

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES
INTERIM FINANCIAL INFORMATION
ENDED JUNE 30, 2021
AND REVIEW REPORT OF INDEPENDENT'S AUDITOR**

Independent Auditor's Report on Review of Interim Financial

To the Board of Directors of Syntec Construction Public Company Limited

I have reviewed the accompanying consolidated statements of financial position of Syntec Construction Public Company Limited and its subsidiaries as at June 30, 2021, and the related consolidated statements of income and comprehensive income for the three-month and six-month periods then ended, and the related consolidated statement of changes in shareholders' equity, and cash flows for the six-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Syntec Construction Public Company Limited for the same period (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting." My responsibility is to express a conclusion on this interim 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 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

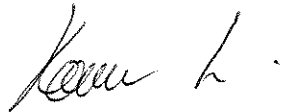
Based on my review, nothing has come to my attention that causes me to believe that the interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".



Other matters

The consolidated and separate statements of financial position for the year ended December 31, 2020, of Syntec Construction Public Company Limited and its subsidiaries, presented herewith for comparative purpose only, were audited by another auditor in the same office whose report dated on February 26, 2021, expressed an unqualified opinion on those.

The consolidated and separate statements of comprehensive income for the three-month and six-month periods ended June 30, 2020, changes in shareholders' equity and cash flows for six-month period ended June 30, 2020, of Syntec Construction Public Company Limited and its subsidiaries, presented herewith for comparative information, were reviewed by another auditor in the same office, by concluding that nothing has come to my attention that cause me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No.34, "Interim Financial Reporting", according to report dated on August 13, 2020.



Mr. Komin Linphrachaya

Certified Public Accountant (Thailand) No. 3675

Karin Audit Company Limited

August 13, 2021.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2021

(Unit : Thousand Baht)

	Notes	Consolidated		Separate	
		June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
		"UNAUDITED"	"AUDITED"	"UNAUDITED"	"AUDITED"
		"REVIEWED"		"REVIEWED"	
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents		376,119	638,059	271,462	542,710
Other current financial assets	6	1,940,501	1,516,060	1,849,613	1,515,197
Trade accounts receivable	5, 7	623,850	918,847	617,873	913,915
Other current receivables		72,113	66,339	61,537	57,223
Current contract assets	5, 8	727,133	829,670	727,133	829,670
Short-term loans	5	-	-	83,000	76,000
Inventories	9	123,951	103,624	122,981	102,822
Advance payments to subcontractors		79,395	169,316	79,395	169,316
Investments in associated company	10	-	73	-	-
TOTAL CURRENT ASSETS		3,943,062	4,241,988	3,812,994	4,206,853
NON-CURRENT ASSETS					
Other non-current financial assets	5	612,647	623,923	612,647	623,923
Investment in subsidiaries	11	-	-	1,531,082	1,469,332
Non-current contract assets	8	681,781	650,510	684,881	653,611
Property investments		517,756	529,825	6,068	7,104
Property, plant and equipment	12	3,185,864	3,266,357	600,302	618,023
Right of use assets	13	979,162	1,002,784	466,304	480,904
Intangible assets		8,343	6,544	7,926	6,306
Withholding tax		241,266	172,337	227,268	159,994
Pledged deposit at bank		23,309	27,558	3,308	7,557
Deferred tax assets		34,024	60,819	34,024	60,819
Other non-current assets		24,049	21,254	10,653	10,697
TOTAL NON-CURRENT ASSETS		6,308,201	6,361,911	4,184,463	4,098,270
TOTAL ASSETS		10,251,263	10,603,899	7,997,457	8,305,123

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2021

(Unit : Thousand Baht)

	Notes	Consolidated		Separate	
		June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
		"UNAUDITED"	"AUDITED"	"UNAUDITED"	"AUDITED"
		"REVIEWED"		"REVIEWED"	
LIABILITIES AND EQUITY					
CURRENT LIABILITIES					
Trade accounts payables	5, 14	327,726	370,799	318,150	364,761
Other current payables	5, 15	441,877	675,267	429,568	656,221
Current portion of long-term loans	17	241,723	185,049	-	-
Current portion of lease liabilities		38,318	35,179	37,987	34,739
Corporate income tax payable		-	284	-	-
Current provisions for employee benefits		17,980	17,980	17,980	17,980
Contract liabilities	5, 8	276,359	381,929	276,359	381,929
Retention payables from subcontractors	5, 16	378,321	374,813	378,321	374,813
Undue value added tax		87,203	102,568	87,203	102,567
Other current provisions	18	22,914	10,756	22,914	10,756
Other current liabilities		32,307	34,145	4,895	7,488
TOTAL CURRENT LIABILITIES		1,864,728	2,188,769	1,573,377	1,951,254
NON-CURRENT LIABILITIES					
Long-term loans	17	1,391,932	1,447,195	-	-
Lease liabilities		573,590	567,936	203,942	204,451
Deferred tax liabilities		3,127	3,249	-	-
Non-current provisions for employee benefits		195,282	185,270	187,529	177,296
Other non-current provisions	18	34,390	33,566	30,700	29,876
Deposit from customers		9,351	11,268	-	-
TOTAL NON-CURRENT LIABILITIES		2,207,672	2,248,484	422,171	411,623
TOTAL LIABILITIES		4,072,400	4,437,253	1,995,548	2,362,877

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2021

(Unit : Thousand Baht)

	Notes	Consolidated		Separate	
		June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
		"UNAUDITED"	"AUDITED"	"UNAUDITED"	"AUDITED"
		"REVIEWED"		"REVIEWED"	
LIABILITIES AND EQUITY					
SHAREHOLDER'S EQUITY					
Share capital					
Authorized share capital		1,600,000	1,600,000	1,600,000	1,600,000
Issued and paid share capital		1,600,000	1,600,000	1,600,000	1,600,000
Treasury shares	19	(22,900)	(22,900)	(22,900)	(22,900)
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
Treasury share reserves	19	22,900	22,900	22,900	22,900
Unappropriated		3,531,511	3,521,948	3,929,166	3,860,482
Other components of shareholders' equity		312,719	321,740	312,719	321,740
TOTAL EQUITY ATTRIBUTABLE TO OWNERS					
OF THE PARENT COMPANY					
		5,597,384	5,596,842	6,001,909	5,942,246
Non-controlling interests		581,479	569,804	-	-
TOTAL SHAREHOLDERS' EQUITY					
		6,178,863	6,166,646	6,001,909	5,942,246
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY					
		10,251,263	10,603,899	7,997,457	8,305,123

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

"UNAUDITED"

STATEMENTS OF COMPREHENSIVE INCOME

"REVIEWED"

FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2021

	(Unit : Thousand Baht)				
	Notes	Consolidated		Separate	
		2021	2020	2021	2020
Revenues					
Contract revenues		1,415,170	1,737,329	1,415,170	1,737,329
Revenue from rendering of services		64,472	52,929	5,617	8,769
Gain on disposal and write off of assets		654	-	654	-
Interest income		210	2,723	718	3,111
Other income		21,755	20,235	17,317	10,258
Total revenues		1,502,261	1,813,216	1,439,476	1,759,467
Expenses					
Contract costs		1,269,076	1,601,004	1,269,076	1,601,004
Cost of rendering of services		79,568	79,018	14,604	15,950
Distribution costs		8,105	4,860	5,231	4,703
Administrative expenses		90,696	88,537	68,310	60,138
Other expenses		414	1,994	414	2,021
Finance costs		18,923	18,439	2,399	2,816
Total expenses		1,466,782	1,793,852	1,360,034	1,686,632
Share of loss of associate		-	(14)	-	-
Profit before income tax expense		35,479	19,350	79,442	72,835
Income tax expense (revenue)		15,942	(375)	15,968	(375)
Profit for the period		19,537	19,725	63,474	73,210

The accompanying notes are an integral part of these interim financial statements.

STATEMENTS OF COMPREHENSIVE INCOME

"REVIEWED"

FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2021

		(Unit : Thousand Baht)			
		Consolidated		Separate	
Notes		2021	2020	2021	2020
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	(41,344)	131,550	(41,344)	131,550
	Gains (loss) on remeasurements of defined benefit plans	-	8,333	-	8,333
	Income tax relating to components of other comprehensive				
	income that will not be reclassified to profit or loss	8,269	(27,977)	8,269	(27,977)
Total items that will not be reclassified					
subsequently to profit or loss					
		(33,075)	111,906	(33,075)	111,906
Other comprehensive income for the period, net of tax					
		(33,075)	111,906	(33,075)	111,906
Total comprehensive income for the period					
		(13,538)	131,631	30,399	185,116
Profit (loss) attributable to :-					
	Owners of the parent	34,009	37,965	63,474	73,210
	Non - controlling interests	(14,472)	(18,240)	-	-
Profit for the period					
		19,537	19,725	63,474	73,210
Total comprehensive income (loss) attributable to :-					
	Owners of the parent	934	149,871	30,399	185,116
	Non - controlling interests	(14,472)	(18,240)	-	-
Total comprehensive income for the year					
		(13,538)	131,631	30,399	185,116
Earnings per share					
	Basic (in Baht)	21	0.02	0.02	0.04
			0.02	0.04	0.05

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

"UNAUDITED"

STATEMENTS OF COMPREHENSIVE INCOME

"REVIEWED"

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2021

	(Unit : Thousand Baht)				
	Notes	Consolidated		Separate	
		2021	2020	2021	2020
Revenues					
Contract revenues		2,936,001	3,723,504	2,936,001	3,723,504
Revenue from rendering of services		134,338	157,540	11,567	27,555
Gain on disposal and write off of assets		1,572	26	1,572	-
Interest income		446	4,031	1,433	5,177
Other income		26,077	30,566	21,442	21,447
Total revenues		3,098,434	3,915,667	2,972,015	3,777,683
Expenses					
Contract costs		2,609,571	3,380,496	2,609,571	3,380,496
Cost of rendering of services		158,164	170,397	29,444	37,531
Distribution costs		16,127	16,559	10,541	9,331
Administrative expenses		184,411	186,974	136,868	132,459
Other expenses		1,667	8,797	1,667	8,797
Finance costs		37,722	41,628	4,647	5,547
Total expenses		3,007,662	3,804,851	2,792,738	3,574,161
Share of loss of associate		-	(28)	-	-
Profit before income tax expense		90,772	110,788	179,277	203,522
Income tax expense		30,925	19,192	31,047	19,192
Profit for the period		59,847	91,596	148,230	184,330

STATEMENTS OF COMPREHENSIVE INCOME

"REVIEWED"

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2021

		(Unit : Thousand Baht)			
		Consolidated		Separate	
Notes		2021	2020	2021	2020
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	(11,276)	(105,240)	(11,276)	(105,240)
	Gains (loss) on remeasurements of defined benefit plans	-	8,333	-	8,333
	Income tax relating to components of other comprehensive				
	income that will not be reclassified to profit or loss	2,255	19,381	2,255	19,381
Total items that will not be reclassified					
	subsequently to profit or loss	(9,021)	(77,526)	(9,021)	(77,526)
Other comprehensive income for the period, net of tax					
		(9,021)	(77,526)	(9,021)	(77,526)
Total comprehensive income for the period					
		50,826	14,070	139,209	106,804
Profit (loss) attributable to :-					
	Owners of the parent	89,109	122,612	148,230	184,330
	Non - controlling interests	(29,262)	(31,016)	-	-
Profit for the period					
		59,847	91,596	148,230	184,330
Total comprehensive income (loss) attributable to :-					
	Owners of the parent	80,088	45,086	139,209	106,804
	Non - controlling interests	(29,262)	(31,016)	-	-
Total comprehensive income for the year					
		50,826	14,070	139,209	106,804
Earnings per share					
	Basic (in Baht)	21	0.06	0.08	0.09
			0.12		

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 STATEMENTS OF CHANGES IN EQUITY
 FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2021

"UNAUDITED"
 "REVIEWED"

(Unit : Thousand Baht)

Consolidated													
Equity attributable to owners of the parent													
	Issued and paid share capital	Treasury shares	Share premium on ordinary shares	Discount from changes in the ownership interests in subsidiary	Retained earnings			Other components of shareholder's equity					Total equity attributable to owners of the parent
					Appropriated	Treasury shares reserve	Legal reserve	Unappropriated	Gains (Losses) on remeasurements of defined benefit plan	Available equity securities	Total other components of shareholder's equity	Non Controlling interests	
Balance as at January 1, 2021	1,600,000	(22,900)	24	(6,870)	160,000	22,900	3,521,948	-	321,740	5,596,842	569,804	6,166,646	
Treasury stock reserve	-	-	-	-	-	-	(79,546)	-	-	(79,546)	-	(79,546)	
Acquisition for non-controlling interests without a change in control	-	-	-	-	-	-	-	-	-	-	40,937	40,937	
Total comprehensive income (expense) for the period	-	-	-	-	-	22,900	89,109	-	(9,021)	80,088	(29,262)	50,826	
Ending balance as at June 30, 2021	1,600,000	(22,900)	24	(6,870)	160,000	22,900	3,531,511	-	312,719	5,597,384	581,479	6,178,863	
Balance as at January 1, 2020	1,600,000	(22,900)	24	(6,870)	160,000	22,900	3,409,801	-	478,097	5,641,052	598,994	6,240,046	
Treasury stock reserve	-	-	-	-	-	-	(79,546)	-	-	(79,546)	-	(79,546)	
Acquisition for non-controlling interests without a change in control	-	-	-	-	-	-	-	-	-	-	26,008	26,008	
Total comprehensive income (expense) for the period	-	-	-	-	-	22,900	122,612	6,666	(84,192)	45,086	(31,016)	14,070	
Ending balance as at June 30, 2020	1,600,000	(22,900)	24	(6,870)	160,000	22,900	3,452,867	6,666	393,905	5,606,592	593,986	6,200,578	

"UNAUDITED"
"REVIEWED"

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN EQUITY

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2021

(Unit : Thousand Baht)

	Separate											Total shareholders' equity
	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	Unappropriated	Gains (Losses) on remeasurements of defined benefit plan	Available equity securities	other components of shareholder's equity	Total		
Notes												
Balance as at January 1, 2021	1,600,000	(22,900)	24	160,000	22,900	3,860,482	-	321,740	321,740	5,942,246		
Treasury stock reserve	-	-	-	-	-	(79,546)	-	-	-	(79,546)		
Total comprehensive income (expense) for the period	-	-	-	-	-	148,230	-	(9,021)	(9,021)	139,209		
Ending balance as at June 30, 2021	1,600,000	(22,900)	24	160,000	22,900	3,929,166	-	312,719	312,719	6,001,909		
Balance as at January 1, 2020	1,600,000	(22,900)	24	160,000	22,900	3,635,442	-	478,097	478,097	5,873,563		
Treasury stock reserve	-	-	-	-	-	(79,546)	-	-	-	(79,546)		
Total comprehensive income (expense) for the period	-	-	-	-	-	184,330	6,666	(84,192)	(77,526)	106,804		
Ending balance as at June 30, 2020	1,600,000	(22,900)	24	160,000	22,900	3,740,226	6,666	393,905	400,371	5,900,821		

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2021

"UNAUDITED"

"REVIEWED"

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
Cash flows from operating activities				
Profit for the period	59,847	91,596	148,230	184,330
Adjustments to reconcile profit to cash receipts (payments)				
Allowance for receivable credit losses	843	7,968	843	7,968
Depreciation and amortization	173,704	202,978	83,316	110,052
Interest income	(446)	(4,031)	(1,433)	(5,177)
Interest expense	37,722	41,628	4,647	5,547
Loss on write-off withholding tax paid	11,267	5	11,266	-
Gain on disposal of fixed assets	(1,592)	(27)	(1,592)	27
Loss on write-off of equipment	20	1	20	1
Unrealized gains from changes in fair value				
of investment in debt securities	(3,086)	(1,262)	(3,061)	(1,257)
(Gain) loss from modification of longterm loan agreements	89	(6,047)	-	-
Share of loss of associates	-	28	-	-
Loss on write-off of investments in associated company	73	-	-	-
Estimated costs of rectification in the period				
of guarantee work (reversal)	15,900	6,054	15,900	6,054
Provision for litigation (reversal)	824	829	824	829
Provision for employee benefit	11,408	23,754	10,233	22,690
Tax expense	30,925	19,192	31,047	19,192
	<u>337,498</u>	<u>382,666</u>	<u>300,240</u>	<u>350,256</u>
Changes in operating assets and liabilities				
Trade accounts receivables	294,997	252,247	296,042	247,984
Other current receivables	(7,258)	42,101	(5,611)	9,890
Contract assets	71,171	248,061	71,171	248,061
Inventories	(20,328)	(19,474)	(20,158)	(19,556)
Advance payments to subcontractors	89,921	204,553	89,921	204,553
Other non-current assets	(2,796)	1,310	43	553
Trade accounts payables	(43,073)	33,394	(46,611)	35,501
Contract liabilities	(105,570)	(113,742)	(105,570)	(113,742)

STATEMENTS OF CASH FLOWS

"REVIEWED"

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2021

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
Undue value added tax	(15,364)	(34,128)	(15,364)	(34,128)
Deposit received from customers	(1,163)	(1,397)	-	-
Retention payables from subcontractors	3,508	27,132	3,508	27,132
Other current payables	(233,152)	19,998	(226,653)	19,198
Other current liabilities	(2,591)	417	(2,596)	416
Payment of estimated costs of rectification in the period of guarantee work	(3,742)	(4,340)	(3,742)	(4,340)
Payment of provisions for employee benefits	(1,396)	(42,363)	-	(42,363)
Net Cash generated from operation	360,662	996,435	334,620	929,415
Withholding tax paid	(94,689)	(91,798)	(92,749)	(90,461)
Receive a withholding tax refund	12,212	-	12,212	-
Net cash from operating activities	278,185	904,637	254,083	838,954
Cash flows from investing activities				
Interest received	1,183	4,196	1,983	5,430
Purchase of other current financial assets	(1,280,918)	(1,240,086)	(1,190,918)	(1,240,086)
Proceeds from other current financial assets	859,564	1,188,379	859,564	1,188,379
Purchase of investment in subsidiaries	-	-	(61,750)	(63,992)
Payment of short-term loans from related parties	-	-	(16,000)	(10,000)
Proceeds from short-term loans from related parties	-	-	9,000	23,000
Proceeds from long-term investments	-	192	-	192
Pledged deposit at bank Increase (Decrease)	4,250	9,560	4,250	9,560
Purchase of property, plant and equipment	(31,285)	(32,391)	(23,891)	(25,263)
Purchase of property investments	(88)	(2,605)	-	-
Acquisition of right-of-use assets	-	(74)	-	-
Purchase of intangible assets	(3,625)	(2,430)	(3,365)	(2,430)
Sale of equipment	1,893	1,947	1,893	1,893
Net cash from (used in) investing activities	(449,026)	(73,312)	(419,234)	(113,317)

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

"UNAUDITED"

STATEMENTS OF CASH FLOWS

"REVIEWED"

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2021

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	2021	2020	2021	2020
Cash flows from financing activities				
Interest paid	(30,370)	(37,356)	(4,647)	(5,547)
Dividend paid	(79,546)	(79,546)	(79,546)	(79,546)
Payment of long-term loans	-	(183,722)	-	-
Payment of lease liabilities	(22,120)	(21,996)	(21,904)	(21,918)
Proceeds from non-controlling interests	40,937	26,008	-	-
Net cash from (used in) financing activities	(91,099)	(296,612)	(106,097)	(107,011)
Net increase (decrease) in cash and cash equivalents	(261,940)	534,713	(271,248)	618,626
Cash and cash equivalents at 1 January	638,059	926,504	542,710	743,395
Cash and cash equivalents at 30 June	376,119	1,461,217	271,462	1,362,021

Supplemental cash flows information

Non-cash transactions:

Increase in right-of-use asset under lease	20,019	11,986	20,019	10,743
Lease liabilities from purchase of property, plant and equipment	4,192	-	4,192	-
Lease liabilities from purchase of intangible assets	431	-	431	-

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

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 share capital as at June 30, 2021 were as follows:

	<i>(% of total paid share capital)</i>
Phahusutr Group	30.73

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

Details of the Company’s subsidiaries were as follows:

Name of entity	Type of business	Country of incorporation	Ownership interest (%)	
			June 30, 2021	December 31, 2020
Direct subsidiaries				
1) SCR Asset Management Co., Ltd.	Service apartment or real estate development for rental	Thailand	68.00	68.00
2) Natural Ville Service Apartment and Management Co., Ltd.	Personnel management for hotel, service apartment and other properties	Thailand	99.97	99.97
3) CSM Capital Partners Co., Ltd.	Service apartment or real estate development for rental	Thailand	60.00	60.00
4) JT Ten Co., Ltd. *	Service apartment or real estate development for rental	Thailand	84.98	84.98
5) PT Three Land Co., Ltd. *	Service apartment or real estate development for rental	Thailand	79.98	79.98
6) AN 8 Co., Ltd. *	Service apartment or real estate development for rental	Thailand	79.90	79.90
7) SHG Management Co., Ltd	Hotel business management and services	Thailand	70.00	70.00

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

Name of entity	Type of business	Country of incorporation	Ownership interest (%)	
			June 30, 2021	December 31, 2020
8) Delta Infra One Co., Ltd.*	Service in consulting, purchasing and installing of sanitary, electrical, pipeline and air conditioning systems.	Thailand	90.00	90.00

* Not commercial operations yet

2 Basis of preparation of interim financial information

2.1 Statement of compliance

The interim financial information are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2020) Interim Financial Reporting; guidelines promulgated by the Federation of Accounting Professions (FAP); and related applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial information are prepared to provide an update on the financial statements for the year ended December 31, 2020. The financial statements do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously 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, 2020.

2.2 COVID-19 pandemic

The COVID-19 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

2.3 Functional and presentation currency

The interim financial statements are prepared and presented in Thai Baht, which is the Group’s / Company’s functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest thousand/million unless otherwise stated.

2.4 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/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, 2020.

2.4.1 Measurement of fair value

Measuring the fair value of an asset or a liability, the Group/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/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 5	Measurement of other non-current financial assets
Note 6	Measurement of other current financial assets
Note 23	Financial instruments

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

2.5 The consolidated and separate financial statements for the three-month and six-month periods ended June 30, 2020, included the investment and share of loss of an associate, which had been accounted for by equity method amounted to Baht 0.01 million in the consolidated financial statements, based on the financial statements of such associate, which had been prepared by management. In addition, the Company had no obligation under the guarantee for such associate. As at December 31, 2020 the Company recorded an allowance for impairment of investment in the above-mentioned associate in the amount of Baht 10 million in the separate financial statements.

As at June 30, 2021, the Company has write-off an investments in an associates in the consolidated and separate financial statements because the said associates have completed the liquidation process and write off the investment in such associate to recognize the loss for the three-month and six-month periods ended June 30, 2021 amounted to Baht 0.01 million in the consolidated financial statements as per details in note 10 to the financial statements.

3 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, 2020.

3.1 New financial reporting

a) **Financial reporting standards that became effective in the current period**

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

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

b) **Financial reporting standards that will become effective for fiscal years beginning on or after January 1, 2022**

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

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

The adoption of these temporary exemptions does not have any significant impact on the Group’s financial statements.

4 Seasonal operations

Revenue of the Group / Company is subject to seasonal and economic environment.

5 Related parties

For the purposes of these financial statements, parties are considered to be related to the Group / Company if the Group / Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions or vice versa, or where the Group / Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Subsidiaries		
1. SCR Asset Management Co., Ltd.	Thailand	Subsidiary, 68% shareholding, and some common directors
2. Natural Ville Service Apartment and Management Co., Ltd.	Thailand	Subsidiary, 99.97% shareholding and some common directors
3. CSM Capital Partners Co., Ltd.	Thailand	Subsidiary, 60% shareholding and some common directors
4. JT Ten Co., Ltd.	Thailand	Subsidiary, 84.98% shareholding and some common directors
5. PT Three Land Co., Ltd.	Thailand	Subsidiary, 79.98% shareholding and some common directors
6. AN 8 Co., Ltd.	Thailand	Subsidiary, 79.90% shareholding and some common directors
7. SHG Management Co., Ltd.	Thailand	Subsidiary, 70% shareholding and some common directors
8. Delta Infra One Co., Ltd.	Thailand	Subsidiary, 90% shareholding and some common directors

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

Name of entities	Country of incorporation/ nationality	Nature of relationships
Associate		
1. Natural Hotel Sukhumvit Co., Ltd	Thailand	Associate, 25% Shareholding and completed the liquidation process
Related companies		
1. Bangkok Expressway and Metro Public Company Limited	Thailand	Related company, 0.49% shareholding
2. Mivan (Thailand) Co., Ltd.	Thailand	Related company as a venture in Syntec-Mivan Joint Venture
3. Siam Syntec Planner Co., Ltd.	Thailand	Related company, some common directors
4. Tate Enterprise Co., Ltd.	Thailand	Related company, some common shareholder
5. N&J Assets Management Co., Ltd.	Thailand	Related company, some common directors
6. Narai Phand Co., Ltd.	Thailand	Related company, directors related to the director of the Company
7. N & J Hospitality Co., Ltd.	Thailand	Related company, directors related to the director of the Company
8. Pink Cafe Co., Ltd.	Thailand	Related company, directors related to the director of the Company
9. Safe Series Co., Ltd.	Thailand	Related company, shareholder as a key management personnel of the Company
10. Mankongsangtong Holding Co., Ltd.	Thailand	Related company, common shareholders
11. Thonglor Management Co., Ltd.	Thailand	Related company, shareholder related to the Company's directors
12. Wealthy Living Co.,Ltd.	Thailand	Related company, shareholder related to the Company's directors
13. Chuaphaibul Steel Co., Ltd.	Thailand	Related company, directors related to the director or shareholder of the Company
14. Thai Roong Ruang Industry Co., Ltd.	Thailand	Related company, shareholder and director related to the shareholders and directors of the Company

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

Name of entities	Country of incorporation/ nationality	Nature of relationships
15. TRR Property Co., Ltd.	Thailand	Related company, shareholder and director as the shareholder and director of the subsidiary
16. CSNJ Patong 3 Co., Ltd.	Thailand	Related company, shareholder related to the Company’s directors
17. The Gas Carrier Co., Ltd.	Thailand	Related company, directors related to the Company’s directors
Related persons		
1. Six related persons	Thailand	Related persons, as the Company’s and the subsidiaries’ directors, shareholders, key management personnel or related to the key management personnel.
2. Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly including any director of the Group/Company (whether executive or otherwise).

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

The pricing policies for particular types of transactions are explained further below:

	<u>Pricing policies</u>
Interest income	MLR - 2.48 to MLR - 2.75 per annum
Contract revenues	Cost price plus profit margin not less than 12%
Rendering of service	Service income to be refunded under the contract on the basis determined by related concern
Contract costs	Market price
Purchase of steel	Market price
Cost of service (management fee for service apartment and others)	Contract price on the basis determined by the related concerned
Service expenses	Contract price on the basis determined by the related concerned
Land rental	Contract price on the basis determined by the related concerned
Interest expenses	MLR - 2.48 to MLR - 2.75 per annum
Directors benefit expenses represented meeting allowance and director bonus	Approval from the Company’s directors and shareholders
Directors and management benefit expenses represented salary and bonus	Approval from the Company’s directors and shareholders

“UNAUDITED”

“REVIEWED”

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

Significant transactions for the three-month and six-month periods ended June 30 with related parties were summarized as follows:

	(Unit : Thousand Baht)			
	For three-month period			
	Consolidated		Separate	
	2021	2020	2021	2020
Revenue				
Subsidiaries				
Rendering of service and others	-	-	960	900
Interest income	-	-	599	600
Related companies				
Contract revenues	37,242	66,992	37,242	66,992
Rental and service expenses	287	1,086	90	1,086
Expenses				
Subsidiaries				
Cost of service	-	-	2,776	3,846
Administrative expenses	-	-	1,064	-
Related companies				
Contract costs	42,050	30,472	42,050	30,472
Cost of service	4,528	2,939	-	251
Space rental and services	694	1,158	694	1,158
Other service expenses	184	133	184	133
Purchase of steel	22,771	11,180	22,771	11,180
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	10,005	10,426	10,005	10,426
Post-employment benefits	156	172	156	172
Total key management personnel compensation	<u>10,161</u>	<u>10,598</u>	<u>10,161</u>	<u>10,598</u>

“UNAUDITED”

“REVIEWED”

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

	(Unit : Thousand Baht)			
	For six-month period			
	Consolidated		Separate	
	2021	2020	2021	2020
Revenue				
Subsidiaries				
Rendering of service and others	-	-	2,010	3,059
Interest income	-	-	1,090	1,454
Related companies				
Contract revenues	107,966	116,293	107,966	116,293
Rental and service expenses	775	2,154	180	2,154
Expenses				
Subsidiaries				
Cost of service	-	-	5,725	9,929
Administrative expenses	-	-	2,547	-
Related companies				
Contract costs	100,105	84,328	100,105	84,328
Cost of service	10,007	8,208	-	1,278
Space rental and services	1,389	1,389	1,389	1,389
Other service expenses	434	406	434	406
Purchase of steel	35,779	31,839	35,779	31,839
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	20,998	25,380	20,998	25,380
Post-employment benefits	623	895	623	895
Total key management personnel compensation	<u>21,621</u>	<u>26,275</u>	<u>21,621</u>	<u>26,275</u>

“UNAUDITED”

“REVIEWED”

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS
ENDED JUNE 30, 2021

Balance as at June 30, 2021 and December 31, 2020 with related parties were as follows:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
<u>Assets</u>				
<u>Trade accounts receivables - related parties</u>				
Related companies	26,321	31,980	26,257	31,867
<u>Retention receivables under construction contracts - related parties</u>				
Subsidiaries	-	-	3,100	3,100
Related companies	67,837	61,398	67,837	61,398
Total	67,837	61,398	70,937	64,498
<u>Other current receivables and advances</u>				
Subsidiaries	-	-	17,036	17,003
Related companies	30	333	30	333
Related persons	1,523	510	1,483	470
Total	1,553	843	18,549	17,806
Less allowance for credit losses	-	-	-	-
Net	1,553	843	18,549	17,806
<u>Unbilled construction in progress - related parties</u>				
Related companies	12,901	29,265	12,901	29,265
<u>Short-term loans to related parties</u>				
Subsidiaries	-	-	83,000	76,000

“UNAUDITED”

“REVIEWED”

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

(Unit : Thousand Baht)

	Consolidated and Separate			
	June 30, 2021		December 31, 2020	
	Cost	Fair value	Cost	Fair value
<u>Other non-current financial assets</u>				
<u>Equity securities</u>				
Related companies				
Cost	221,748	612,647	221,748	623,923
Profit (loss) from fair value adjustment	390,899	-	402,175	-
Fair value	612,647	612,647	623,923	623,923

(Unit : Thousand Baht)

	Consolidated		Separate	
	June 30,	December 31,	June 30,	December 31,
	2021	2020	2021	2020
<u>Liabilities</u>				
<u>Trade accounts payable - related parties</u>				
Related companies	14,380	9,766	14,380	9,766
<u>Other current payables - related parties</u>				
Subsidiaries	-	-	18,046	18,340
Related companies	572	1,524	-	224
Total	572	1,524	18,046	18,564
<u>Advance received from customers under construction contracts - related parties</u>				
Related companies	5,760	9,097	5,760	9,097
<u>Retention payables from subcontractors - related parties</u>				
Related companies	7,864	7,460	7,864	7,460
<u>Lease liabilities - related parties</u>				
Related companies	228,686	224,799	-	-

“UNAUDITED”

“REVIEWED”

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

Movements of short - term loans to related parties for the six-month periods ended June 30, 2021 were as follows:

(Unit : Thousand Baht)

Relationship	Separate			
	Balance as at	During the period		Balance as at
	January, 1			June, 30
	2021	Increase	Decrease	2021
<u>Loan to related parties</u>				
CSM Capital Partners Co., Ltd.	9,000	-	(9,000)	-
SCR Asset Management Co., Ltd.	67,000	16,000	-	83,000
	<u>76,000</u>	<u>16,000</u>	<u>(9,000)</u>	<u>83,000</u>

As at December 31, 2020, the Company had short-term loans to a subsidiary (“CSM Capital Partners Co., Ltd.”) of Baht 9 million represented short-term loans under 3 loan agreements, requiring payable on demand. The principal and interest will be repaid within 2 years, interest charged at MLR-2.48% and MLR-2.75% per annum.

As at June 30, 2021 and December 31, 2020, the Company had short-term loans to a subsidiary (“SCR Asset Management Co., Ltd.”) of Baht 83 million and Baht 67 million represented short-term loans under 16 loan agreements, requiring payable on demand. The principal and interest will be repaid within 3 years, interest charged at MLR-2.48% to MLR - 2.75% per annum.

The commitments with related parties

The Ordinary General Meeting of Shareholders of the Company held on April 30, 2021, resolved the approval of Directors’ remunerations for the year 2021 which were represented the meeting allowance of Baht 18,000 per time per head, and the annual audit committee directors’ remunerations of Baht 310,000 per head.

The Ordinary General Meeting of Shareholders of the Company held on April 30, 2020, resolved the approval of Directors’ remunerations for the year 2020 which were represented the meeting allowance of Baht 18,000 per time per head, and the annual audit committee directors’ remunerations of Baht 310,000 per head.

“UNAUDITED”

“REVIEWED”

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

6 Other current financial assets

(Unit : Thousand Baht)

	Consolidated			
	June 30, 2021		December 31, 2020	
	Cost	Fair value	Cost	Fair value
Other current financial assets				
Premium savings	22,635	22,635	22,608	22,608
Fixed Deposit	90,891	90,891	90,000	90,000
Mutual fund – debt securities	1,823,888	1,826,975	1,399,752	1,403,452
Total	1,937,414	1,940,501	1,512,360	1,516,060

(Unit : Thousand Baht)

	Separate			
	June 30, 2021		December 31, 2020	
	Cost	Fair value	Cost	Fair value
Other current financial assets				
Premium savings	22,635	22,635	22,608	22,608
Fixed Deposit	90,891	90,891	90,000	90,000
Mutual fund – debt securities	1,733,025	1,736,087	1,398,896	1,402,589
Total	1,846,551	1,849,613	1,511,504	1,515,197

As at June 30, 2021 and December 31, 2020, investments in mutual fund – debt securities of the Company amounted to Baht 138 million had been used as collateral for liabilities under letter of guarantee with two domestic commercial banks.

“UNAUDITED”

“REVIEWED”

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

7 Trade accounts receivables

(Unit : Thousand Baht)

	Consolidated		Separate	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Related companies	26,321	31,980	26,257	31,867
Other parties	755,185	1,044,523	746,368	1,036,800
Total	781,506	1,076,503	772,625	1,068,667
Less allowance for receivable credit losses	(157,656)	(157,656)	(154,752)	(154,752)
Net	623,850	918,847	617,873	913,915

Aging analyses for trade accounts receivables were as follows:

(Unit : Thousand Baht)

	Consolidated		Separate	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Within credit terms	409,410	651,288	407,818	649,566
Still litigation	159,515	159,515	154,752	154,752
Overdue:				
- Less than 3 months	87,041	89,812	84,554	88,610
- Over 3 months to 6 months	20,467	138,105	20,457	137,956
- Over 6 months to 12 months	104,602	11,101	104,573	11,101
- Over 12 months	471	26,682	471	26,682
Total overdue	212,581	265,700	210,055	264,349
Total	781,506	1,076,503	772,625	1,068,667

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

As at December 31, 2020, one of the trade receivables pending litigation has ended. The Supreme Court ruled that the debtor would not be liable for all debt owed against the Company. The Company therefore reversed allowance for credit losses of trade receivables amount to Baht 21.14 million, which consisted of allowance for credit losses of trade receivables amount to Baht 1.24 million, retentions receivables amount to Baht 14.52 million and unbilled construction in progress amount to Baht 5.38 million.

“UNAUDITED”

“REVIEWED”

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

8 Contract assets

8.1 Contract balance

(Unit : Thousand Baht)

	Consolidated		Separate	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Contract assets				
Retentions receivables under				
construction contract	794,294	826,882	797,394	829,983
Unbilled construction in progress	614,620	653,298	614,620	653,298
Total	1,408,914	1,480,180	1,412,014	1,483,281
Current	727,133	829,670	727,133	829,670
Non-current	681,781	650,510	684,881	653,611
Total contract assets	1,408,914	1,480,180	1,412,014	1,483,281

8.2 Retentions receivables under construction contracts

(Unit : Thousand Baht)

	Consolidated		Separate	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Retentions receivables under				
construction contract	806,538	839,031	809,638	842,132
<u>Less allowance for credit losses</u>	<u>(12,244)</u>	<u>(12,149)</u>	<u>(12,244)</u>	<u>(12,149)</u>
Net	794,294	826,882	797,394	829,983
Current	112,513	176,372	112,513	176,372
Non-current	681,781	650,510	684,881	653,611
Total	794,294	826,882	797,394	829,983

“UNAUDITED”

“REVIEWED”

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

8.3 Unbilled construction in progress

(Unit : Thousand Baht)

	Consolidated		Separate	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Unbilled construction in progress	623,582	662,260	623,582	662,260
Less allowance for credit losses	(8,962)	(8,962)	(8,962)	(8,962)
Net	614,620	653,298	614,620	653,298

(Unit : Million Baht)

	Consolidated		Separate	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Construction project contracts amount	52,270	51,362	52,270	51,362
Contract revenue recognized as revenue since commencing date to present	47,671	44,888	47,671	44,888
Less progress billings (as invoices)	(47,144)	(44,322)	(47,144)	(44,322)
Unbilled construction in progress	527	566	527	566
Unbilled construction in progress (Still litigation)	96	96	96	96
Unbilled construction in progress at the end of period	623	662	623	662
Less allowance for credit losses	(9)	(9)	(9)	(9)
Net	614	653	614	653
Excess of progress billing over work in progress (Contract liabilities)	(276)	(382)	(276)	(382)
Net	338	271	338	271

“UNAUDITED”

“REVIEWED”

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

9 Inventories

(Unit : Thousand Baht)

	Consolidated		Separate	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Construction materials	105,116	89,845	105,116	89,845
Spare parts and supplies	18,835	13,779	17,865	12,977
Less allowance for devaluation of inventories	-	-	-	-
Spare parts and supplies, net	18,835	13,779	17,865	12,977
Total	123,951	103,624	122,981	102,822

10 Investments in associate company

As The Extraordinary Shareholder’s Meeting No.1/2020 of the associated company held on December 17, 2020 passed the resolution to liquidate the associated company. On December 18, 2020, the associated company had already registered for dissolution and completed the liquidation process on June 2, 2021

11 Investments in subsidiaries

(Unit : Thousand Baht)

Company’s name	Paid-up Share Capital		Cost	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
	Million Baht	Million Baht		
SCR Asset Management Co., Ltd.	600	600	408,064	408,064
Natural Ville Service Apartment and Management Co., Ltd.	2	2	2,000	2,000
CSM Capital Partners Co., Ltd.	1,325	1,225	795,000	735,000
PT Three Land Co., Ltd.	120	120	95,976	95,976
JT Ten Co., Ltd.	140	140	118,972	118,972
AN 8 Co., Ltd.	130	130	103,870	103,870
SHG Management Co., Ltd.	9	6	6,300	4,550
Delta Infra One Co., Ltd.	1	1	900	900
Total			1,531,082	1,469,332

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

The Extraordinary General Meeting of the subsidiary company ("CMS Capital Partners Co., Ltd"), held on March 12, 2021, approved to increase the company's authorized share capital from Baht 1,225 million to Baht 1,325 million in order to use as working capital of the subsidiary. The subsidiary company registered the capital increase with the Ministry of Commerce on March 25, 2021.

The Extraordinary General Meeting of the subsidiary company ("SHG Management Co., Ltd."), held on September 18, 2020, approved to increase the company's authorized share capital from Baht 4 million to Baht 9 million in order to use as working capital of the subsidiary. The subsidiary company registered the capital increase with the Ministry of Commerce on October 2, 2020.

According to the Board of Directors' Meeting of the Company held on June 29, 2020, the resolution approved the registration of a subsidiary company ("Delta Infra One Co., Ltd."). The subsidiary provides services in consulting, purchasing and installing of sanitary, electrical, pipeline and air conditioning systems. The subsidiary was registered on July 13, 2020, which the Company holding 90%.

The Extraordinary General Meeting of the subsidiary company ("CMS Capital Partners Co., Ltd"), held on April 9, 2020, received important approval to increase the registered capital of the subsidiary company from Baht 1,175 million to Baht 1,225 million in order to repay the principal in accordance with the loan conditions with a local commercial bank. The subsidiary company registered the capital increase with the Ministry of Commerce on April 20, 2020.

The Extraordinary Meeting of Shareholders of subsidiary (JT Ten Co., Ltd.) held on January 21, 2020, approved the increase of the company's authorized share capital from Baht 100 million to Baht 140 million. The subsidiary also registered the increases of shares with Ministry of Commerce on February 3, 2020

12 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment during the six-month periods ended June 30, 2021 were as follows:

	(Unit : Thousand Baht)	
	Consolidated	Separate
Net book value at January 1, 2021	3,266,357	618,023
Acquisition and transfer in – at cost	35,477	28,083
Disposal	(321)	(321)
Adjust	900	900
Depreciation for the period	(116,549)	(46,383)
Net book value at June 30, 2021	3,185,864	600,302

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

Pledge:

As at June 30, 2021, land, buildings and building improvement of the Company in the carrying amount of Baht 101 million including indemnity from insurance of those assets were mortgaged as collateral for contingent liabilities due to the letter of guarantee issued by the domestic commercial banks.

As at June 30, 2021, land with existing structures of the subsidiary (SCR Asset Management Co., Ltd) in the carrying amount of Baht 715 million and structures to be constructed in the future was mortgaged as collateral for contingent on borrowings from the domestic commercial bank in the credit line amounting to Baht 620 million.

As at June 30, 2021, the residences in Eight Thonglor Project of the subsidiary (CSM Capital Partners Co., Ltd) in the carrying amount of Baht 1,590 million were mortgaged as collateral for contingent on borrowings from the domestic commercial bank in the credit line amounting to Baht 1,150 million.

13 Right-of-use assets, net and Lease liabilities, net

	(Unit: Thousand Baht)	
	Consolidated	Separate
For the six-month periods ended June 30, 2021		
Opening net book value	1,002,784	480,904
Right-of-use assets - Additions	20,019	20,019
Depreciation	(43,641)	(34,619)
Closing net book value	979,162	466,304

14 Trade accounts payables

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Related companies	14,380	9,766	14,380	9,766
Other parties	313,346	361,033	303,770	354,995
Total	327,726	370,799	318,150	364,761

“UNAUDITED”

“REVIEWED”

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

15 Other current payables

(Unit : Thousand Baht)

	Consolidated		Separate	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Related companies	572	1,524	18,046	18,564
Other parties	441,305	673,743	411,522	637,657
Total	441,877	675,267	429,568	656,221
Other parties				
Other payables	19,481	23,653	3,240	3,779
Accrued value added tax	4,633	13,090	3,400	11,579
Accrued withholding tax	6,802	10,511	6,611	10,239
Other accrued expenses	96,736	130,126	84,618	115,697
Accrued estimated construction cost	313,653	496,363	313,653	496,363
Total	441,305	673,743	411,522	637,657

16 Retention payables from subcontractors

(Unit : Thousand Baht)

	Consolidated		Separate	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Related companies	7,864	7,460	7,864	7,460
Other parties	370,457	367,353	370,457	367,353
Total	378,321	374,813	378,321	374,813

“UNAUDITED”

“REVIEWED”

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

17 Long-term loans

	(Unit : Thousand Baht)	
	Consolidated	
	June 30, 2021	December 31, 2020
Beginning balance	1,632,244	1,818,604
Addition	-	-
Deduction	-	(183,722)
	1,632,244	1,634,882
(Profit) loss from changes in contract terms	89	(3,947)
Additional (deduction) the principal based on effective real interest rate method	1,322	1,309
Ending balance	1,633,655	1,632,244
Less current portion of long-term loans	(241,723)	(185,049)
Net	<u>1,391,932</u>	<u>1,447,195</u>

Loans from domestic financial institution

17.1 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, 2021, 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 main 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 year 2019, the agreement requires certain financial ratio (DSCR) not less than 1.1.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

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, 2021, loan was completely drawdown in the amount of Baht 206 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.

Under the above loan agreements contains certain restrictive conditions such as opening operating account with a commercial bank, shareholding of the main 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, 2021</u>
Financial ratio (DSCR)	Not less than 1.1	0.11

On October 19, 2020, the subsidiary received a letter notifying except for the conditions of DSCR under the loan agreement for the year 2020.

In the year 2021 and 2020, 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 18 months starting from July 2020 to December 2021.
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 2022 to December 2029.

Credit line of Baht 224 million

1. The Company agrees to pay only interest for a period of 18 months starting from May 2020 to October 2021.
2. The Company agrees to repay the principal amounting to Baht 94.18 million to the domestic financial institutions within a period of 28 months, starting from November 2021 to February 2024.

For the six-month periods ended June 30, 2021 and 2020, the subsidiary company has loss from the modification of loan agreements amounting to Baht 0.39 million and Baht 3.80 million, respective.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

17.2 On April 7, 2016, the subsidiary (“CSM Capital Partners Co., Ltd.”) had entered into the loan agreement with a domestic commercial bank in the amount of Baht 1,550 million to support the development of Eight Thonglor Residences Project, requiring repayable the principal and interest within 4 years and 10 years from the date of the first drawdown. Interest rate is charged at MLR-2.10 to MLR-2.75 per annum. Such loan was secured by Eight Thonglor Residences Project of 137 units.

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.

Subsequently, In the year 2021 and 2020, Domestic financial institutions has approved the amendment of the loan agreement on April 28, 2020 for the amounting of Baht 1,000 million. 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 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 2031. The interest rate is charged at MLR-2.25 to MLR-2.48 per annum.

For the six-month periods ended June 30, 2021 and 2020, the subsidiary company has gain from the modification of loan agreements amounting to Baht 0.30 million and Baht 9.85 million, respective.

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 opening an additional DSRA account 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.

“UNAUDITED”

“REVIEWED”

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

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, 2021</u>
Debt to equity ratio	Not more than 2.00	1.32

	<u>Financial ratio per</u> <u>agreements</u>	<u>Financial ratio as at</u> <u>June 30, 2021</u>
Financial ratio (DSCR)	Not less than 1.1	1.83

18 Provisions

	(Unit : Thousand Baht)			
	<u>Consolidated</u>		<u>Separate</u>	
	<u>June 30,</u> <u>2021</u>	<u>December 31,</u> <u>2020</u>	<u>June 30,</u> <u>2021</u>	<u>December 31,</u> <u>2020</u>
Provision for the estimating costs of rectification and guarantee work	22,914	10,756	22,914	10,756
Provision for litigation	30,700	29,876	30,700	29,876
Estimated demolition cost	3,690	3,690	-	-
Total	57,304	44,322	53,614	40,632
Current	22,914	10,756	22,914	10,756
Non-current	34,390	33,566	30,700	29,876
Total	57,304	44,322	53,614	40,632

“UNAUDITED”

“REVIEWED”

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

Movements 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				Estimated demolition cost		Total	
	2021		2020		2021		2020	
	2021	2020	2021	2020	2021	2020	2021	2020
As at January 1	10,756	10,255	29,876	28,210	3,690	-	44,322	38,465
Provision increased	15,900	6,054	824	829	-	3,690	16,724	10,573
Deduction	(3,742)	(4,340)	-	-	-	-	(3,742)	(4,340)
As at June 30	22,914	11,969	30,700	29,039	3,690	3,690	57,304	44,698

(Unit : Thousand Baht)

	Separate							
	Provision for the estimating costs of rectification and guarantee work				Total			
	2021		2020		2021		2020	
	2021	2020	2021	2020	2021	2020	2021	2020
As at January 1	10,756	10,255	29,876	28,210	40,632	38,465		
Provision increased	15,900	6,054	824	829	16,724	6,883		
Deduction	(3,742)	(4,340)	-	-	(3,742)	(4,340)		
As at June 30	22,914	11,969	30,700	29,039	53,614	41,008		

19 Treasury shares and Treasury shares reserve

Treasury shares

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

As at June 30, 2021 and December 31, 2020 the Company held 9.04 million shares of the Company, comprising 0.57% of the Company’s issued share capital, at a total cost of Baht 22.90 million.

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

“UNAUDITED”

“REVIEWED”

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

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.

20 Segment information

Information about reportable segments:

	(Unit: Million Baht)							
	Segment 1		Segment 2		Segment 3		Total reportable segment	
	2021	2020	2021	2020	2021	2020	2021	2020
For the three-month period								
Ended June 30								
Revenues from customer								
- External	1,428	1,757	73	56	1	-	1,502	1,813
- Inter - segments	2	2	2	1	4	4	8	7
- Eliminated	(2)	(2)	(2)	(1)	(4)	(4)	(8)	(7)
Total revenue	1,428	1,757	73	56	1	-	1,502	1,813
Segment profit (loss)								
before income tax	88	76	(48)	(51)	(5)	(5)	35	(20)
For the six-month period								
Ended June 30								
Revenues from customer								
- External	2,952	3,774	145	140	1	3	3,098	3,917
- Inter - segments	3	5	2	1	8	10	13	16
- Eliminated	(3)	(5)	(2)	(1)	(8)	(10)	(13)	(16)
Total revenue	2,952	3,774	145	140	1	3	3,098	3,917

“UNAUDITED”

“REVIEWED”

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

	(Unit: Million Baht)							
	Segment 1		Segment 2		Segment 3		Total reportable segment	
	2021	2020	2021	2020	2021	2020	2021	2020
Segment profit (loss)								
before income tax	<u>198</u>	<u>209</u>	<u>(96)</u>	<u>(87)</u>	<u>(11)</u>	<u>(11)</u>	<u>91</u>	<u>111</u>
Segment assets as at								
June 30 / December 31	<u>5,907</u>	<u>6,263</u>	<u>4,337</u>	<u>4,333</u>	<u>7</u>	<u>8</u>	<u>10,251</u>	<u>10,604</u>
Segment assets as at								
June 30 / December 31	<u>1,782</u>	<u>2,143</u>	<u>2,284</u>	<u>2,288</u>	<u>6</u>	<u>6</u>	<u>4,072</u>	<u>4,437</u>

Reconciliations of reportable segment profit or loss, assets

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

	(Unit: Million Baht)				
	Consolidated				
	For the three-month period		For the six-month period		
	2021	2020	2021	2020	
Profit or loss					
Total profit for reportable segments		35	20	91	111
Elimination of inter-segment profits		-	-	-	-
Profit before income tax		<u>35</u>	<u>20</u>	<u>91</u>	<u>111</u>

“UNAUDITED”

“REVIEWED”

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

(Unit: Million Baht)

	Consolidated		Separate	
	June 30, 2021	December 31, 2020	June 30, 2021	December 31, 2020
Assets				
Segmental assets	7,065	7,338	5,866	6,218
Investments in subsidiaries	-	-	1,531	1,469
Property, plant and equipment	3,186	3,266	600	618
Total assets	10,251	10,604	7,997	8,305
Liabilities				
Total liabilities for reportable segments	4,072	4,437	1,996	2,363
Other liabilities	-	-	-	-
Total liabilities	4,072	4,437	1,996	2,363

21 Earnings per share

The calculation of basic earnings per share for the three-month and six-month periods ended June 30 were based on the profit for the period attributable to ordinary shareholder of the Company and the number of ordinary shares outstanding during the period as follows:

(in thousands Baht/thousands share)

	For the three-month period			
	Consolidated		Separate	
	2021	2020	2021	2020
Profit for the period attributable to shareholders of the Company (basic)	34,008	37,965	63,474	73,210
Number of ordinary shares outstanding	1,590,957	1,590,957	1,590,957	1,590,957
Basic earnings per share (in Baht)	0.02	0.02	0.04	0.05

“UNAUDITED”

“REVIEWED”

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

(in thousands Baht/thousands share)

	For the six-month period			
	Consolidated		Separate	
	2021	2020	2021	2020
Profit for the period attributable to				
shareholders of the Company (basic)	89,109	122,612	148,230	184,330
Number of ordinary shares outstanding	1,590,957	1,590,957	1,590,957	1,590,957
Basic earnings per share (in Baht)	0.06	0.08	0.09	0.12

22 Dividends

Year 2021: -

On April 30, 2021, the annual general meeting of shareholders approved the payment of dividend at the rate of Baht 0.05 per share, totaling Baht 79.55 million, which the Company made the payment on May 21, 2021.

Year 2020: -

The Board of Directors' Meeting of the Company held on August 13, 2020, the resolved to pay an interim dividend for the period from January 1, 2020 to June 30, 2020 at the rate of Baht 0.03 per share totaling Baht 47.73 million, which the Company made the payment on September 11, 2020.

On April 30, 2020, the annual general meeting of shareholders approved the payment of dividend at the rate of Baht 0.05 per share, totaling Baht 79.54 million, which the Company made the payment on May 29, 2020.

“UNAUDITED”

“REVIEWED”

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

23 Financial instruments

For financial assets and liabilities other than the above, the book values and fair values are as follows:

(Unit : Million Baht)

	Consolidated				Total
	Carrying amount	Fair Value			
		Level 1	Level 2	Level 3	
June 30, 2021:					
Financial assets measured at fair value through profit or loss					
Mutual fund – debt securities	1,827	-	1,827	-	1,827
Financial assets measured at fair value through other comprehensive income					
Equity securities	613	613	-	-	613
	2,440	613	1,827	-	2,440

(Unit : Million Baht)

	Consolidated				Total
	Carrying amount	Fair Value			
		Level 1	Level 2	Level 3	
December 31, 2020:					
Financial assets measured at fair value through profit or loss					
Mutual fund – debt securities	1,403	-	1,403	-	1,403
Financial assets measured at fair value through other comprehensive income					
Equity securities	624	624	-	-	624
	2,027	624	1,403	-	2,027

“UNAUDITED”

“REVIEWED”

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

(Unit : Million Baht)

	Separate				Total
	Carrying amount	Fair Value			
		Level 1	Level 2	Level 3	
June 30, 2021:					
Financial assets measured at fair value through profit or loss					
Mutual fund – debt securities	1,736	-	1,736	-	1,736
Financial assets measured at fair value through other comprehensive income					
Equity securities	613	613	-	-	613
	<u>2,349</u>	<u>613</u>	<u>1,736</u>	<u>-</u>	<u>2,349</u>

(Unit : Million Baht)

	Separate				Total
	Carrying amount	Fair Value			
		Level 1	Level 2	Level 3	
December 31, 2020:					
Financial assets measured at fair value through profit or loss					
Mutual fund – debt securities	1,402	-	1,402	-	1,402
Financial assets measured at fair value through other comprehensive income					
Equity securities	624	624	-	-	624
	<u>2,026</u>	<u>624</u>	<u>1,402</u>	<u>-</u>	<u>2,026</u>

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

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS
ENDED JUNE 30, 2021

24 Commitments with non-related parties

As at June 30, 2021 the Group/Company had commitments as follows:

	(Unit: Million Baht)	
	Consolidated	Separate
Capital commitments: -		
Not provide for		
Condominium	4	4
Camp and other buildings	4	4
Cost of construction building for service room	544	-
Total	552	8
Other commitments: -		
Subcontractor agreements	1,344	1,344
Letters of guarantee from banks for purchasing inventories, utilities usage, guarantee the work performance and advance received from customers	1,561	1,561
Total	2,905	2,905

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, 2021 the Group had unutilized credit facilities obtaining from domestic financial institutions totaling Baht 4,988 million.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

25 Contingent liabilities and assets**Litigations**

As at June 30, 2021, contingent liabilities 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 November 3, 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. On June 30, 2021, the Company already recorded the provision on the above lawsuits amounting to Baht 0.62 million.
- 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 13, 2021, the case has been in the process of the Court's consideration, the result has not been finalized. However, on June 30, 2021, the Company already recorded the provision on the above lawsuits amounting to Baht 30.08 million (inclusive interest).
- On December 27, 2018, the Company was sued for infringement and claiming damage a compensation by one non-related person regarding construction claim amounting to Baht 50 million with interest rate 7.5% per annum from the filing date onwards until the payment was completed. Subsequently, on February 22, 2019, the Company has submitted an answer to the court. On February 12, 2020, the Court of First Instance ruled dismiss. Later, the plaintiffs filed an appeal on May 8, 2020 and the Company also submitted an amendment of testimony on June 12, 2020. On April 29, 2021, the Appeal Court judged the same as the Court of First Instance. Currently, the plaintiff has not filed a petition to the Supreme Court. This lawsuit is finally.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**NOTES TO INTERIM FINANCIAL STATEMENTS****ENDED JUNE 30, 2021**

- 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. The Court of First Instance appointed the plaintiff and defendant's witnesses on September 7, 2021.
- 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 July 12, 2019, the Company and the subsidiary submitted an answer to the Court of First Instance. The court has completed the examination of the witnesses of the plaintiffs and the 1st to 3rd defendants on July 14-15, 2020. And the examination of the witnesses of the 4th defendant will be carried out on September 28, 2020. On November 24, 2020, the Court of First Instance dismissed the case against the Company and its subsidiary. The plaintiff filed an appeal on January 21, 2021, the Company filed an appeal on March 16, 2021, and is currently under consideration by the Appeal Court.
- On December 4, 2019, the Company was sued for breach of contract and claiming damage by a condominium juristic person claim amounting to Baht 4.20 million with interest rate 7.5% per annum from the filing date onwards until the payment was completed. Subsequently, on September 16, 2020, the Company has submitted an answer to the court. The Court appointed the plaintiff and defendant's witnesses on October 14, 2021.
- On April 30, 2020, the Company was sued as the 4th defendant for breach of working capital withdrawal agreement from claim transfer agreement and claiming damage by a commercial bank in Thailand claim amounting to Baht 10.16 million with interest rate 18% per annum from the filing date onwards until the payment was completed. Subsequently, on September 28, 2020, the Company has submitted an answer to the court. Currently, the Court appointed the plaintiffs and defendant's witnesses on October 27-28, 2021.
- 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. The Court of First Instance fixes the day for settlement of issues on October 18, 2021.
- 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. The Court of First Instance fixes the day for settlement of issues on September 13, 2021.

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

26 **Reclassification**

As at June 30, 2021, the Company reclassified the comparative figures conform to changes in presentation in current year.

The effects from reclassifications to the statements of comprehensive income for the three-month and six-month ended June 30, 2020, are summarized as follows:

	(Unit: Thousands Bath)		
	Consolidated		
	Increase (decrease)		
	As previously reported	from reclassification	After reclassification
Statement of comprehensive			
For the three-month period ended June 30, 2020			
Contract costs	1,546,141	54,863	1,601,004
Administrative expenses	143,400	(54,863)	88,537
Statement of comprehensive			
For the six-month period ended June 30, 2020			
Contract costs	3,299,610	80,886	3,380,496
Administrative expenses	267,860	(80,886)	186,974

	(Unit: Thousands Bath)		
	Separate		
	Increase (decrease)		
	As previously reported	from reclassification	After reclassification
Statement of comprehensive			
For the three-month period ended June 30, 2020			
Contract costs	1,546,141	54,863	1,601,004
Administrative expenses	115,001	(54,863)	60,138

“UNAUDITED”

“REVIEWED”

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

ENDED JUNE 30, 2021

(Unit: Thousands Bath)

	Separate		
	Increase (decrease)		
	As previously reported	from reclassification	After reclassification
Statement of comprehensive			
For the six-month period ended June 30, 2020			
Contract costs	3,299,610	80,886	3,380,496
Administrative expenses	213,345	(80,886)	132,459

27 Subsequent event

The Board of Directors' Meeting of the Company held on August 13, 2021, the resolved to pay an interim dividend for the period from January 1, 2021 to June 30, 2021 at the rate of Baht 0.03 per share, which the Company made the payment on September 10, 2021.

28 Approval of Interim financial information

This interim financial information have been approved for issue by the Company's Board of Directors on August 13, 2021.