

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES
INTERIM FINANCIAL INFORMATION
JUNE 30, 2023
AND AUDITOR'S REPORT
ON THE REVIEW OF INTERIM FINANCIAL INFORMATION**

Auditor's Report on Review of Interim Financial Information

To the Board of Directors of Syntec Construction Public Company Limited

I have reviewed the interim consolidated financial information of Syntec Construction Public Company Limited and its subsidiaries, and the interim separate financial information of Syntec Construction Public Company Limited. These comprise the consolidated and separate statements of financial position as at June 30, 2023, the related consolidated and separate statements of comprehensive income for the three-month and six-month periods then ended, the consolidated and separate statements of changes in shareholders' equity, and cash flows for the six-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim consolidated and separate financial information in accordance with the Thai Accounting Standard 34, "Interim Financial Reporting." My responsibility is to express a conclusion on this interim consolidated and separate financial information based on my review.

Scope of review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim consolidated and separate financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

Other matters

The consolidated and separate statements of financial position of Syntec Construction Public Company Limited and its subsidiaries, and of Syntec Construction Public Company Limited as at December 31, 2022, presented herewith for comparative purpose, were audited by another auditor in the same firm as myself whose report dated on February 24, 2023, expressed an unqualified opinion. The consolidated and separate statements of comprehensive income for the three-month and six-month periods ended June 30, 2022, the consolidated and separate statements of changes in shareholders' equity and cash flows for the six-month period then ended, of Syntec Construction Public Company Limited and its subsidiaries and of Syntec Construction Public Company Limited, presented herewith for comparative purpose, were reviewed by another auditor in the same firm as myself whose report dated on August 11, 2022, stated that nothing has come to the auditor's attention that cause the auditor to believe that the accompanying interim consolidated and separate financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No.34, "Interim Financial Reporting"



Mr. Wichian Proongpanish

Certified Public Accountant (Thailand) No. 5851

Karin Audit Company Limited

August 9, 2023.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2023

		(Unit : Thousand Baht)			
		Consolidated		Separate	
		June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
		"UNAUDITED"	"AUDITED"	"UNAUDITED"	"AUDITED"
Notes		"REVIEWED"		"REVIEWED"	
ASSETS					
CURRENT ASSETS					
	Cash and cash equivalents	200,189	242,794	100,816	104,285
	Other current financial assets	4 2,277,140	1,932,596	2,276,170	1,931,632
	Trade accounts receivable	3,5 367,902	685,190	362,344	679,511
	Other current receivables	115,221	113,092	92,179	90,510
	Current contract assets	3,6 1,612,659	1,252,800	1,612,659	1,252,800
	Short-term loans	3 -	-	159,300	117,300
	Inventories	7 118,211	107,336	116,667	105,771
	Advance payments to subcontractors	228,087	232,401	228,087	232,401
	TOTAL CURRENT ASSETS	4,919,409	4,566,209	4,948,222	4,514,210
NON-CURRENT ASSETS					
	Other non-current financial assets	3 638,957	736,680	638,957	736,680
	Investment in subsidiaries	8 -	-	1,566,481	1,566,481
	Non-current contract assets	6 48,618	176,594	48,618	176,594
	Investment properties	486,436	487,946	10,728	6,674
	Property, plant and equipment	9 2,921,586	2,956,661	522,704	510,131
	Right-of-use assets	10 611,763	608,482	39,394	26,964
	Intangible assets	18,130	17,198	13,806	15,612
	Withholding tax	227,948	168,811	206,785	149,572
	Pledged deposit at bank	21 21,001	21,166	1,000	1,165
	Deferred tax assets	14,403	-	14,403	-
	Other non-current assets	13,771	15,877	7,119	9,000
	TOTAL NON-CURRENT ASSETS	5,002,613	5,189,415	3,069,995	3,198,873
	TOTAL ASSETS	9,922,022	9,755,624	8,018,217	7,713,083

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2023

		(Unit : Thousand Baht)				
		Consolidated		Separate		
		June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022	
		"UNAUDITED"	"AUDITED"	"UNAUDITED"	"AUDITED"	
Notes		"REVIEWED"		"REVIEWED"		
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
	Trade accounts payables	3, 11	323,725	255,964	313,269	244,833
	Other current payables	3, 12	723,325	338,435	685,706	283,663
	Short-term loans from related parties and persons	3	1,200	1,200	-	-
	Current portion of long-term loans	14	157,429	151,521	-	-
	Current portion of lease liabilities	3,10	25,229	25,157	24,770	24,883
	Corporate income tax payable		423	238	-	-
	Current portion of provisions for employee benefits		13,470	15,660	13,382	14,733
	Contract liabilities	6	462,115	602,317	462,115	602,317
	Retention payables from subcontractors	3, 13	306,354	305,252	306,354	305,252
	Undue value added tax		97,808	101,699	97,808	101,699
	Other current provisions	15	42,890	47,129	42,890	47,129
	Other current liabilities		28,446	24,113	6,357	5,305
	TOTAL CURRENT LIABILITIES		2,182,414	1,868,685	1,952,651	1,629,814
NON-CURRENT LIABILITIES						
	Long-term loans	14	1,236,811	1,324,090	-	-
	Lease liabilities	3, 10	514,964	488,904	25,456	5,086
	Deferred tax liabilities		2,047	24,963	-	24,760
	Non-current provisions for employee benefits		172,419	171,317	165,969	165,726
	Other non-current provisions	15	39,986	39,807	34,086	34,154
	Deposit from customers		14,753	20,283	-	-
	TOTAL NON-CURRENT LIABILITIES		1,980,980	2,069,364	225,511	229,726
	TOTAL LIABILITIES		4,163,394	3,938,049	2,178,162	1,859,540

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2023

		(Unit : Thousand Baht)			
		Consolidated		Separate	
		June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
		"UNAUDITED"	"AUDITED"	"UNAUDITED"	"AUDITED"
Notes		"REVIEWED"		"REVIEWED"	
LIABILITIES AND EQUITY					
SHAREHOLDER'S EQUITY					
Share capital					
Authorized share capital					
	1,590,957,300 ordinary shares of Baht 1 each	1,590,957	1,590,957	1,590,957	1,590,957
Issued and paid - up share capital					
	1,590,957,300 ordinary shares of Baht 1 each	1,590,957	1,590,957	1,590,957	1,590,957
Share premium					
	Share premium on ordinary shares	24	24	24	24
Discount from changes in the ownership interests in subsidiary					
		(6,870)	(6,870)	-	-
Retained earnings					
Appropriated					
	Legal reserves	160,000	160,000	160,000	160,000
	Unappropriated	3,169,561	3,137,200	3,755,306	3,690,616
	Other components of shareholders' equity	333,768	411,946	333,768	411,946
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY		5,247,440	5,293,257	5,840,055	5,853,543
	Non-controlling interests	511,188	524,318	-	-
TOTAL SHAREHOLDERS' EQUITY		5,758,628	5,817,575	5,840,055	5,853,543
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		9,922,022	9,755,624	8,018,217	7,713,083

STATEMENTS OF COMPREHENSIVE INCOME

"REVIEWED"

FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2023

	(Unit : Thousand Baht)				
	Notes	Consolidated		Separate	
		2023	2022	2023	2022
Revenues					
Contract revenues		1,469,203	793,899	1,469,203	793,899
Revenue from rendering of services		99,855	99,296	-	16,940
Revenue from Sales		1,585	-	-	-
Gain on disposal and write off of assets		1,064	1,465	1,064	1,465
Interest income		453	201	1,596	785
Other income		24,483	8,721	24,808	7,885
Total revenues		1,596,643	903,582	1,496,671	820,974
Expenses					
Contract costs		1,393,850	888,958	1,393,850	888,958
Cost of rendering of services		63,467	86,454	-	18,994
Cost of Sales		558	-	-	-
Distribution costs		11,779	10,235	5,870	5,242
Administrative expenses		84,445	85,489	59,112	57,594
Other expenses		(170)	8,148	(294)	1,606
Finance costs		20,906	18,017	599	2,073
Total expenses		1,574,835	1,097,301	1,459,137	974,467
Profit before income tax expense		21,808	(193,719)	37,534	(153,493)
Income tax expense (revenue)		7,611	2,005	6,230	2,212
Profit for the period		14,197	(195,724)	31,304	(155,705)

		(Unit : Thousand Baht)			
		Consolidated		Separate	
Notes		2023	2022	2023	2022
Other comprehensive income					
Items that will not be reclassified					
subsequently to profit or loss :-					
Gains (loss) on investment in equity designated at fair value					
	through other comprehensive income	3	(26,310)	-	(26,310)
	Gains (loss) on re-measurements of defined benefit plans	-	29,683	-	28,072
	Income tax relating to components of other comprehensive				
	income that will not be reclassified to profit or loss	5,262	(5,614)	5,262	(5,614)
Total items that will not be reclassified					
subsequently to profit or loss					
		(21,048)	24,069	(21,048)	22,458
Other comprehensive income for the period, net of tax					
		(21,048)	24,069	(21,048)	22,458
Total comprehensive income for the period					
		(6,851)	(171,655)	10,256	(133,247)
Profit (loss) attributable to :-					
	Owners of the parent	18,360	(183,830)	31,304	(155,705)
	Non - controlling interests	(4,163)	(11,894)	-	-
Profit for the period					
		14,197	(195,724)	31,304	(155,705)
Total comprehensive income (loss) attributable to :-					
	Owners of the parent	(2,688)	(160,058)	10,256	(133,247)
	Non - controlling interests	(4,163)	(11,597)	-	-
Total comprehensive income for the period					
		(6,851)	(171,655)	10,256	(133,247)
Earnings per share					
	Basic (in Baht)	18	0.01	(0.12)	0.02
			(0.10)		(0.10)

STATEMENTS OF COMPREHENSIVE INCOME

"REVIEWED"

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

	(Unit : Thousand Baht)				
	Notes	Consolidated		Separate	
		2023	2022	2023	2022
Revenues					
Contract revenues		3,102,192	1,640,988	3,102,192	1,640,988
Revenue from rendering of services		195,291	187,091	-	28,750
Revenue from Sales		3,933	-	-	-
Gain on disposal and write off of assets		4,907	2,670	4,907	2,670
Reversal allowance for credit losses		-	74,379	-	74,379
Interest income		465	263	2,780	1,445
Other income		96,003	19,272	94,921	18,842
Total revenues		3,402,791	1,924,663	3,204,800	1,767,074
Expenses					
Contract costs		3,000,312	1,765,365	3,000,312	1,765,365
Cost of rendering of services		136,106	168,806	-	36,555
Cost of Sales		1,109	-	-	-
Distribution costs		24,803	19,587	11,685	10,526
Administrative expenses		169,312	167,428	118,104	113,245
Other expenses		247	37,861	-	31,319
Finance costs		40,424	36,107	1,054	4,172
Total expenses		3,372,313	2,195,154	3,131,155	1,961,182
Profit before income tax expense		30,478	(270,491)	73,645	(194,108)
Income tax expense (revenue)		11,247	8,241	8,955	8,350
Profit for the period		19,231	(278,732)	64,690	(202,458)

STATEMENTS OF COMPREHENSIVE INCOME

"REVIEWED"

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

		(Unit : Thousand Baht)				
		Consolidated		Separate		
Notes	2023	2022	2023	2022		
Other comprehensive income						
Items that will not be reclassified						
subsequently to profit or loss :-						
Gains (loss) on investment in equity designated at fair value						
	through other comprehensive income	3	(97,723)	22,552	(97,723)	22,552
	Gains (loss) on re-measurements of defined benefit plans		-	29,683	-	28,072
	Income tax relating to components of other comprehensive					
	income that will not be reclassified to profit or loss		19,545	(10,125)	19,545	(10,125)
Total items that will not be reclassified						
	subsequently to profit or loss		(78,178)	42,110	(78,178)	40,499
	Other comprehensive income for the period, net of tax		(78,178)	42,110	(78,178)	40,499
	Total comprehensive income for the period		(58,947)	(236,622)	(13,488)	(161,959)
Profit (loss) attributable to :-						
	Owners of the parent		32,361	(255,312)	64,690	(202,458)
	Non - controlling interests		(13,130)	(23,420)	-	-
	Profit for the period		19,231	(278,732)	64,690	(202,458)
Total comprehensive income (loss) attributable to :-						
	Owners of the parent		(45,817)	(213,500)	(13,488)	(161,959)
	Non - controlling interests		(13,130)	(23,122)	-	-
	Total comprehensive income for the period		(58,947)	(236,622)	(13,488)	(161,959)
Earnings per share						
	Basic (in Baht)	18	0.02	(0.16)	0.04	(0.13)

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 STATEMENTS OF CHANGES IN EQUITY
 FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

"UNAUDITED"
 "REVIEWED"

(Unit : Thousand Baht)

	Consolidated												
	Equity attributable to owners of the parent												
	Retained earnings			Other components of shareholder's equity									
	Issued and paid share capital	Treasury shares	Share premium on ordinary shares	Discount from changes in the ownership interests in subsidiary	Legal reserve	Appropriated	Treasury shares reserve	Unappropriated	Gains (Losses) on re-measurements of defined benefit plan	Gain (loss) on investment in equity designated at fair value through other comprehensive income	Total components of shareholder's equity	Total equity attributable to owners of the parent	Non controlling interests
Balance as at January 1, 2023	1,590,957	-	24	(6,870)	160,000	-	3,137,200	-	411,946	411,946	5,293,257	524,318	5,817,575
Total comprehensive income (expense) for the period	-	-	-	-	-	-	32,361	(78,178)	(78,178)	(78,178)	(45,817)	(13,130)	(58,947)
Ending balance as at June 30, 2023	1,590,957	-	24	(6,870)	160,000	-	3,169,561	333,768	333,768	333,768	5,247,440	511,188	5,758,628
Balance as at January 1, 2022	1,600,000	(22,900)	24	(6,870)	160,000	22,900	3,519,907	-	327,754	327,754	5,600,815	549,524	6,150,339
Dividend paid to shareholders	-	-	-	-	-	-	(47,728)	-	-	-	(47,728)	-	(47,728)
Reduce Treasury shares	(9,043)	22,900	-	-	-	(22,900)	9,043	-	-	-	-	-	-
Non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	14,200	14,200
Transferred to Retained earnings	-	-	-	-	-	-	23,771	(23,771)	-	(23,771)	-	-	-
Total comprehensive income (expense) for the period	-	-	-	-	-	-	(255,312)	23,771	18,041	41,812	(213,500)	(23,122)	(236,622)
Ending balance as at June 30, 2022	1,590,957	-	24	(6,870)	160,000	-	3,249,681	-	345,795	345,795	5,339,587	540,602	5,880,189

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

"UNAUDITED"

"REVIEWED"

(Unit : Thousand Baht)

	Separate											
	Retained earnings				Other components of shareholder's equity							
	Issued and paid share capital	Treasury shares	Share premium on ordinary shares	Legal reserve	Treasury shares reserve	Gains (Losses) on re-measurements of defined benefit plan	Gain (loss) on investment in equity designated at fair value through other comprehensive income	Unappropriated of shareholder's equity	of shareholder's equity	other components	Total	
Notes												
Balance as at January 1, 2023	1,590,957	-	24	160,000	-	3,690,616	-	411,946	411,946	-	5,853,543	
Total comprehensive income (expense) for the period	-	-	-	-	-	64,690	-	(78,178)	(78,178)	-	(13,488)	
Ending balance as at June 30, 2023	1,590,957	-	24	160,000	-	3,755,306	-	333,768	333,768	-	5,840,055	
Balance as at January 1, 2022	1,600,000	(22,900)	24	160,000	22,900	3,980,232	-	327,754	327,754	-	6,068,010	
Dividend paid to shareholders	-	-	-	-	-	(47,728)	-	-	-	-	(47,728)	
Reduce Treasury shares	(9,043)	22,900	-	-	(22,900)	9,043	-	-	-	-	-	
Transferred to Retained earnings	-	-	-	-	-	22,458	(22,458)	-	(22,458)	-	-	
Total comprehensive income (expense) for the period	-	-	-	-	-	(202,458)	22,458	18,041	40,499	-	(161,959)	
Ending balance as at June 30, 2022	1,590,957	-	24	160,000	-	3,761,547	-	345,795	345,795	-	5,858,323	

STATEMENTS OF CASH FLOWS

"REVIEWED"

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit for the period	19,231	(278,732)	64,690	(202,458)
Adjustments to reconcile profit to cash receipts (payments)				
(Reversal) of allowance for credit losses	-	(74,379)	-	(74,379)
Depreciation and amortization	134,551	165,493	63,655	78,029
Interest income	(465)	(263)	(2,780)	(1,445)
Interest expense	40,424	36,107	1,054	4,172
Loss on write-off withholding tax paid	83	242	-	242
Gain on disposal of fixed assets	(4,941)	(2,922)	(4,941)	(2,922)
Loss on write-off of equipment	35	252	35	252
Unrealized gains from changes in fair value				
of investment in debt securities	(10,260)	(1,299)	(10,254)	(1,297)
(Gain) loss from modification of longterm loan agreements	-	317	-	-
Estimated costs of rectification in the period				
of guarantee work (reversal)	8,580	30,900	8,580	30,900
Provision for litigation (reversal)	179	2,016	(68)	2,016
Provision for employee benefit	11,324	10,501	10,469	9,151
Tax expense	11,247	8,241	8,955	8,350
Impairment loss on right-of-use assets	-	29,303	-	29,303
Other adjustments to items that do not affect cash	-	6,542	-	-
	<u>209,988</u>	<u>(67,681)</u>	<u>139,395</u>	<u>(120,086)</u>
Changes in operating assets and liabilities				
Trade accounts receivables	317,288	204,700	317,167	206,319
Other current receivables	(2,129)	(53,927)	(1,992)	(38,656)
Contract assets	(231,883)	32,938	(231,883)	36,038
Inventories	(10,875)	(40,463)	(10,896)	(40,407)
Advance payments to subcontractors	4,315	(342,582)	4,315	(342,582)
Other non-current assets	2,106	797	1,881	920
Trade accounts payables	67,761	8,814	68,436	8,927
Contract liabilities	(140,202)	410,102	(140,202)	410,102
Undue value added tax	(3,890)	(15,814)	(3,890)	(15,814)
Deposit received from customers	(2,250)	759	-	-
Retention payables from subcontractors	1,102	(7,734)	1,102	(7,734)
Other current payables	384,997	(102,214)	402,042	(100,616)
Other current liabilities	1,052	8,979	1,052	8,979
Payment of estimated costs of rectification in the period of guarantee work	(12,819)	(10,982)	(12,819)	(10,982)
Payment of provisions for employee benefits	(12,411)	(2,934)	(11,577)	(2,793)
	<u>572,150</u>	<u>22,758</u>	<u>522,131</u>	<u>(8,385)</u>
Net cash generated from operation				
Withholding tax paid	(88,056)	(68,330)	(85,786)	(66,042)
Receive a withholding tax refund	-	26,990	-	26,990
	<u>484,094</u>	<u>(18,582)</u>	<u>436,345</u>	<u>(47,437)</u>
Net cash from operating activities				

The condensed notes to the interim financial information are an integral part of this interim financial information.

STATEMENTS OF CASH FLOWS

"REVIEWED"

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	2023	2022	2023	2022
Cash flows from investing activities				
Interest received	465	416	3,103	1,575
Purchase of other current financial assets	(980,000)	(1,021,659)	(980,000)	(1,021,659)
Proceeds from other current financial assets	645,715	1,182,254	645,714	1,182,254
Cash received from short-term loans to related parties	-	-	3,000	-
Purchase of investment in subsidiaries	-	-	-	(22,800)
Cash paid for short-term loans to related parties	-	-	(45,000)	(15,400)
Pledged deposit at bank Increase (Decrease)	165	200	165	200
Purchase of property, plant and equipment	(55,493)	(25,150)	(49,615)	(21,364)
Purchase of investment properties	(6,360)	(1,074)	(4,283)	-
Purchase of intangible assets	(5,487)	(1,642)	(2,720)	(1,595)
Proceeds from sale of equipment	8,822	2,943	8,822	2,943
Net cash from (used in) investing activities	(392,173)	136,288	(420,814)	104,154
Cash flows from financing activities				
Interest paid	(33,972)	(29,464)	(1,054)	(4,172)
Dividend paid	-	(47,728)	-	(47,728)
Payment of lease liabilities	(18,154)	(20,970)	(17,946)	(20,825)
Cash received from short-term loans from related parties	-	600	-	-
Cash paid for long-term loans repayment	(82,400)	(50,000)	-	-
Proceeds from non-controlling interests	-	14,200	-	-
Net cash from (used in) financing activities	(134,526)	(133,362)	(19,000)	(72,725)
Net increase (decrease) in cash and cash equivalents	(42,605)	(15,656)	(3,469)	(16,008)
Cash and cash equivalents at 1 January	242,794	338,282	104,285	234,125
Cash and cash equivalents at 30 June	200,189	322,626	100,816	218,117
	-	-	-	-
Supplemental cash flows information				
Non-cash transactions:				
Transfer construction in process to intangible asset	-	9,932	-	9,932
Lease liabilities from hire purchases of property, plant and equipment	10,904	-	10,904	-
Increase in right-of-use asset under lease	27,851	22,424	27,299	22,424
Transfer intangible assets to property, plant and equipment	1,324	-	1,324	-
Cash and cash equivalents				
Consist of:				
Petty cash	250	229	-	-
Cash on hand	308	487	-	-
Cheque on hand	(52,893)	90	(52,893)	90
Cash at banks – current accounts	171	22,120	2,860	18,411
Cash at banks – savings accounts	251,523	298,844	150,019	198,760
Highly liquid short-term	830	856	830	856
Total	200,189	322,626	100,816	218,117

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

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1 General information

Syntec Construction Public Company Limited (“the Company”) is incorporated in Thailand and has its registered office at 555/7-11 Sukhumvit Soi 63 (Ekamai), Sukhumvit Road, Klongton Nua, Wattana, Bangkok and a branch office located at 61 Soi Langsuan, Lumpini, Pathumwan, Bangkok.

The Company was listed on the Stock Exchange of Thailand on February 12, 1993.

The Company’s major shareholders who hold more than 10% of total paid-up share capital as at June 30, 2023 were as follows:

	<i>(% of total paid-up share capital)</i>
Phabusutr Group	28.15

For reporting purposes, the Company and its subsidiaries are referred to as “the Group”

The principal activities of the Group is construction and real estate development for room service or service apartment.

2 Basis of preparation of interim financial information

The interim financial information are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 Interim Financial Reporting; However, additional line items are presented in the interim financial item to bring them into the full format similar to the annual financial statements.

This interim financial information is prepared to provide additional information from the latest annual financial statements. Therefore, emphasis is placed on providing information about new companies, events and situations so that the information presented does not duplicate what has been reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and the subsidiaries for the year ended December 31, 2022.

The interim financial statements are prepared and presented in Thai language. Any translation of this interim financial information into other languages shall be consistent with the Thai version of the interim financial information.

2.1 Significant accounting policies

The interim financial information is prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended December 31, 2022.

2.2 New financial reporting standards

Financial reporting standards that became effective for fiscal years beginning on or after January 1, 2023 does not have any significant impact on the Group’s financial statements.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

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2.3 Use of estimates and judgments

The preparation of interim financial statements in conformity with TFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim financial statements, the significant judgments made by management in applying the Group/the Company accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements of the Company and its subsidiaries for the year ended December 31, 2022.

2.3.1 Measurement of fair value

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

The Group/the Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

Note 3	Measurement of other non-current financial assets
Note 4	Measurement of other current financial assets
Note 20	Financial instruments

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3 Related parties

Related parties are persons or companies that are related to the Group by being shareholders or directors or having common shareholders or common directors. During the year 2023, there does not material changes.

During the three-month and six-month periods ended June 30, 2023 and 2022, the Group of the Company had significant business transactions with related persons and companies. Such business transactions are subject to commercial terms and criteria agreed between the Group and those related parties. The significant business transactions with related parties can be summarized as follows.

	(Unit : Thousand Baht)			
	For three-month period			
	Consolidated		Separate	
	2023	2022	2023	2022
Revenue				
Subsidiaries				
Rendering of service and others	-	-	1,080	1,320
Interest income	-	-	1,351	653
Related companies				
Contract revenues	-	4,125	-	4,125
Rental and service expenses	883	482	-	90
Expenses				
Subsidiaries				
Cost of service	-	-	-	4,730
Administrative expenses	390	-	804	1,393
Related companies				
Contract costs	-	11,004	-	11,004
Cost of service	3,944	4,342	-	-
Space rental and services	694	1,340	694	1,340
Interest expenses	7	13	-	-
Other service expenses	110	-	110	-
Purchase of steel	9,828	31,948	9,828	28,990

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(Unit : Thousand Baht)

	For three-month period			
	Consolidated		Separate	
	2023	2022	2023	2022
Related person				
Administrative expenses	390	600	-	-
Interest expenses	7	-	-	-
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	9,132	8,767	9,132	8,767
Post-employment benefits	1,826	2,896	1,826	2,896
Total key management personnel compensation	10,958	11,663	10,958	11,663

(Unit : Thousand Baht)

	For six-month period			
	Consolidated		Separate	
	2023	2022	2023	2022
Revenue				
Subsidiaries				
Rendering of service and others	-	-	2,160	2,460
Interest income	-	-	2,534	1,256
Related companies				
Contract revenues	-	5,762	-	5,762
Rental and service expenses	1,707	827	-	180
Expenses				
Subsidiaries				
Cost of service	-	-	-	8,913
Administrative expenses	-	-	1,608	2,645

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(Unit : Thousand Baht)

	For six-month period			
	Consolidated		Separate	
	2023	2022	2023	2022
Related companies				
Contract costs	-	11,898	-	11,898
Cost of service	8,822	8,600	-	-
Space rental and services	1,388	1,389	1,388	1,389
Interest expenses	13	13	-	-
Other service expenses	334	217	334	217
Purchase of steel	22,462	34,541	22,462	34,541
Related person				
Administrative expenses	780	600	-	-
Interest expenses	13	-	-	-
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	19,658	20,032	19,658	20,032
Post-employment benefits	3,800	4,488	3,800	4,488
Total key management personnel compensation	23,458	24,520	23,458	24,520

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Balance as at June 30, 2023 and December 31, 2022 with related parties were as follows:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
<u>Assets</u>				
<u>Trade accounts receivables - related parties</u>				
Related companies	52,541	52,872	52,541	52,541
<u>Retention receivables under construction contracts - related parties</u>				
Related companies	39,647	39,647	39,647	39,647
<u>Other current receivables and advances</u>				
Subsidiaries	-	-	-	694
Related persons	259	625	259	585
Total	259	625	259	1,279
Less allowance for credit losses	-	-	-	-
Net	259	625	259	1,279
<u>Unbilled construction in progress - related parties</u>				
Related companies	4,125	4,125	4,125	4,125
<u>Short-term loans to related parties</u>				
Subsidiaries	-	-	159,3000	117,300

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(Unit : Thousand Baht)

	Consolidated / Separate			
	June 30, 2023		December 31, 2022	
	Cost	Fair value	Cost	Fair value
<u>Other non-current financial assets</u>				
<u>Equity securities measured at fair value through other comprehensive income</u>				
Related companies				
Cost	221,748	638,957	221,748	736,680
Profit (loss) from fair value adjustment	417,209	-	514,932	-
Fair value	<u>638,957</u>	<u>638,957</u>	<u>736,680</u>	<u>736,680</u>

(Unit : Thousand Baht)

	Consolidated		Separate	
	June 30,	December 31,	June 30,	December 31,
	2023	2022	2023	2022
<u>Liabilities</u>				
<u>Trade accounts payable - related parties</u>				
Related companies	<u>4,120</u>	<u>18,298</u>	<u>4,120</u>	<u>18,298</u>
<u>Other current payables - related parties</u>				
Related companies	<u>768</u>	<u>1,379</u>	<u>9</u>	<u>15</u>
<u>Short-term loans from related parties and persons</u>				
Related companies	600	600	-	-
Related persons	600	600	-	-
Total	<u>1,200</u>	<u>1,200</u>	<u>-</u>	<u>-</u>
<u>Retention payables from subcontractors related parties</u>				
Related companies	<u>-</u>	<u>3,473</u>	<u>-</u>	<u>3,473</u>
<u>Lease liabilities - related parties</u>				
Related companies	<u>257,311</u>	<u>253,755</u>	<u>-</u>	<u>-</u>

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As at June 30, 2023 and December 31, 2022, the Company had short-term loans to a subsidiary (“SCR Asset Management Co., Ltd.”) of Baht 127 million and Baht 85 million represented short-term loans under 24 loan agreements, requiring payable on demand. The principal and interest will be repaid within 2 years, interest charged at MLR-2.48% to MLR - 2.75% per annum.

As at June 30, 2023 and December 31, 2022, the Company had short-term loans to a subsidiary (“SHG Management Co., Ltd.”) of Baht 2.80 million and Baht 2.80 million represented short-term loans under 2 loan agreement, requiring payable on demand. The principal and interest will be repaid within 2 years, interest charged at MLR-2.50% per annum.

As at June 30, 2023 and December 31, 2022, the Company had short-term loans to a subsidiary (“Delta Infra One Co, Ltd.”) of Baht 29.50 million and Baht 29.50 million represented short-term loans under 7 loan agreement, requiring payable on demand. The principal and interest will be repaid within 2 years, interest charged at MLR-2.50% per annum.

As at June 30, 2023 and December 31, 2022, the subsidiary had short-term loans from Shareholders of the subsidiary of Baht 1.20 million and Baht 1.20 million represented short-term loans under 6 loan agreements, requiring payable on demand. The principal and interest will be repaid within 2 years, interest charged at MLR-2.50% per annum.

The commitments with related parties

The Ordinary General Meeting of Shareholders of the Company held on April 28, 2023, resolved the approval of Directors’ remunerations for the year 2023 which were represented the meeting allowance of Baht 18,000 per time per person, and the annual audit committee directors’ remunerations of Baht 300,000 per person.

The Ordinary General Meeting of Shareholders of the Company held on April 29, 2022, resolved the approval of Directors’ remunerations for the year 2022 which were represented the meeting allowance of Baht 18,000 per time per person, and the annual audit committee directors’ remunerations of Baht 300,000 per person.

4 Other current financial assets

(Unit : Thousand Baht)

	Consolidated			
	June 30, 2023		December 31, 2022	
	Cost	Fair value	Cost	Fair value
Other current financial assets				
Premium savings deposits	18	18	22,716	22,716
Mutual fund – debt securities	2,266,862	2,277,122	1,904,357	1,909,880
Total	2,266,880	2,277,140	1,927,073	1,932,596

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(Unit : Thousand Baht)

	Separate			
	June 30, 2023		December 31, 2022	
	Cost	Fair value	Cost	Fair value
Other current financial assets				
Premium savings deposits	18	18	22,716	22,716
Mutual fund – debt securities	2,265,898	2,276,152	1,903,397	1,908,916
Total	2,265,916	2,276,170	1,926,113	1,931,632

As at June 30, 2023 and December 31, 2022, investments in mutual fund – debt securities of the Company amounted to Baht 141 million and Baht 141 million respectively, had been used as collateral for liabilities under letter of guarantee with two domestic commercial banks.

5 Trade accounts receivables

(Unit : Thousand Baht)

	Consolidated		Separate	
	June 30,	December 31,	June 30,	December
	2023	2022	2023	31, 2022
Related companies	52,541	52,872	52,541	52,541
Other parties	458,553	775,510	452,995	770,162
Total	511,094	828,382	505,536	822,703
<u>Less</u> allowance for expected credit losses	(143,192)	(143,192)	(143,192)	(143,192)
Net	367,902	685,190	362,344	679,511

For the six-month periods ended June 30, 2023, the movements of allowance for expected credit losses are as follows:

(Unit : Thousand Baht)

	Consolidated / Separate
Beginning balance	143,192
<u>Less</u> reversal allowance for credit losses	-
Ending balance	143,192

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SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

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Aging analyses for trade accounts receivables were as follows:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Within credit terms	259,240	569,294	255,263	566,662
Still litigation	139,947	193,138	139,947	193,138
Overdue:				
- Less than 3 months	84,040	32,563	82,997	30,477
- Over 3 months to 6 months	4	8,378	-	7,585
- Over 6 months to 12 months	534	111	-	-
- Over 12 months	27,329	24,898	27,329	24,841
Total overdue	111,907	65,950	110,326	62,903
Total	511,094	828,382	505,536	822,703

The normal credit term granted by the Group/the Company ranges from 15 days to 45 days.

6 Contract assets

6.1 Contract balance

	(Unit : Thousand Baht)	
	Consolidated / Separate	
	June 30, 2023	December 31, 2022
Contract assets		
Retentions receivables under		
construction contract	627,935	684,326
Unbilled construction in progress	1,033,342	745,068
Total	1,661,277	1,429,394
Current	1,612,659	1,252,800
Non-current	48,618	176,594
Total contract assets	1,661,277	1,429,394

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6.2 Retentions receivables under construction contracts

	(Unit : Thousand Baht)	
	Consolidated / Separate	
	June 30, 2023	December 31, 2022
Retentions receivables under construction contract	641,821	698,212
<u>Less</u> allowance for expected credit losses	<u>(13,886)</u>	<u>(13,886)</u>
Net	<u>627,935</u>	<u>684,326</u>
Current	579,317	507,732
Non-current	<u>48,618</u>	<u>176,594</u>
Total	<u>627,935</u>	<u>684,326</u>

6.3 Unbilled construction in progress

	(Unit : Thousand Baht)	
	Consolidated / Separate	
	June 30, 2023	December 31, 2022
Unbilled construction in progress	1,038,312	750,038
<u>Less</u> allowance for expected credit losses	<u>(4,970)</u>	<u>(4,970)</u>
Net	<u>1,033,342</u>	<u>745,068</u>

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	(Unit : Million Baht)	
	Consolidated / Separate	
	June 30, 2023	December 31, 2022
Construction project contracts amount	51,717	48,314
Contract revenue recognized as revenue since commencing date to present	44,831	41,499
<u>Less</u> progress billings (as invoices)	(43,850)	(40,845)
Unbilled construction in progress	981	654
Unbilled construction in progress (Still litigation)	57	96
Unbilled construction in progress at the end of period	1,038	750
<u>Less</u> allowance for expected credit losses	(5)	(5)
Net	1,033	745
Excess of progress billing over work in progress (Contract liabilities)	(462)	(602)
Net	571	143

As at June 30, 2023, the Company has balance of unbilled construction in progress amount to Baht 981 million (not including the litigation) which is expected to be paid within 1 year.

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7 Inventories

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Construction materials	108,155	96,404	108,155	96,404
Spare parts and supplies	10,056	10,932	8,512	9,367
Total	118,211	107,336	116,667	105,771

8 Investments in subsidiaries

The Extraordinary General meeting of the subsidiary company (“Delta Infra One Co, Ltd.”), held on July 15, 2022, approved to increase the company’s authorized share capital from Baht 4 million to Baht 17 million in order to use as working capital of the subsidiary. The subsidiary registered the increase capital with the Ministry of Commerce on August 2, 2022.

The Extraordinary General meeting of the subsidiary company (“CSM Capital Partners Co., Ltd”), held on April 4, 2022, approved to increase the company’s authorized share capital from Baht 1,325 million to Baht 1,360 million in order to use as working capital of the subsidiary. The subsidiary registered the increase capital with the Ministry of Commerce on April 22, 2022.

9 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment during the six-month period ended June 30, 2023 were as follows:

	(Unit : Thousand Baht)	
	Consolidated	Separate
Net book value at January 1, 2023	2,956,661	510,131
Acquisition and transfer in – at cost	67,721	61,843
Disposal	(3,915)	(3,915)
Depreciation for the period	(98,881)	(45,355)
Net book value at June 30, 2023	2,921,586	522,704

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Pledge:

As at June 30, 2023, land, buildings and building improvement of the Company in the carrying amount of Baht 93.76 million including indemnity from insurance of those assets were mortgaged as collateral against contingent liabilities due to the letter of guarantee issued by the domestic commercial banks.

As at June 30, 2023, land with existing structures of the subsidiary (SCR Asset Management Co., Ltd) in the carrying amount of Baht 611.96 million and structures to be constructed in the future was mortgaged as collateral against borrowings from the domestic commercial bank in the credit line amounting to Baht 620 million. (Note 14)

As at June 30, 2023, the residences in Eight Thonglor Project of the subsidiary (CSM Capital Partners Co., Ltd) in the carrying amount of Baht 1,453.09 million were mortgaged as collateral against borrowings from the domestic commercial bank in the credit line amounting to Baht 1,000 million. (Note 14)

10 Lease

10.1 Right-of-use assets - net

	(Unit: Thousand Baht)	
	Consolidated	Separate
For the six-month period ended June 30, 2022		
Net book value - Beginning	608,482	26,964
Right-of-use assets - Increase	27,851	27,299
Depreciation for the period	(24,570)	(14,869)
Net book value - Ending balance	611,763	39,394

10.2 Lease liabilities – net

Lease liabilities at June 30, 2023 and December 31, 2022 as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Lease liabilities				
current	25,229	25,157	24,770	24,883
Non-current	514,964	488,904	25,456	5,086
Total lease liabilities	540,193	514,061	50,226	29,969

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Changes in lease liabilities as follows:

	(Unit : Thousand Baht)	
	Consolidated	Separate
For the six-month period ended June 30, 2023		
Net book value - Beginning	514,061	29,969
Lease liabilities - Increase	38,755	38,203
Cash flow payment	(18,154)	(17,946)
Amortization interest - Increase	5,531	-
Net book value - Ending balance	540,193	50,226

11 Trade accounts payables

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Related companies	4,120	18,298	4,120	18,298
Other parties	319,605	237,666	309,149	226,535
Total	323,725	255,964	313,269	244,833

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12 Other current payables

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Related companies	768	1,379	9	15
Other parties	722,557	337,056	685,697	283,648
Total	723,325	338,435	685,706	283,663
Other parties				
Other payables	28,559	45,692	7,108	8,273
Accrued value added tax	1,683	21,646	-	20,211
Accrued withholding tax	1,913	6,644	1,540	6,286
Other accrued expenses	88,356	121,331	75,003	107,134
Accrued estimated construction cost	602,046	141,743	602,046	141,744
Total	722,557	337,056	685,697	283,648

13 Retention payables from subcontractors

	(Unit : Thousand Baht)	
	Consolidated / Separate	
	June 30, 2023	December 31, 2022
Related companies	3,473	3,473
Other parties	302,881	301,779
Total	306,354	305,252

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14 Long-term loans

	(Unit : Thousand Baht)	
	Consolidated	
	June 30, 2023	December 31, 2022
	(For six - month period)	(For the year period)
Beginning balance	1,475,611	1,535,034
Deduction	(82,400)	(60,000)
	1,393,211	1,475,034
(Profit) loss from changes in contract terms	-	(1,175)
Additional (deduction) the principal based on effective real interest rate method	1,029	1,752
Ending balance	1,394,240	1,475,611
Less current portion of long-term loans	(157,429)	(151,521)
Net	1,236,811	1,324,090

Loans from domestic financial institution

14.1 On December 2, 2014, a subsidiary (SCR Asset Management Co., Ltd.) entered into a loan agreement with a domestic financial institution in credit line of Baht 390.70 million. As of June 30,2023, it was fully withdrawn, requiring monthly repayable interest from the date of the first drawdown and requiring monthly repayable principal within 10 years and 6 months. The first repayment shall be in 31st month of Baht 1.90 million to Baht 6.40 million. These loans were secured by 2 plots of land including structures, existing at the present and to be constructed in the future are mortgaged as collateral under the mortgage agreement dated December 15, 2017.

Under the above loan agreement contains certain restrictive conditions such as opening operating account with a commercial bank, shareholding of the major shareholder of the Company and the events of default or non-compliance with the loan agreements, which assumes that it is default. The default entitles the bank to accelerate the maturity of all amounts outstanding and immediately payable. Since the three-month periods 2019, the agreement requires certain financial ratio (DSCR) not less than 1.1.

On September 23, 2013, a subsidiary (SCR Asset Management Co., Ltd.) entered into a loan agreement with a local financial institution in credit line of Baht 224 million. As of June 30,2023, loan was completely drawdown in the amount of Baht 205 million because the project is completed, requiring monthly repayable principal with interest within 8 years and 6 months. The first repayment at nineteenth month of Baht 1.3 million to Baht 4 million. These loans were secured by 11 plots of land including structures, existing at the present and to be constructed in the future are mortgaged as collateral under the mortgage agreement dated June 12, 2014, in the credit line amounting to Baht 229 million.

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Under the above loan agreements contains certain restrictive conditions such as opening operating account with a commercial bank, shareholding of the major shareholder of the Company and an event of default or non-compliance with the loan agreements, which assumes that it is default. This may entitle the bank has the right to accelerate the maturity of all outstanding loans immediately due. In addition, the agreements determined certain financial ratio of the subsidiary as follows:

	<u>Financial ratio per</u> <u>agreements</u>	<u>Financial ratio as at</u> <u>June 30,2023</u>
Financial ratio (DSCR)	Not less than 1.1	0.09

Domestic financial institutions will assess the Company’s information once a year. At the latest on September 28, 2022, the subsidiary received a notification to waive the conditions of DSCR under the loan agreement.

During the year 2022 domestic financial institutions has approved to change the terms of the loan agreement. According to the objectives of the subsidiary that requested the domestic financial institutions to relax the conditions for repayment of the original loan agreements, the details are as follows:

Credit line of Baht 390.70 million

1. The Company agrees to pay only interest for a period of 30 months starting from July 2020 to December 2022.
2. The Company agrees to repay the principal amounting to Baht 390.70 million to the domestic financial institutions within a period of 96 months, starting from January 2023 to December 2030.

Credit line of Baht 205 million

1. The Company agrees to pay only interest for a period of 37 months starting from May 2020 to May 2023.
2. The Company agrees to repay the principal amounting to Baht 94.18 million to the domestic financial institutions within a period of 22 months, starting from May 2023 to February 2025.

14.2 On April 28, 2020, the subsidiary (“CSM Capital Partners Co., Ltd.”) had entered into the 2-loan agreement with a domestic commercial bank in credit line of Baht 150 million and Baht 1,000 million, respectively. The purpose of the loan agreements is to repay the original loan agreements of April 7, 2016, Which was to support the development of Eight Thonglor Residences Project.

During the year 2020 and 2021, Domestic financial institutions has approved the amendment of the loan agreement on April 28, 2020. According to the objectives of the subsidiary that requested the domestic financial institutions to relax the conditions for repayment of the original loan agreements, the details are as follows:

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Credit line of Baht 150 million

The repayment of principal and payment of interest shall be paid within 2 years from the date of the first drawdown. Which will be due for repayment of the loan by April 2022. The interest rate is charged at MLR-2.48 per annum.

Credit line of Baht 1,000 million

The repayment of principal and payment of interest shall be paid within 11 years from the date of the first drawdown. Which will be due for repayment of the loan by April 2032. The interest rate is charged at MLR-2.25 to MLR-2.48 per annum.

The loan agreements were secured by Eight Thonglor Residences Project of 137 units.

Under the above loan agreements contain certain restrictive conditions such as increasing authorized shares, opening an DSRA account (Debt Service Reserve Account) with the bank amount of Baht 20 million and granting the right to claim deposits amount of Baht 90 million (for the memorandum of agreement on April 21, 2021) and maintaining debt to equity ratio, and the events of default of agreement or non-compliance with loan agreements that assumes to be default. This may entitle the bank has the right to accelerate the subsidiary repay all outstanding immediately. Since the year 2020, the loan agreements also require the subsidiary to maintain debt service coverage ratio (DSCR) not less than 1.1. In addition, the agreement determines certain financial ratios of the Company as follows:

	<u>Financial ratio per</u> <u>agreements</u>	<u>Financial ratio as at</u> <u>June 30, 2023</u>
Debt to equity ratio	Not more than 2.00	1.22
	<u>Financial ratio per</u> <u>agreements</u>	<u>Financial ratio as at</u> <u>June 30, 2023</u>
Financial ratio (DSCR)	Not less than 1.1	2.71

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15 Provisions

(Unit : Thousand Baht)

	Consolidated		Separate	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Provision for the estimating costs of rectification and guarantee work	42,890	47,129	42,890	47,129
Provision for litigation	36,296	36,117	34,086	34,154
Estimated demolition cost	3,690	3,690	-	-
Total	82,876	86,936	76,976	81,283
Current	42,890	47,129	42,890	47,129
Non-current	39,986	39,807	34,086	34,154
Total	82,876	86,936	76,976	81,283

Movements of Provisions for the six-month period ended June 30 were as follows:

(Unit : Thousand Baht)

	Consolidated							
	Provision for the estimating costs of rectification and guarantee work		Provision for litigation		Estimated demolition cost		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
As at January 1	47,129	14,942	36,117	31,538	3,690	3,690	86,936	50,170
Increase (Reversal)	8,580	30,900	179	2,016	-	-	8,759	32,916
Payment of provision	(12,819)	(10,982)	-	-	-	-	(12,819)	(10,982)
As at June 30	42,890	34,860	36,296	33,554	3,690	3,690	82,876	72,104

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(Unit : Thousand Baht)

	Separate					
	Provision for the estimating costs of rectification and guarantee work		Provision for litigation		Total	
	2023	2022	2023	2022	2023	2022
As at January 1	47,129	14,942	34,154	31,538	81,283	46,480
Increase (Reversal)	8,580	30,900	(68)	2,016	8,512	32,916
Payment of provision	(12,819)	(10,982)	-	-	(12,819)	(10,982)
As at June 30	42,890	34,860	34,086	33,554	76,976	68,414

16 Treasury shares and Treasury shares reserve

Treasury shares

The treasury shares account in equity comprises the cost of the Company’s own shares held by the Company.

On May 12, 2022, the Board of Directors' Meeting of the Company approved on the resale of repurchased shares. Number of shares resold 9.04 million shares or equal to 0.57% of the total of paid-up capital. The period for resale of shares will be from May 27, 2022 to June 15, 2022, and approve the reduction of the paid-up capital by writing off the unsold treasury shares after the redemption period

On June 27, 2022, the Company registered the capital reduction with the Ministry of Commerce according to the number of unallocated treasury shares of 9.04 million shares and transferred the treasury shares reserve to the unappropriated retained earnings of Baht 22.90 million. After the capital reduction, the company has 1,591 million ordinary shares. In 2018, the Board of Directors of the Company approved a treasury share plan (“Plan”) to re-purchase not more than 3.70%, or 60 million shares, of the Company’s shares then in issue. The purpose of the Plan is to manage the Company’s excess liquidity. The maximum amount approved for share purchase under the Plan is Baht 200 million and the price to be paid for the shares is not to exceed 115% of the average closing price on the Stock Exchange of Thailand (SET) over the 5 trading days before each share purchase is made. The Company could purchase the shares through the SET during the period from December 17, 2018 to June 16, 2019. The shares purchased may be resold after 6 months but within 3 years from the date of purchase.

Treasury shares reserve

The treasury shares reserve represents the amount appropriated from retained earnings equal to the cost of the Company’s own shares held by the Company. The treasury shares reserve is not available for dividend distribution.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
CONDENSED NOTES TO THE INTERIM FINANCIAL INFORMATION

JUNE 30, 2023

17 Segment information

Information about reportable segments:

	(Unit: Million Baht)									
	Segment 1		Segment 2		Segment 3		Segment 4		Total reportable segment	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
For the three-month period Ended June 30										
Revenues from customer										
- External	1,494	805	100	98	1	1	2	1,597	904	
- Inter - segments	3	2	1	1	1	6	-	5	9	
- Eliminated	(3)	(2)	(1)	(1)	(1)	(6)	-	(5)	(9)	
Total revenue	1,494	805	100	98	1	1	2	1,597	904	
Recognition										
Point in time	25	11	100	98	1	1	2	128	110	
Over time	1,469	794	-	-	-	-	-	1,469	794	
Total revenue	1,494	805	100	98	1	1	2	1,597	904	
Segment profit (loss) before income tax	36	(155)	(12)	(32)	(2)	(7)	-	22	(194)	

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	(Unit: Million Baht)									
	Segment 1		Segment 2		Segment 3		Segment 4		Total reportable segment	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
For the six-month period Ended June 30										
Revenues from customer										
- External	3,200	1,730	197	194	2	1	4	3,403	1,925	
- Inter - segments	5	4	2	2	2	12	-	9	18	
- Eliminated	(5)	(4)	(2)	(2)	(2)	(12)	-	(9)	(18)	
Total revenue	3,200	1,730	197	194	2	1	4	3,403	1,925	
Recognition										
Point in time	98	89	197	194	2	1	4	301	284	
Over time	3,102	1,641	-	-	-	-	-	3,102	1,641	
Total revenue	3,200	1,730	197	194	2	1	4	3,403	1,925	
Segment profit (loss) before income tax	70	(152)	(38)	(106)	(3)	(12)	2	31	(270)	

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	Segment 1		Segment 2		Segment 3		Segment 4	Total reportable segment	
	2023	2022	2023	2022	2023	2022	2023	2023	2022
Segment assets									
As at June 30 / December 31	<u>6,292</u>	<u>6,085</u>	<u>3,573</u>	<u>3,664</u>	<u>6</u>	<u>7</u>	<u>51</u>	<u>9,922</u>	<u>9,756</u>
Segment liabilities									
As at June 30 / December 31	<u>2,178</u>	<u>1,872</u>	<u>1,975</u>	<u>2,062</u>	<u>4</u>	<u>4</u>	<u>6</u>	<u>4,163</u>	<u>3,938</u>

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Reconciliations of reportable segment profit or loss, assets

For the three-month and six-month periods ended June 30

(Unit: Million Baht)

	Consolidated			
	For three-month period		For six-month period	
	2023	2022	2023	2022
Profit or loss				
Total profit for reportable segments	22	(194)	31	(270)
Elimination of inter-segment profits	-	-	-	-
Profit before income tax	22	(194)	31	(270)

(Unit: Million Baht)

	Consolidated		Separate	
	June 30,	December 31,	June 30,	December 31,
	2023	2022	2023	2022
Assets				
Segmental assets	7,000	6,799	5,929	5,636
Investments in subsidiaries	-	-	1,566	1,567
Property, plant and equipment	2,922	2,957	523	510
Total assets	9,922	9,756	8,018	7,713
Liabilities				
Total liabilities for reportable segments	4,163	3,938	2,178	1,860
Total liabilities	4,163	3,938	2,178	1,860

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18 Basic earnings (loss) per share

The calculation of basic earnings (loss) per share for the three-month and six-month period ended June 30 were based on the profit (loss) for the periods (excluding other comprehensive income) attributable to shareholders of the Company and the weighted average number of ordinary shares outstanding during the periods as follows:

	(in thousands Baht/thousands share)			
	For three-month period			
	Consolidated		Separate	
	2023	2022	2023	2022
Profit (loss) for the period attributable to shareholders of the Company	18,360	(183,830)	31,304	(155,705)
Weighted average number of ordinary shares	1,590,957	1,590,957	1,590,957	1,590,957
Basic earnings (loss) per share (Baht per share)	0.01	(0.12)	0.02	(0.10)

	(in thousands Baht/thousands share)			
	For six-month period			
	Consolidated		Separate	
	2023	2022	2023	2022
Profit (loss) for the period attributable to shareholders of the Company	32,361	(255,312)	64,690	(202,458)
Weighted average number of ordinary shares	1,590,957	1,590,957	1,590,957	1,590,957
Basic earnings (loss) per share (Baht per share)	0.02	(0.16)	0.04	(0.13)

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

CONDENSED NOTES TO THE INTERIM FINANCIAL INFORMATION

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19 Dividends

Year 2023.

On April 28, 2023, the annual general meeting of shareholders approved the omission of dividend payment for the company's operating results of the year 2022.

Year 2022.

On April 29, 2022, the annual general meeting of shareholders approved the payment of dividend at the rate of Baht 0.03 per share, totaling Baht 47.73 million, which the company has already paid to the shareholders on May 20, 2022.

20 Financial instruments

For financial assets, the book value and fair value as follows:

	(Unit : Million Baht)				
	Carrying amount	Consolidated			Total
		Level 1	Level 2	Level 3	
June 30, 2023:					
Asset					
Financial assets measured at fair value through profit or loss					
Mutual fund – debt securities	2,277	-	2,277	-	2,277
Financial assets measured at fair value through other comprehensive income					
Equity securities	639	639	-	-	639
	<u>2,916</u>	<u>639</u>	<u>2,277</u>	<u>-</u>	<u>2,916</u>

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(Unit : Million Baht)

	Consolidated				Total
	Carrying amount	Fair Value			
		Level 1	Level 2	Level 3	
December 31, 2022:					
Asset					
Financial assets measured at					
fair value through profit or loss					
Mutual fund – debt securities	1,910	-	1,910	-	1,910
Financial assets measured at					
fair value through other					
comprehensive income					
Equity securities	737	737	-	-	737
	<u>2,647</u>	<u>737</u>	<u>1,910</u>	<u>-</u>	<u>2,647</u>

(Unit : Million Baht)

	Separate				Total
	Carrying amount	Fair Value			
		Level 1	Level 2	Level 3	
June 30, 2023:					
Asset					
Financial assets measured at					
fair value through profit or loss					
Mutual fund – debt securities	2,276	-	2,276	-	2,276
Financial assets measured at					
fair value through other					
comprehensive income					
Equity securities	639	639	-	-	639
	<u>2,915</u>	<u>639</u>	<u>2,276</u>	<u>-</u>	<u>2,915</u>

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(Unit : Million Baht)

	Separate				Total
	Carrying amount	Fair Value			
		Level 1	Level 2	Level 3	
December 31, 2022:					
Asset					
Financial assets measured at					
fair value through profit or loss					
Mutual fund – debt securities	1,909	-	1,909	-	1,909
Financial assets measured at					
fair value through other					
comprehensive income					
Equity securities	737	737	-	-	737
	<u>2,646</u>	<u>737</u>	<u>1,909</u>	<u>-</u>	<u>2,646</u>

The above fair value measured at the quoted prices in active markets.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
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21 Commitments with non-related parties

As at June 30, 2023 the Group/the Company had commitments as follows:

	(Unit: Million Baht)	
	Consolidated	Separate
Capital commitments: -		
Not provide for		
Condominium	4	4
Camp and other buildings	16	16
Cost of construction building for service room	544	-
Total	564	20
Other commitments: -		
Subcontractor agreements	1,973	1,973
Letters of guarantee from banks for purchasing inventories, utilities usage, guarantee the work performance and advance received from customers	2,052	2,052
Total	4,025	4,025

The subsidiary (SCR Assets Management Co., Ltd.) had commitment under the technical consulting agreement and the service apartment management with other company, requiring consulting fee and service including conditions according to the agreements.

The subsidiary (CSM Capital Partners Co., Ltd.) had commitment under the room management agreement with other company, requiring management fee and conditions according to the agreements.

As at June 30, 2023 the Group had unutilized credit facilities obtaining from domestic financial institutions totaling Baht 2,147 million.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**CONDENSED NOTES TO THE INTERIM FINANCIAL INFORMATION****JUNE 30, 2023****22 Contingent liabilities****Litigations**

As at June 30, 2023, litigations were as follows:

- The Company was sued by other person regarding the tort and claiming a compensation of construction and guarantee in the amount of Baht 2.55 million at the sue date. Subsequently, the Court of Appeal ordered the Company to jointly demolish and pay damages of Baht 100,000 with interest rate 7.5% per annum from September 23, 2013, onwards and monthly damages of Baht 5,000 onwards until the demolition will be completed. On December 5, 2018, the Company has filed a petition to the Supreme Court, which on October 28, 2020, the Supreme Court ruled in accordance with the Appeal Court. the company has entered into a compromise. Currently, the case has been completed.
- On June 28, 2011, the Black case no. 2398/2554, the Company and Mivan (Thailand) Co., Ltd., as the plaintiff, sued National Housing Authority regarding false of construction agreement and claimed a compensation in the amount of Baht 850 million at the sue date. On September 7, 2012, as Black case no. 2206/2555, the Company sued National Housing Authority to the Federal Administrative Court. The sued amount was Baht 874 million and on July 7, 2015, the Black case no.1218/2558, the National Housing Authority as the plaintiff, sued the Company regarding false of construction agreement and claimed a compensation in the amount of Baht 63 million at the sue date. The Administrative Court ordered to include this consideration with Black Case No. 2206/2555, Subsequently, on August 10, 2018, the Administrative Court ordered the Company made a payment to the National Housing Authority of Baht 25.32 million with interest rate 7.5% per annum for the principal of Baht 21.25 million from July 7, 2015, until the settlement was completed and ordered the National Housing Authority returned three letters of guarantee to the Company. On September 6, 2018, the Company filed an appeal with the Court. As of August 9, 2023, the case has been in the process of the Court’s consideration, the result has not been finalized. However, on June 30, 2023, the Company already recorded the provision on the above lawsuits amounting to Baht 32.60 million (inclusive interest).
- On March 13, 2019, the Company was sued by one customer claiming damage a compensation of construction due to breach of contract amounting to Baht 247.65 million with interest rate 7.5% per annum from the filing date onward. Subsequently, on June 20, 2019, the Company submitted an answer to the court and counterclaimed the plaintiff with amounting to Baht 78.55 million. On 29 September 2022, the Court of First Instance dismissed the plaintiff to pay the Company 71.81 million baht plus interest Currently, the case is under consideration of the Supreme Court.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**CONDENSED NOTES TO THE INTERIM FINANCIAL INFORMATION****JUNE 30, 2023**

- On May 31, 2019, the Company and the subsidiary were sued for infringement and claiming damage a compensation by an insurance company regarding construction claim amounting to Baht 0.42 million. Subsequently, On November 24, 2020, the Court of First Instance dismissed the case against the Company and its subsidiary, On April 19, 2022, the Court of Appeal upheld the judgment of the Court of First Instance dismissing the lawsuit against the Company. Currently, the case is under consideration of the Supreme Court.
- On November 19, 2020, the Subsidiary was sued for breach of contract and claiming damage by a company claim amounting to Baht 22.94 million with interest rate 7.5% per annum from the filing date onwards until the payment was completed. Subsequently, on January 19, 2021, the Subsidiary has submitted an answer to the court. On July 27, 2022, the Court of First Instance ordered the subsidiary to pay Baht 10 million plus interest at the rate of 7.5% starting from October 24, 2021 until April 10, 2021 and 5% per year from April 11, 2021 onwards. Currently, the case is under consideration of the Appeal Court.
- On December 16, 2020, the Company was sued for infringement and claiming damage a compensation by one non-related person claim amounting to Baht 3.45 million with interest rate 7.5% of damages Baht 1.55 million from the filing date onwards. Subsequently, the Company has submitted an answer to the court. On February 28, 2022, the Court of First Instance ordered the company to paying Baht 1.29 million with interest rate 5% per annum. On June 22, 2022, the Company appealed to the court. As of August 9, 2023, the case has been in the process of the Court’s consideration, the result has not been finalized. However, on June 30, 2023, the Company already recorded the provision on the above lawsuits amounting to Baht 1.39 million (inclusive interest)
- On December 26, 2022, the Company was sued for breach of contract and claim amounting to Baht 35.16 million. On March 24, 2023, the Company submitted an answer to the court. On April 24, 2023, The Court fixes the day for settlement of issues. On November 28,29, 2023, an appointment is scheduled to take plaintiff's evidence. On November 30, 2023, an appointment is scheduled to take defendant's evidence.

23 Approval of Interim financial information

These interim consolidated and separate financial information were authorized for issue by the Board of Directors on August 9, 2023.