that gathers equipment, advanced analysis systems, and human to work together through an internet network to deliver beneficial-for-decision information at a faster speed.
4. Infrastructure business: i.e., acquisition of water for consumption

Financial Risk

- Risk Associated with Liquidity

The construction industry needs high volume of working capital for purchase of materials, equipment, wage payment and other expenses and the Company would receive payment after each work completion and delivery. Therefore, in case of delayed payment from customers or improper working capital management, the ongoing projects will be affected. The Company group's businesses have more customers from public sectors in line with national economic policy invested in basic structure and infrastructure system, however; public sector requires more procedure of payment than private sector resulting in delay payment later than the given credit term. Consequently, to prevent possible risk, the Company negotiates with project owners for advance payment and determines that all related parties must prepare cash estimation for each project.

so that liquidity and contingency can be properly managed. The Company has policy to acquire loans from financial institutions such as credit loan and project finance and prepare monthly cash-flow forecast and report the actual cash flow statement to Executive Committee on

monthly basis and with attentive manner for sufficient and appropriate liquidity management and minimum of financial cost.

- Risks Associated with Financial Stability and Financing Ability

According to the Company's strategic plan that focuses on the organization's sustainable growth, the Company proceed with new project development by investing in joint venture company that differs from the main business, construction services. Hence, the Company needs to keep liquidity and reserve working capital to be adequate for operations as well as to secure short and long-term funds in advance such as issuing of promissory notes, issuing of right offering, etc. However, the Company strives to maintain strong financial status in strictly complying with the defined loan-obtaining conditions.

Operation Risk

- Risk Associated with Operations and Project Delivery

Realizing the risk associated with operation management mostly in the middle to large scale projects that require approximate 2 years of construction period to prevent risk maybe arisen, the Company then applies the quality management system; ISO 9001:2015 for operations of both the head office and projects by considering the continuous quality development. Additionally, the group of companies also have a policy for human development plan to groom them to be knowledgeable, capable, and responsible for their organizations including all stakeholders to mitigate and prevent any damage maybe arisen from risk.

The guidelines and monitoring of all working procedures were established based on the construction standards. However, project delay that causes the construction plan not to be in consistent with the defined plan may be arisen by i.e. delay of site delivery, change in conditions raised by the project owner during construction, unskilled or unexperienced labors, lack of experience of sub-contractors, usage of malfunctioned machinery that cause damage to labors, outsiders, properties, nearby area or those belong to the project owners, obstacle of ground survey not specified in the construction drawings referred during bidding process, etc. These result in delays of project delivery and damage to the Company in terms of increasing cost and duration. Nevertheless, the Company has tried to prevent and mitigate this type of risk from the

beginning of site survey, regular control of operating plan, monitoring, and surveillance according to the defined measures in case of having problems or complaints.

For sub-contractor delay such as deficiency situation of construction materials, this problem has been solved by placing advance purchase orders of materials such as cement and steel procurement agreement, etc. to support the projects of which the contracts had been already signed.

In view of delay due to sabotage, protest, accident, or natural disaster, it is another external factor beyond control of the Company and in case of occurrence, it will cause execution slow-down of existing projects and project delay. Normally, regarding natural disaster issues, the construction contract is obliged to be made with the condition that the contractor needs to provide the project insurance for every awarded project to mitigate the risk from natural disasters. The Company therefore provides the contractor all risk insurance for all awarded projects to cover all damage that may be arisen from the aforementioned risks. In addition, machinery breakdown insurance is also provided to cope with damage that may be arisen. The Company has been confident that all required insurances for construction business are provided with proper limit of damage coverage whereas meeting with the project owner shall be held for consideration of unexpected impact together with seeking for solution of such a problem in due course.

- Risk Associated with the COVID-19 Pandemic

The Corona Virus outbreak (COVID-19) has become a public health problem with widespread impact from 2020 to 2022. The rapid outbreak of the virus made people around the world panic. Due to this captioned situation, the Company has followed up the pandemic situation closely and continually and proceeded safety and occupational health measures as per the Ministry of Public Health's standards together with fully and strictly supporting the government's request for cooperation in line with the changing situation.

The Company has conformed with recommendations and launched the campaign for employees to obtain 2 doses of vaccine followed by the booster one, respectively (having over 95% of 2-dose vaccination) together with required preventive measures for surveillance with COVID-19 detection by ATK test kit before starting daily operations and also strict compliance with

regulatory agencies' measures. The COVID-19 pandemic situation therefore did not cause any impact against the Company whereas such a situation has gradually improved.

- 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, lubricants, etc., as well as running materials such as oil, fuel, etc., used for construction vehicles and machinery. The price of construction materials and fuel is a significant cost of construction of each project and in case of an increase or decrease, it will directly affect the cost of purchasing raw materials used in construction. Currently, certain construction works with the government sector have a construction period of 1-2 years with the indication of adjustment of work value as per according to the price adjustment formula (K value); 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 is higher or the Company will pay compensation if the price of the main materials used in the construction is lower. The group of companies have risk management implemented via 2 types of construction contracts.

- Escalation Factor K construction contract: K value will be in a fluctuated calculation value subject to change in cost of production and such cost may not cover changing raw material cost and labor cost. This type of project normally belongs to the government sector.
- Fixed price or lump-sum construction contract: K value shall not be specified in the contract or K value cannot be defined and the project shall mostly be in the form of turnkey project in which a provision of construction material cost is included in the total value of such a project. This type of project normally belongs to the private sector.

- Social and Environmental Risks

The Company has been aware of safety, occupational health, and environment management and gives precedence to considering stakeholders both inside and outside an organization. In working and nearby areas as well as society and environment by ensuring minimum impact from construction. The Company continuously applies the quality management standards of ISO 14001:2015 and Iso 45001: 2018, accepted international standards, for administration and

improvement of working procedures to mitigate the impact from construction works and build up the occupational health and safety of working i.e. control of environmental impacts such as dust, wastewater, noise and vibration from machinery to be in accordance with the obliged standards, and controlling measure for safety of working, etc.

In addition, relationship-building policy with neighboring communities 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 create a good relationship and better quality of life for stakeholders.

- Risk Associated with Information Technology

The Company needs technology to keep up with competitors and data management has a risk of information leak, loss, or suspension of business. However, the Company has planned to handle such an incident by preparing sufficient uninterrupted power supply system, providing server room monitoring system, installing firewall/LOG to protect network both at the head office and project offices, installing a VPN join domain to connect with Active Directory Server to manage security of both the head office and project office's internal computer system, having recovery plan for damaged data and regular practice of information technology emergency plan. In case of an incident that suspends the operations, the IT system administrators shall immediately monitor and maintain the system according to information technology security policy (24 hours) and information technology management manual.

- Risks Associated with Labor Shortage

"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 consuming a large number of construction workers, and the impact of the coronavirus outbreak (COVID-19). The Company may experience labor shortages causing delay of construction works and undeliverable project as required within timeframe of the contract. In order to mitigate such risks, the Company has prepared the solving plan to cope with the labor shortage to support additional awarded projects as follows; 1) assigning responsible personnel to gather information of manpower with proper wage rate for manpower planning, 2) following up and adjusting proper wage rate of labors to be updated when compared to other companies in

similar industry, 3) considering to legally employ foreign workers according to the Ministry of Labor' s rules, and 4) paying attention to welfare and well-being of workers with emphasis on safety and sanitation of their camp sites for good quality of living to build environmental factor and motivate them to work with the Company.

- Changes in Construction Regulations & Rules

Since the construction business involves with a number of laws in terms of construction control, labor laws, laws related to professional expertise especially for engineering profession, and environmental laws, etc. The Company has to completely conform with all obligations including regularly updating the information. Consequently, to mitigate this captioned risk, it is the policy of the Company to operate its business with strict compliance with all regulatory obligations including establishing the working unit to be responsible for monitoring and investigating implementations and keeping updated all related information to cope with the emerging changes of such relevant laws or regulations at all time to prevent damage maybe arisen in case of negligence.

- Risks Associated with Personal Data Protection Act (PDPA)

The Company places an importance on Personal Data Protection Act B.E. 2562 effective on May 28, 2021, since at present, there are many violations of personal data and inaccurate information disclosure or disclosure without permission of data owners causing many troubles and annoyance to those data owners. Additionally, due to technological advancement, gathering personal data that is deemed as a violation can be done easily and rapidly causing damages to the entire economy. The Company thus improves and develops the procedure of internal control system and governance to be consistent with the above-mentioned requirements by emphasizing sharing knowledge on the PDPA to the employee appointed to act as the coordinator to arrange PDPA training program. In the first stage, the target group of attendances was defined consisting of employees directly involved with the use of information while such training shall be subsequently expanded and inclusive throughout the company.

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

As of the second quarter of 2023, the company has incurred accumulated losses totaling 1,094.43 million Baht. Consequently, it is currently unable to pay dividends to shareholders as mandated by legal regulations. Shareholders also bear the risk of not receiving dividend payments in line with the dividend policy. Currently, the company has initiated a strategic plan and implemented efficient cost management measures to reduce accumulated losses and achieve profitability, which enable the company to pay dividends to shareholders once it has accumulated profits and generated operating profit.

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

As of 5 May 2023, KPK 1999 Company Limited holds 2,712,797,314 shares equivalent to 28.30% of total paid-up shares (50.50% of KPK 1999 Co., Ltd.'s shares held by Mrs. Paichit Rattanont, Chairman of the Board of Directors) and the shareholding proportion may be significant for decision making and resolution on any other agenda that requires a majority vote of shareholders' meeting except an agenda that requires not less than three-third of the total votes as required by laws or company's articles of association. Therefore, other shareholders may have risk of being unable to gather sufficient votes to balance and investigate the matter proposed by the major shareholder.

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

19. List of top 10 executives and shareholders of the company as of Record Date on October 11, 2023

19.1 List of Directors as of Record Date on October 11, 2023

Name	Position
1. Mrs. Paichit Rattananon	Chairman of the Board
2. Mr. Pasit Leesakul	Chairman of Executive Committee, Chief Executive Officer, Director
3. Ms. Pavita Leesakul	Managing Director, Director
4. Mrs. Podchane Phasavasdi	Director
5. Mrs. Puangthip Silpasart	Independent Director and Audit Committee
6. Kanjorn Tatiyakavee	Independent Director and Audit Committee
7. Mrs. Rachadaporn Rajchataethewindra	Independent Director and Chairman of the Audit Committee

19.2 List of Executives as of Record Date on October 11, 2023

Name	Position
1. Mr. Pasit Leesakul	Chairman of Executive Committee, Chief Executive Officer
2. Ms. Pavita Leesakul	Managing Director and Executive Director
3. Mr. Loh Eng Ki	Chief Operating Officer
4. Mrs. Phanalee Norragitt	Chief Financial Officer

19.3 List of top 10 shareholders as of Record Date on October 11, 2023

Name	Number of Shares	Shareholding (percentage)
1. KPK 1999 Co., Ltd. ^{1/}	2,712,797,314	28.30
2. UBS AG SINGAPORE BRANCH	465,449,533	4.85
3. Thai NVDR Co., Ltd.	348,434,992	3.63
4. SMPR Holding Pte. Ltd.	305,591,838	3.19
5. UBS AG LONDON BRANCH	223,988,897	2.34
6. Ms. Pavita Leesakul	123,660,694	1.29
7. Mr. Boontham Kraiwattanapong	108,955,700	1.14
8. Mr. Thatchai Bavontaranon	104,917,465	1.09
9. Mr. Noppachai Nopsuwanwong	93,790,000	0.98
10. Mr. Anurit Kerdsinchai	81,007,500	0.84

Note: 1/ The ultimate shareholders of KPK 1999 Co., Ltd. are Mrs. Paichit Rattananon (50.5% ownership), Mr. Pasit Leesakul (16.5% ownership), Ms. Pavita Leesakul (16.5% ownership), and Ms. Pasita Leesakul (16.5% ownership).

20. Other information that may significantly impact investors' decision

-None-

21. The Board of Directors' Opinion Regarding Adequacy of the Company's Working Capital

The Board of Directors has expressed the opinion that the Company will not face any issues with its working capital if the shareholders consider the allocation of newly issued ordinary shares to all existing shareholders in proportion to their shareholding and receive the full amount of additional capital increase. In this regard, as of the second quarter of 2019, the company increased its capital in ordinary shares for existing shareholders, each in proportion to their shareholding, with a total value of 427.99 million Baht. This capital increase received strong support from the existing shareholders and was fully funded. Therefore, it is expected that the capital increase for existing shareholders, each in proportion to their shareholding, will be well-supported and fully funded as well. However, in cases where the company's receipt of funds from the allocation of additional ordinary shares to all existing shareholders, in proportion to their shareholding, is incomplete, it will significantly affect normal business operations. The Company may seek additional

working capital from other sources, as deemed appropriate, such as short-term loans from financial institutions.

In terms of additional investment in ordinary shares of APOT, the company has the responsibility to procure funding sources in the amount of 4,020.2 million Baht. These sources include (1) Funds expected to be received from the Company's internal cash flow, totaling 698.5 million Baht, which comprise cash flow from the Company's operations and anticipated payments from APOT for construction work, (2) Funds expected to be received from the anticipated issuance of additional ordinary shares, totaling 1,321.7 million Baht; and (3) Funds expected to be received from debentures/loans from financial institutions, totaling 2,000.0 million Baht (details as specified in Section 10, Source of Funds for the transaction). Nonetheless, if the company cannot secure a source of funds, which may be due to uncertain future circumstances, it could impact the company's working capital adequacy. In such cases, the company will consider procuring additional sources of funds, as deemed appropriate. These sources may include short-term loans from financial institutions and/or loans from related parties. The company will evaluate this based on conditions and appropriateness while prioritizing the best interests of stakeholders.

22. Significant litigations or claims currently in progress.

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

Unit: THB million

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

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

23. Benefits or Related transactions between the Company and Directors, Executives, and Shareholders held directly and indirectly exceeding 10 percent

The company has engaged in significant business transactions with related parties, which fall under the normal trade conditions of the business, as outlined in the summarized details below:

Name and relationship	List (Unit: THB million)	2022	Q2/2023 (6 months)	Reasons and Necessity
KPK 1999 Company Limited (Major shareholder of the Company)	Short-term loans	-	186.5	The company secured a loan to subscribe for newly issued ordinary shares in APOT and for working capital, with repayment subject to request, at an annual interest rate of 9 percent.
	Interest Expense	-	1.8	
	Short-term loans			
	Beginning Balance			
	Drawdown		186.5	
	Repayment		-	
	Ending Balance		186.5	
Mrs. Paichit Rattananon (Director)	Interest Expense	1.2	1.2	The company secured a loan for working capital, with repayment subject to request, at an annual interest rate of 2 to 8 percent.
	Accrued Interest	1.1	2.2	
	Short-term loans			
	Beginning Balance	-	41.0	
	Drawdown	43.0	-	
	Repayment	(2.0)	-	
	Ending Balance	41.0	41.0	
Mr. Pasit Leesakul (Director)	Interest Expense	2.5	1.6	The company secured a loan for working capital, with repayment subject to request, at an annual interest rate of 2 to 8 percent.
	Accrued Interest	2.3	3.9	
	Short-term loans			
	Beginning Balance	-	25.3	
	Drawdown	25.3	32.0	
	Repayment		(1.0)	
	Ending Balance	25.3	56.3	

23. Summary of Key Contracts over the past 2 years

- In January 2022, Olive Technology Company Limited, a subsidiary of the Company, entered into a joint venture agreement called the Express World Tracking or EWT Joint Venture with the following shareholding percentages: APOT's subsidiary, Turnkey Communication Services Public Company Limited, holding 40%, United Telecom Sales & Services Company Limited, holding 30%; and Olive Technology Limited, holding 30%.
- In March 2022, Olive Technology Company Limited, a subsidiary of the Company, entered into a Xsense-Olive joint venture agreement between Xsense Information Service Company Limited, holding 60%, and Olive Technology Limited, holding 40%.
- In May 2022, the Xsense-Olive joint venture entered into a contract to develop a platform for transportation management and a Marketplace system for farmers and entrepreneurs. Additionally, they engaged in equipment procurement for vehicle tracking with data reception from Thailand post Distribution Company Limited with a total value of contracts of 138.90 million Baht, and the project is scheduled for completion within 180 days.
- In June 2022, Express World Tracking joint venture entered into a contract to develop the core operation system of the THP (THP Core System) with Thailand Post Company Limited. The contract is valued at 988.00 million Baht and has a duration of 24 months.

24. Proxy

Shareholders may appoint one of the Audit Committee as a proxy to cast the votes on their behalf on Extraordinary General Meeting No. 1/2023, as detailed in the Proxy form attached with invitation for Extraordinary General Meeting No. 1/2023.