

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED  
AND ITS SUBSIDIARIES  
INTERIM FINANCIAL REPORTING  
FOR THE THREE-MONTH AND NINE-MONTH PERIODS  
ENDED SEPTEMBER 30, 2020  
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 September 30, 2020, and the related consolidated statements of comprehensive income for the three-month and nine-month periods ended September 30, 2020, changes in shareholders' equity, and cash flows for the nine-month periods ended September 30, 2020, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of Syntec Construction Public Company Limited for the same period. 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".

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**Emphasis of Matter**

I draw attention to Note 2.2 to the interim financial statements. Due to the impact of COVID-19 pandemic, in preparing the interim financial information for the three-month and nine-month period ended September 30, 2020, the Group has adopted the Accounting Guidance on “Temporary relief measures on accounting alternatives in response to the impact of the COVID-19 situation” announced by the Federation of Accounting Professions. My conclusion is not modified in respect of this matter.

**Other matters**

The consolidated and separate statements of financial position for the year ended December 31, 2019, of Syntec Construction Public Company Limited and its subsidiaries, presented herewith for comparative purpose only, were audited by another auditor in my firm whom expressed an unqualified opinion on those financial statements, dated on February 27, 2020.

The consolidated and separate statements of comprehensive income for the three-month and nine-month period ended September 30, 2019, changes in shareholders' equity and cash flows for nine-month period ended September 30, 2019, of Syntec Construction Public Company Limited and its subsidiaries, presented herewith for comparative purpose only, were reviewed by another auditor in my firm, and concluded an unqualified opinion in his report dated on November 12, 2019.



Ms. Kannika Wipaturat

Certified Public Accountant (Thailand) No. 7305

Karin Audit Company Limited

November 11, 2020

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2020

(Unit : Thousand Baht)

	Notes	Consolidated		Separate	
		September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
		"UNAUDITED"	"AUDITED"	"UNAUDITED"	"AUDITED"
		"REVIEWED"		"REVIEWED"	
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents		464,830	926,504	368,997	743,395
Current investments	4	-	609,222	-	608,366
Other current financial assets	4, 7	1,713,724	-	1,712,862	-
Trade accounts receivable	6, 8	566,151	894,477	561,587	884,927
Other current receivables	4, 6	57,735	106,980	56,910	70,432
Current retention receivables					
under construction contracts	4, 6, 9	185,121	130,269	185,121	130,269
Unbilled construction in progress	6, 10	628,567	917,086	628,567	917,086
Short-term loans	6	-	-	80,000	98,000
Inventories	11	134,114	133,582	133,363	132,843
Advance payments to subcontractors		171,175	379,127	171,175	379,127
<b>TOTAL CURRENT ASSETS</b>		<b>3,921,417</b>	<b>4,097,247</b>	<b>3,898,582</b>	<b>3,964,445</b>
<b>NON-CURRENT ASSETS</b>					
Investments for sale	4	-	819,368	-	819,368
Other non-current financial assets	4, 6	642,715	-	642,715	-
Investments in associated companies	12	88	130	-	-
Investment in subsidiaries	13	-	-	1,467,582	1,402,690
Other long-term investments		-	192	-	192
Non-current retention receivables					
under construction contracts	9	668,421	662,074	671,522	665,174
Property investments		530,819	545,184	2,836	3,043
Property, plant and equipment	14	3,306,531	3,465,876	627,333	688,189
Right of use assets	4, 15	1,032,609	-	506,219	-
Leasehold right	4, 16	-	453,705	-	269,672
Intangible assets		6,128	5,079	5,902	4,554
Withholding tax		188,756	124,127	176,976	114,382
Pledged deposit at bank		30,187	52,801	10,186	32,800
Deferred tax assets		4,626	-	4,626	-
Other non-current assets		20,804	22,372	10,173	10,985
<b>TOTAL NON-CURRENT ASSETS</b>		<b>6,431,684</b>	<b>6,150,908</b>	<b>4,126,070</b>	<b>4,011,049</b>
<b>TOTAL ASSETS</b>		<b>10,353,101</b>	<b>10,248,155</b>	<b>8,024,652</b>	<b>7,975,494</b>

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

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2020

(Unit : Thousand Baht)

	Notes	Consolidated		Separate	
		September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
		"UNAUDITED"	"AUDITED"	"UNAUDITED"	"AUDITED"
		"REVIEWED"		"REVIEWED"	
<b>LIABILITIES AND EQUITY</b>					
<b>CURRENT LIABILITIES</b>					
Trade accounts payables	6, 17	426,638	392,563	415,744	378,126
Other current payables	6, 18	427,506	350,026	408,425	321,197
Current portion of long-term loans	20	213,993	737,900	-	-
Current portion of lease liabilities	4	43,687	-	43,253	-
Current provisions for employee benefits		-	6,621	-	6,533
Advances received from customers					
under construction contracts	6, 10	421,371	635,438	421,371	635,438
Retention payables from subcontractors	6, 19	369,279	345,196	369,279	345,196
Undue value added tax		79,631	118,046	79,631	118,046
Other current provisions	21	5,474	10,255	5,474	10,255
Other current liabilities		25,662	22,700	5,605	7,308
<b>TOTAL CURRENT LIABILITIES</b>		<b>2,013,241</b>	<b>2,618,745</b>	<b>1,748,782</b>	<b>1,822,099</b>
<b>NON-CURRENT LIABILITIES</b>					
Long-term loans	20	1,415,780	1,080,704	-	-
Lease liabilities	4, 6	575,011	-	214,510	-
Deferred tax liabilities		-	44,215	-	44,215
Non-current provisions for					
employee benefits		198,613	213,538	191,244	207,407
Other non-current provisions	21	33,148	28,210	29,458	28,210
Deposit from customers		15,801	22,697	-	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>2,238,353</b>	<b>1,389,364</b>	<b>435,212</b>	<b>279,832</b>
<b>TOTAL LIABILITIES</b>		<b>4,251,594</b>	<b>4,008,109</b>	<b>2,183,994</b>	<b>2,101,931</b>

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

## SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2020

(Unit : Thousand Baht)

	Notes	Consolidated		Separate	
		September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
		"UNAUDITED"	"AUDITED"	"UNAUDITED"	"AUDITED"
		"REVIEWED"		"REVIEWED"	
<b>LIABILITIES AND EQUITY</b>					
<b>SHAREHOLDER'S EQUITY</b>					
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	22	(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	22	22,900	22,900	22,900	22,900
Unappropriated		3,423,336	3,409,801	3,737,193	3,635,442
Other components of shareholders' equity		343,583	478,096	343,441	478,097
<b>TOTAL EQUITY ATTRIBUTABLE TO OWNERS</b>					
<b>OF THE PARENT COMPANY</b>					
		5,520,073	5,641,051	5,840,658	5,873,563
Non-controlling interests		581,434	598,995	-	-
<b>TOTAL SHAREHOLDERS' EQUITY</b>					
		6,101,507	6,240,046	5,840,658	5,873,563
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
		10,353,101	10,248,155	8,024,652	7,975,494

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

## SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

"UNAUDITED"

## STATEMENTS OF COMPREHENSIVE INCOME

"REVIEWED"

FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

	(Unit : Thousand Baht)				
	Notes	Consolidated		Separate	
		2020	2019	2020	2019
<b>Revenues</b>					
Contract revenues		1,827,371	2,188,587	1,827,371	2,191,244
Revenue from rendering of services		66,623	112,061	6,712	23,716
Gain on disposal and write off of assets		918	2,543	772	2,541
Interest income		474	397	1,046	1,256
Other income		15,106	16,781	5,474	15,412
<b>Total revenues</b>		<b>1,910,492</b>	<b>2,320,369</b>	<b>1,841,375</b>	<b>2,234,169</b>
<b>Expenses</b>					
Contract costs		1,657,086	1,920,665	1,657,086	1,920,676
Cost of rendering of services		81,527	87,859	15,026	21,865
Distribution costs		7,176	5,685	4,582	5,147
Administrative expenses		89,922	118,405	69,267	96,693
Other expenses		27,254	465	27,253	465
Finance costs		21,223	19,119	2,664	-
<b>Total expenses</b>		<b>1,884,188</b>	<b>2,152,198</b>	<b>1,775,878</b>	<b>2,044,846</b>
Share of loss of associate		(14)	(15)	-	-
<b>Profit before income tax expense</b>		<b>26,290</b>	<b>168,156</b>	<b>65,497</b>	<b>189,323</b>
Income tax expense		20,920	27,811	20,802	27,811
<b>Profit for the period</b>		<b>5,370</b>	<b>140,345</b>	<b>44,695</b>	<b>161,512</b>
<b>Other comprehensive income</b>					
<b>Items that will be reclassified</b>					
<b>subsequently to profit or loss :-</b>					
Gains on remeasuring available-for-sale investments		-	(45,102)	-	(45,102)
Income tax relating to items that will be reclassified		-	9,020	-	9,020
<b>Total items that will be reclassified</b>		<b>-</b>	<b>(36,082)</b>	<b>-</b>	<b>(36,082)</b>
<b>subsequently to profit or loss</b>					

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

## STATEMENTS OF COMPREHENSIVE INCOME

"REVIEWED"

FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

		(Unit : Thousand Baht)			
		Consolidated		Separate	
Notes		2020	2019	2020	2019
<b>Items that will not be reclassified</b>					
<b>subsequently to profit or loss :-</b>					
Gains (loss) on investment in equity designated at fair value					
	through other comprehensive income	(71,413)	-	(71,413)	-
	Gains on remeasurements of defined benefit plans	316	-	-	-
	Income tax relating to components of other comprehensive				
	income that will not be reclassified to profit or loss	14,283	-	14,283	-
<b>Total items that will not be reclassified</b>					
<b>subsequently to profit or loss</b>					
		<u>(56,814)</u>	<u>-</u>	<u>(57,130)</u>	<u>-</u>
<b>Other comprehensive income for the period, net of tax</b>					
		<u>(56,814)</u>	<u>(36,082)</u>	<u>(57,130)</u>	<u>(36,082)</u>
<b>Total comprehensive income for the period</b>					
		<u>(51,444)</u>	<u>104,263</u>	<u>(12,435)</u>	<u>125,430</u>
<b>Profit (loss) attributable to :-</b>					
	Owners of the parent company	18,197	146,615	44,695	161,512
	Non - controlling interests	(12,827)	(6,270)	-	-
<b>Profit for the period</b>					
		<u>5,370</u>	<u>140,345</u>	<u>44,695</u>	<u>161,512</u>
<b>Total comprehensive income (loss) attributable to :-</b>					
	Owners of the parent	(38,791)	110,533	(12,435)	125,430
	Non - controlling interests	(12,653)	(6,270)	-	-
<b>Total comprehensive income for the period</b>					
		<u>(51,444)</u>	<u>104,263</u>	<u>(12,435)</u>	<u>125,430</u>
<b>Earnings per share</b>					
	Basic (in Baht)	<u>0.01</u>	<u>0.09</u>	<u>0.03</u>	<u>0.10</u>



## SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

"UNAUDITED"

## STATEMENTS OF COMPREHENSIVE INCOME

"REVIEWED"

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

		(Unit : Thousand Baht)			
		Consolidated		Separate	
Notes		2020	2019	2020	2019
<b>Revenues</b>					
	Contract revenues	5,550,875	5,874,137	5,550,875	5,882,636
	Revenue from rendering of services	224,162	344,740	34,267	79,122
	Gain on disposal and write off of assets	944	8,619	772	8,616
	Reversal of estimated allowance for litigation cases	-	20,813	-	20,813
	Interest income	4,504	3,263	6,223	5,167
	Other income	45,672	69,234	26,921	52,067
	<b>Total revenues</b>	<b>5,826,157</b>	<b>6,320,806</b>	<b>5,619,058</b>	<b>6,048,421</b>
<b>Expenses</b>					
	Contract costs	4,985,936	5,259,725	4,985,936	5,262,918
	Cost of rendering of services	251,923	262,545	52,557	67,933
	Distribution costs	23,734	27,814	13,913	14,537
	Administrative expenses	328,543	378,499	253,372	301,324
	Other expenses	36,050	4,328	36,050	1,423
	Finance costs	62,852	56,860	8,211	8
	<b>Total expenses</b>	<b>5,689,038</b>	<b>5,989,771</b>	<b>5,350,039</b>	<b>5,648,143</b>
	Share of loss of associate	12 (42)	(43)	-	-
	<b>Profit before income tax expense</b>	<b>137,077</b>	<b>330,992</b>	<b>269,019</b>	<b>400,278</b>
	Income tax expense	40,111	80,535	39,994	80,535
	<b>Profit for the period</b>	<b>96,966</b>	<b>250,457</b>	<b>229,025</b>	<b>319,743</b>
<b>Other comprehensive income</b>					
<b>Items that will be reclassified</b>					
<b>subsequently to profit or loss :-</b>					
	Gains on remeasuring available-for-sale investments	-	82,689	-	82,689
	Income tax relating to items that will be reclassified	-	(16,538)	-	(16,538)
	<b>Total items that will be reclassified</b>	<b>-</b>	<b>66,151</b>	<b>-</b>	<b>66,151</b>
	<b>subsequently to profit or loss</b>	<b>-</b>	<b>66,151</b>	<b>-</b>	<b>66,151</b>

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

## SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

"UNAUDITED"

## STATEMENTS OF COMPREHENSIVE INCOME

"REVIEWED"

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

		(Unit : Thousand Baht)			
		Consolidated		Separate	
Notes		2020	2019	2020	2019
<b>Items that will not be reclassified</b>					
<b>subsequently to profit or loss :-</b>					
Gains (loss) on investment in equity designated at fair value					
	through other comprehensive income	(176,653)	-	(176,653)	-
	Gains on remeasurements of defined benefit plans	8,650	-	8,333	-
	Income tax relating to components of other comprehensive				
	income that will not be reclassified to profit or loss	33,664	-	33,664	-
<b>Total items that will not be reclassified</b>					
<b>subsequently to profit or loss</b>					
		(134,339)	-	(134,656)	-
<b>Other comprehensive income for the period, net of tax</b>					
		(134,339)	66,151	(134,656)	66,151
<b>Total comprehensive income for the period</b>					
		(37,373)	316,608	94,369	385,894
<b>Profit (loss) attributable to :-</b>					
	Owners of the parent	140,809	280,283	229,025	319,743
	Non - controlling interests	(43,843)	(29,826)	-	-
<b>Profit for the period</b>					
		96,966	250,457	229,025	319,743
<b>Total comprehensive income (loss) attributable to :-</b>					
	Owners of the parent	6,296	346,434	94,369	385,894
	Non - controlling interests	(43,669)	(29,826)	-	-
<b>Total comprehensive income for the period</b>					
		(37,373)	316,608	94,369	385,894
<b>Earnings per share</b>					
	Basic (in Baht)	0.09	0.18	0.14	0.20

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

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF CHANGES IN EQUITY  
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

(Unit : Thousand Baht)

Notes	Consolidated											
	Equity attributable to owners of the parent						Other components of shareholder's equity					
	Retained earnings			Appropriated			Gains (Losses) on remeasurements of defined benefit plan					
	Issued and paid share capital	Treasury shares	Share premium on ordinary shares	Discount from changes in the ownership interests in subsidiary	Legal reserve	Treasury shares reserve	Unappropriated	Available equity securities	Total other components of shareholder's equity	Total equity attributable to owners of the parent	Non Controlling interests	Total shareholders' equity
<b>Balance as at January 1, 2019</b>	1,600,000	(4,767)	24	(6,870)	160,000	4,767	3,340,741	405,932	405,932	5,499,827	564,844	6,064,671
Treasury stock reserve	-	(18,133)	-	-	-	-	-	-	-	(18,133)	-	(18,133)
Dividends to owner of the company	-	-	-	-	-	-	(206,973)	-	-	(206,973)	-	(206,973)
Acquisition for non-controlling interests without a change in control	-	-	-	-	-	-	-	-	-	-	79,854	79,854
Total comprehensive income (expense) for the periods	-	-	-	-	-	-	280,283	66,151	66,151	346,434	(29,826)	316,608
Allocation of treasury stock reserve	-	-	-	-	-	18,133	(18,133)	-	-	-	-	-
<b>Ending balance as at September 30, 2019</b>	1,600,000	(22,900)	24	(6,870)	160,000	22,900	3,395,918	472,083	472,083	5,621,155	614,872	6,236,027
<b>Balance as at January 1, 2020</b>	1,600,000	(22,900)	24	(6,870)	160,000	22,900	3,409,801	478,096	478,096	5,641,051	598,995	6,240,046
Dividends to owner of the company	-	-	-	-	-	-	(127,274)	-	-	(127,274)	-	(127,274)
Acquisition for non-controlling interests without a change in control	-	-	-	-	-	-	-	-	-	-	26,108	26,108
Total comprehensive income (expense) for the periods	-	-	-	-	-	-	140,809	(141,322)	(141,322)	6,296	(43,669)	(37,373)
<b>Ending balance as at September 30, 2020</b>	1,600,000	(22,900)	24	(6,870)	160,000	22,900	3,423,336	336,774	336,774	5,520,073	581,434	6,101,507

"UNAUDITED"  
"REVIEWED"

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

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

(Unit : Thousand Baht)

	Separate											Total
	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	shareholders' equity		
<b>Balance as at January 1, 2019</b>	1,600,000	(4,767)	24	160,000	4,767	3,489,186	-	405,932	405,932	5,655,142		
Treasury stock reserve	-	(18,133)	-	-	-	-	-	-	-	(18,133)		
Dividends to owner of the company	-	-	-	-	-	(206,973)	-	-	-	(206,973)		
Total comprehensive income (expense) for the periods	-	-	-	-	-	319,743	-	66,151	66,151	385,894		
Allocation of treasury stock reserve	-	-	-	-	18,133	(18,133)	-	-	-	-		
<b>Ending balance as at September 30, 2019</b>	<b>1,600,000</b>	<b>(22,900)</b>	<b>24</b>	<b>160,000</b>	<b>22,900</b>	<b>3,583,823</b>	<b>-</b>	<b>472,083</b>	<b>472,083</b>	<b>5,815,930</b>		
<b>Balance as at January 1, 2020</b>	<b>1,600,000</b>	<b>(22,900)</b>	<b>24</b>	<b>160,000</b>	<b>22,900</b>	<b>3,635,442</b>	<b>-</b>	<b>478,097</b>	<b>478,097</b>	<b>5,873,563</b>		
Dividends to owner of the company	-	-	-	-	-	(127,274)	-	-	-	(127,274)		
Total comprehensive income (expense) for the periods	-	-	-	-	-	229,025	6,666	(141,322)	(134,656)	94,369		
<b>Ending balance as at September 30, 2020</b>	<b>1,600,000</b>	<b>(22,900)</b>	<b>24</b>	<b>160,000</b>	<b>22,900</b>	<b>3,737,193</b>	<b>6,666</b>	<b>336,775</b>	<b>343,441</b>	<b>5,840,658</b>		

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020**

**"UNAUDITED"**  
**"REVIEWED"**

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	2020	2019	2020	2019
<b>Cash flows from operating activities</b>				
Profit for the period	96,966	250,457	229,025	319,743
Adjustments to reconcile profit to cash receipts (payments)				
Doubtful debts expense	34,525	3,090	34,525	185
Depreciation and amortization	296,895	263,252	157,013	146,751
Interest income	(4,504)	(3,263)	(6,223)	(5,167)
Interest expense	62,852	56,860	8,211	8
Loss on write-off withholding tax paid	5	-	-	-
Gain on disposal of fixed assets	(944)	(8,631)	(772)	(8,628)
Loss on write-off of equipment	19	12	18	12
Unrealized gains from changes in fair value				
of current investments	(2,795)	(7,264)	(2,789)	(7,254)
Gain from modification of longterm loan agreements	(6,047)	-	-	-
Share of loss of associates	42	43	-	-
Estimated costs of rectification in the period				
of guarantee work (reversal)	7,054	14,973	7,054	14,973
Provision for litigation (reversal)	1,248	(19,576)	1,248	(19,576)
Provision for employee benefit	29,552	50,169	28,000	48,691
Tax expense	40,111	80,535	39,994	80,535
	<u>554,979</u>	<u>680,657</u>	<u>495,304</u>	<u>570,273</u>
<b>Changes in operating assets and liabilities</b>				
Trade accounts receivables	301,108	127,119	296,124	130,809
Other current receivables	48,716	6,536	12,898	15,188
Retention receivable under construction contract	(67,763)	(93,413)	(67,763)	(93,899)
Unbilled construction in progress	288,519	(92,481)	288,519	(92,481)
Inventories	(109)	1,570	(97)	1,461
Advance payments to subcontractors	207,953	(75,059)	207,953	(75,059)
Other non-current assets	1,571	(11,227)	814	(909)
Trade accounts payables	34,075	36,884	37,618	28,689
Advance received under construction contracts	(214,067)	80,767	(214,067)	80,767
Undue value added tax	(38,416)	(772)	(38,416)	(772)
Deposit received from customers	(2,229)	(1,965)	-	-

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

## STATEMENTS OF CASH FLOWS

"REVIEWED"

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	2020	2019	2020	2019
Retention payables from subcontractors	24,083	12,370	24,083	12,370
Other current payables	77,728	57,663	87,228	88,728
Other current liabilities	(1,706)	31	(1,706)	31
Payment of estimated costs of rectification in the period of guarantee work	(11,834)	(10,892)	(11,834)	(10,892)
Payment of provisions for employee benefits	(42,448)	(1,683)	(42,363)	(1,683)
Payment of provisions for litigation	-	(11,098)	-	(11,098)
Net Cash generated from operation	1,160,160	705,007	1,074,295	641,523
Withholding tax paid	(119,922)	(183,775)	(117,765)	(180,009)
<b>Net cash from operating activities</b>	<b>1,040,238</b>	<b>521,232</b>	<b>956,530</b>	<b>461,514</b>
<b>Cash flows from investing activities</b>				
Interest received	4,287	3,654	6,102	5,313
Purchase of current investments	(2,290,086)	(871,156)	(2,290,086)	(871,156)
Proceeds from current investments	1,188,379	1,310,239	1,188,379	1,310,239
Purchase of investment in subsidiaries	-	-	(64,892)	(244,146)
Payment of short-term loans from related parties	-	-	(20,000)	(90,200)
Proceeds from short-term loans from related parties	-	-	38,000	45,200
Proceeds from long-term investments	192	(481)	192	(481)
Pledged deposit at bank Increase (Decrease)	22,614	34,578	22,614	34,578
Purchase of property, plant and equipment	(51,668)	(155,359)	(40,484)	(76,814)
Purchase of property investments	(2,605)	-	-	-
Purchase of right-of-use assets	(74)	-	-	-
Purchase of intangible assets	(4,124)	(813)	(4,124)	(606)
Sale of equipment	3,280	15,197	2,767	15,192
<b>Net cash from (used in) investing activities</b>	<b>(1,129,805)</b>	<b>335,859</b>	<b>(1,161,532)</b>	<b>127,119</b>

## STATEMENTS OF CASH FLOWS

"REVIEWED"

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2020

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	2020	2019	2020	2019
<b>Cash flows from financing activities</b>				
Interest paid	(53,034)	(57,608)	(8,211)	-
Dividend paid	(127,274)	(206,973)	(127,274)	(206,973)
Payment of short-term loans from financial institutions	-	(100,040)	-	(99,140)
Proceeds from long-term loans	-	31,800	-	-
Payment of long-term loans	(183,722)	(130,970)	-	-
Payment of lease liabilities	(34,185)	-	(33,911)	-
Proceeds from non-controlling interests	26,108	79,854	-	-
Payment of treasury stock reserve	-	(18,133)	-	(18,133)
<b>Net cash used in financing activities</b>	<b>(372,107)</b>	<b>(402,070)</b>	<b>(169,396)</b>	<b>(324,246)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(461,674)</b>	<b>455,021</b>	<b>(374,398)</b>	<b>264,387</b>
Cash and cash equivalents at 1 January	926,504	756,455	743,395	674,797
<b>Cash and cash equivalents at 30 September</b>	<b>464,830</b>	<b>1,211,476</b>	<b>368,997</b>	<b>939,184</b>
<b>Supplemental cash flows information</b>				
Non-cash transactions:				
Increase in right-of-use asset under lease	11,986	-	10,743	-

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO INTERIM FINANCIAL STATEMENTS**

**FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020**

**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 September 30, 2020 were as follows:

	<i>(% of total paid share capital)</i>
Phahusutr Group	30.10

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 (%)	
			September 30, 2020	December 31, 2019
<b>Direct subsidiaries</b>				
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



“UNAUDITED”

“REVIEWED”

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO INTERIM FINANCIAL STATEMENTS**

**FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020**

Name of entity	Type of business	Country of incorporation	Ownership interest (%)	
			September 30, 2020	December 31, 2019
7) SHG Management Co., Ltd	Hotel business management and services	Thailand	70.00	70.00
8) Delta Infra One Co., Ltd.*	Service in consulting, purchasing and installing of sanitary, electrical, pipeline and air conditioning systems.	Thailand	90.00	-

\* Not commercial operations yet

**2 Basis of preparation of interim financial statement**

**2.1 Statement of compliance**

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 ( revised 2019) 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 statements are prepared to provide an update on the financial statements for the year ended December 31, 2019. 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, 2019.

**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**

**FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020**

**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, 2019.

**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 categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized 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 recognized 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 6	Measurement of other non-current financial assets
Note 7	Measurement of other current financial assets
Note 26	Financial instruments

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES****NOTES TO INTERIM FINANCIAL STATEMENTS****FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020**

2.5 The consolidated and separate financial statements for the three-month and nine-month periods ended September 30, 2020 and 2019 included the investment and share of loss of an associate, which had been accounted for by equity method amounted to Baht 0.01 million and Baht 0.01 million, respectively, in the consolidated financial statements, based on financial statements of such associate, which had been reviewed by management. In addition, the Company had no obligation under the guarantee for such associate and an allowance for impairment of investment in the above mentioned associate was set up as at September 30, 2020 and December 31, 2019 in the amount of Baht 10 million and Baht 10 million, respectively, in the separate financial statements. Please also see note 12 to the interim financial statements. However, the values of the investments in the associate were immaterial.

**3 Significant accounting policies**

These interim financial statements have been prepared by using the same accounting policies and methods of computation as were used in the preparation of the financial statements for the year ended December 31, 2019.

In addition, the Group has adopted TFRS 9, Financial Instruments and group of financial reporting standards relate to financial instruments and TFRS 16, Leases which are effective on January 1, 2020, the impact from adoption of these standards are described in Note 4.

**Accounting Treatment Guidance on “Temporary relief measures on accounting alternatives in response to the impact of the COVID-19 situation”**

The Federation of Accounting Professions announced Accounting Treatment Guidance on “Temporary relief measures on accounting alternatives in response to the impact of the COVID-19 situation”. Its objectives are to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On April 22, 2020, the Accounting Treatment Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between January 1, 2020 and December 31, 2020.

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020**

The Group has elected to apply the following temporary relief measures on accounting alternatives:

- Not to take into account forward-looking information when determining expected credit losses, in cases where the Group uses a simplified approach to determine expected credit losses.
- To measure the fair value of investments in unquoted equity instruments using the fair value as at January 1, 2020.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets.

**4 Impact of first-time adoption of new accounting standards**

This note explains the impact of the adoption of TFRS 9, Financial Instruments and group of financial reporting standards relate to financial instruments and TFRS 16, Leases on the Group and Company’s financial statements and discloses the new accounting policies that have been applied from January 1, 2020 in Note 4.1.

The Group has adopted these accounting policies from January 1, 2020 under the modified retrospective approach and the comparative figures have not been restated. The reclassifications and the adjustments arising from the changes in accounting policies are therefore recognised in the statement of financial position as at January 1, 2020.

**4.1 The new accounting policies that have been applied from January 1, 2020**

**4.1.1 Financial instruments**

• Classification and measurement:

- The classification and measurement of debt instrument financial assets has three classification categories, which are amortized cost, fair value through profit or loss (“FVPL”) and fair value through other comprehensive income (“FVOCI”). Classification of debt assets will be driven by the entity’s business model for managing the financial assets and contractual cash flows characteristics of the financial assets.
- Equity instrument financial assets shall be measured at fair value through profit or loss. An entity can make an irrevocable election to recognize the fair value change in other comprehensive income without subsequent recycling to profit or loss.
- Financial liabilities are classified and measured at amortized cost. An entity can choose to measure a liability at fair value through profit or loss when the conditions are met.
- Derivatives are classified and measured at fair value through profit or loss unless hedge accounting is applied.

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES****NOTES TO INTERIM FINANCIAL STATEMENTS****FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020**

- The impairment requirements relating to the accounting for an entity’s expected credit losses on its financial assets measured at amortized cost, investments in debt instruments measured at fair value through other comprehensive income, lease receivables, loan commitments and financial guarantee contracts. It is no longer necessary for a credit event to have occurred before credit losses are recognized. The Group always accounts for expected credit losses which involves a three-stage approach. The stage dictates how the entity measured impairment losses and applies the effective interest rate method. Except for trade receivables and contractual assets which apply in TFRS 15 and are no significant financial components and lease receivables, they are permitted to measure by simplified approach for credit impaired consideration.
- The objective of hedge accounting is to represent, in the financial statements, the effect of an entity’s risk management activities that use financial instruments to manage exposures arising from particular risks that could affect profit or loss (or other comprehensive income, in the case of investments in equity instruments for which an entity has elected to present changes in fair value in other comprehensive income). This approach aims to convey the context of hedging instruments for which hedge accounting is applied in order to allow insight into their purpose and effect.
- Disclosure of classification and measurement of financial assets and liabilities at the end of reporting period.

**4.1.2 Leases**

Where the Group is the lessee, leases are recognized as a right-of-use asset and a corresponding liability at the commencement date. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is measured at cost, which is initially measured at the present value of the lease payments. The right-of-use asset is depreciated over the shorter of the asset’s useful life and the lease term on a straight-line basis.

The lease liability is initially measured at the present value of the lease payments. The lease payments are discounted using the interest rate implicit in the lease, if that can be readily determined. If that rate cannot be readily determined, the Group uses the Group’s incremental borrowing rate.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as expense in the statement of income.

## SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## NOTES TO INTERIM FINANCIAL STATEMENTS

## FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020

## 4.2 Impacts on the financial information

The impact of first-time adoption of new accounting standards on the consolidated and separate statement of financial position as at January 1, 2020 are as follows:

(Unit: Thousand Baht)

	Consolidated financial information (Unaudited)			January 1, 2020
	December 31, 2019	TFRS9	TFRS16	
<b>Statement of financial position</b>				
<b>Current assets</b>				
Current investments	609,222	(609,222)	-	-
Other current financial assets	-	609,222	-	609,222
Other current receivables	106,980	(973)	-	106,007
Current retention receivables under construction contracts	130,269	(6,511)	-	123,758
<b>Non-current assets</b>				
Available-for-sale investments	819,368	(819,368)	-	-
Other non-current financial assets	-	819,368	-	819,368
Leasehold right, net	453,705	-	(453,705)	-
Right-of-use assets, net	-	-	1,089,165	1,089,165
<b>Total assets</b>	<b>2,119,544</b>	<b>(7,484)</b>	<b>635,460</b>	<b>2,747,520</b>
<b>Current liabilities</b>				
Current portion of lease liabilities, net	-	-	42,847	42,847
<b>Non-current liabilities</b>				
Lease liabilities, net	-	-	588,923	588,923
Estimated demolition cost	-	-	3,690	3,690
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>635,460</b>	<b>635,460</b>
<b>Unappropriated retained earnings</b>	<b>3,409,801</b>	<b>(7,484)</b>	<b>-</b>	<b>3,402,317</b>
<b>Total equity</b>	<b>2,119,544</b>	<b>(7,484)</b>	<b>-</b>	<b>2,112,060</b>
<b>Total liabilities and shareholders' equity</b>	<b>2,119,544</b>	<b>(7,484)</b>	<b>635,460</b>	<b>2,747,520</b>

“UNAUDITED”

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SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020

(Unit: Thousand Baht)

	Separate financial information (Unaudited)			
	December 31,			January 1,
	2019	TFRS9	TFRS16	2020
<b>Statement of financial position</b>				
<b>Current assets</b>				
Current investments	608,366	(608,366)	-	-
Other current financial assets	-	608,366	-	608,366
Other current receivables	70,432	(973)	-	69,459
Current retention receivables under construction contracts	130,269	(6,511)	-	123,758
<b>Non-current assets</b>				
Available-for-sale investments	819,368	(819,368)	-	-
Other non-current financial assets	-	819,368	-	819,368
Leasehold right, net	269,672	-	(269,672)	-
Right-of-use assets, net	-	-	550,603	550,603
<b>Total assets</b>	<b>1,898,107</b>	<b>(7,484)</b>	<b>280,931</b>	<b>2,171,554</b>
<b>Current liabilities</b>				
Current portion of lease liabilities, net	-	-	42,664	42,664
<b>Non-current liabilities</b>				
Lease liabilities, net	-	-	238,267	238,267
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>280,931</b>	<b>280,931</b>
<b>Unappropriated retained earnings</b>	<b>3,635,442</b>	<b>(7,484)</b>	<b>-</b>	<b>3,627,958</b>
<b>Total equity</b>	<b>1,898,107</b>	<b>(7,484)</b>	<b>-</b>	<b>1,890,623</b>
<b>Total liabilities and shareholders' equity</b>	<b>1,898,107</b>	<b>(7,484)</b>	<b>280,931</b>	<b>2,171,554</b>

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**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020**

4.2.1 Financial instruments

The total impact on the retained earnings as at January 1, 2020 is as follows:

	(Unit: Thousand Baht)	
	Consolidated financial information	Separate financial information
Unappropriated retained earnings as at December 31, 2019 (Audited)	3,409,801	3,635,442
Increase in loss allowance for other current receivables	(973)	(973)
Increase in loss allowance for current retention receivables under construction contracts	(6,511)	(6,511)
Adjustment to unappropriated retained earnings from adoption of TFRS 9 on January 1, 2020	(7,484)	(7,484)
Unappropriated retained earnings as at January 1, 2020 - TFRS 9 (before restatement for TFRS 16) (Unaudited)	<u>3,402,317</u>	<u>3,637,958</u>

Classification and measurement

On January 1, 2020 (the date of initial application), the Group’s management has assessed which business models applied to the financial assets and financial liabilities held by the Group and has classified the financial assets and liabilities as below.

	(Unit: Thousand Baht)				
	Consolidated financial information (Unaudited)				
	Fair value - Derivatives	Amortized cost		Total	
Financial assets as at January 1, 2020	FVPL	FVOCI	FVOCI	cost	Total
Cash and cash equivalents	-	-	-	926,504	926,504
Current investments	586,735	-	-	22,487	609,222
Trade accounts receivables	-	-	-	894,477	894,477
Other current receivables	-	-	-	106,980	106,980
Retention receivables	-	-	-	792,343	792,343
Available-for-sale investments	-	-	819,368	-	819,368
Long-term investments	-	-	-	192	192



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SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020

(Unit: Thousand Baht)

	Consolidated financial information (Unaudited)				Total
	FVPL	Fair value - Derivatives	FVOCI	Amortized cost	
<b>Financial assets</b>					
<b>as at January 1, 2020</b>					
Restricted deposits with financial institutions	-	-	-	52,801	52,801
Other non-current assets	-	-	-	22,372	22,372
	<b>586,735</b>	<b>-</b>	<b>819,368</b>	<b>2,818,156</b>	<b>4,224,259</b>

(Unit: Thousand Baht)

	Consolidated financial information (Unaudited)				Total
	FVPL	Fair value - Derivatives	FVOCI	Amortized cost	
<b>Financial liabilities</b>					
<b>as at January 1, 2020</b>					
Trade accounts payables	-	-	-	392,563	392,563
Other current payables	-	-	-	350,026	350,026
Other current liabilities	-	-	-	22,700	22,700
Long-term loans from financial institutions	-	-	-	1,818,604	1,818,604
	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,583,893</b>	<b>2,583,893</b>

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SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020

(Unit: Thousand Baht)

	Separate financial information (Unaudited)				Total
	FVPL	Fair value - Derivatives	FVOCI	Amortized cost	
<b>Financial assets</b>					
<b>as at January 1, 2020</b>					
Cash and cash equivalents	-	-	-	743,395	743,395
Current investments	585,879	-	-	22,487	608,366
Trade accounts receivables	-	-	-	884,927	884,927
Other current receivables	-	-	-	70,432	70,432
Retention receivables	-	-	-	795,443	795,443
Short-term loans	-	-	-	98,000	98,000
Available-for-sale investments	-	-	819,368	-	819,368
Long-term investments	-	-	-	192	192
Restricted deposits with financial institutions	-	-	-	32,800	32,800
Other non-current assets	-	-	-	10,985	10,985
	<b>585,879</b>	<b>-</b>	<b>819,368</b>	<b>2,658,661</b>	<b>4,063,908</b>

(Unit: Thousand Baht)

	Separate financial information (Unaudited)				Total
	FVPL	Fair value - Derivatives	FVOCI	Amortized cost	
<b>Financial liabilities</b>					
<b>as at January 1, 2020</b>					
Trade accounts payables	-	-	-	378,126	378,126
Other current payables	-	-	-	321,197	321,197
Other current liabilities	-	-	-	7,308	7,308
	<b>-</b>	<b>-</b>	<b>-</b>	<b>706,631</b>	<b>706,631</b>

Financial assets and liabilities measured at amortised cost approximate fair value.

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO INTERIM FINANCIAL STATEMENTS**

**FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020**

4.2.2 Leases

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as operating leases under the principles of TAS 17, Leases. It is the right to use the asset with the value equal to the liabilities under the lease agreement. Adjusted by the amount of payment required to be paid in advance or payable in accordance with the lease agreement recognized in the statement of financial position before the date of first use. These liabilities were measured at the present value of the remaining lease payments, discounted using the Group’s incremental borrowing rates. The Group’s weighted average incremental borrowing rate applied to the lease liabilities on January 1, 2020 was range between 3.43 to 4.95 and 6.16, respectively.

	(Unit: Thousand Baht)	
	<b>Consolidated financial information</b>	<b>Separate financial information</b>
Operating lease commitments disclosed as at December 31, 2019 (Audited)	1,016,933	352,552
<u>Less:</u> Short-term leases recognised on a straight-line basis as expenses	(10,171)	(10,171)
<u>Less:</u> Deferred interest expenses	(374,992)	(61,450)
Additional lease liabilities from TFRS 16 adoption	631,770	280,931
Finance lease liabilities as at December 31, 2019	-	-
Lease liabilities recognized as at January 1, 2020 (Unaudited)	<u>631,770</u>	<u>280,931</u>
Of which are:		
Current lease liabilities	42,847	42,664
Non-current lease liabilities	588,923	238,267

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The recognised right-of-use assets relate to the following types of assets:

	(Unit: Thousand Baht)	
	<b>Consolidated financial information (Unaudited)</b>	<b>Separate financial information (Unaudited)</b>
<b>As at January 1, 2020</b>		
Land	578,645	40,474
Building and building improvement	477,782	477,782
Vehicles	32,738	32,347
Total right-of-use assets	<u>1,089,165</u>	<u>550,603</u>

**5 Seasonal operations**

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

**6 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
<b>Subsidiaries</b>		
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

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020

Name of entities	Country of incorporation/ nationality	Nature of relationships
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
<b>Associate</b>		
1. Natural Hotel Sukhumvit Co., Ltd	Thailand	Associate, 25% Shareholding
<b>Joint ventures</b>		
1. SVK Joint venture	Thailand	Joint venture, 51% portion of joint venture and registered to cease operations
<b>Related companies</b>		
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

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

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FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020

Name of entities	Country of incorporation/ nationality	Nature of relationships
9. Safe Series Co., Ltd.	Thailand	Related company, shareholder as a key management personnel of the Company
10. Wrightman Corporation Co., Ltd.	Thailand	Related company, indirect held
11. Mankongsangtong Holding Co., Ltd.	Thailand	Related company, common shareholders
12. Thonglor Management Co., Ltd.	Thailand	Related company, shareholder related to the Company's directors
13. Wealthy Living Co.,Ltd.	Thailand	Related company, shareholder related to the Company's directors
14. Chuaphaibul Steel Co., Ltd.	Thailand	Related company, directors related to the director or shareholder of the Company
15. Wrightman Restaurant Co., Ltd.	Thailand	Related company, some common shareholder
16. Thai Roong Ruang Industry Co., Ltd.	Thailand	Related company, shareholder and director related to the shareholders and directors of the Company
17. TRR Property Co., Ltd.	Thailand	Related company, shareholder and director as the shareholder and director of the subsidiary
18. CSNJ Patong 3 Co., Ltd.	Thailand	Related company, shareholder related to the Company's directors
19. The Gas Carrier Co., Ltd.	Thailand	Related company, directors related to the Company's directors
<b>Related persons</b>		
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).

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

	<u>Pricing policies</u>
Sale of steel and others	As invoices (cost price)
Interest income	MLR - 2.48 and 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 which approximated the market price
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 which approximated the market rate
Service expenses	Contract price on the basis determined by the related concerned which was not higher than employment rate
Consulting fee for security system	Contract price on the basis determined by the related concerned
Land rental	Contract price on the basis determined by the related concerned which approximated the market rate
Interest expenses	MLR - 2.48 and 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

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**FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020**

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

(Unit : Thousand Baht)

	For three-month period			
	Consolidated		Separate	
	2020	2019	2020	2019
<b>Revenue</b>				
<b>Subsidiaries</b>				
Contract revenues	-	-	-	2,656
Rendering of service and others	-	-	1,045	2,627
Interest income	-	-	590	885
<b>Related companies</b>				
Contract revenues	55,178	188,562	55,178	188,562
Rental and service expenses	1,018	1,071	1,018	1,071
<b>Expenses</b>				
<b>Subsidiaries</b>				
Cost of service	-	-	2,895	6,442
Administrative expenses	-	-	229	-
<b>Related companies</b>				
Contract costs	46,158	64,295	46,158	64,295
Cost of service	4,541	7,626	32	3,642
Space rental and services	49	694	49	694
Other service expenses	189	2,189	189	2,189
Purchase of steel	11,834	32,781	11,834	32,781
<b>Key management personnel</b>				
Key management personnel compensation				
Short-term employee benefits	9,524	11,428	9,524	11,428
Post-employment benefits	423	641	423	641
Total key management personnel compensation	<u>9,947</u>	<u>12,069</u>	<u>9,947</u>	<u>12,069</u>



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SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

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FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020

(Unit : Thousand Baht)

	For nine-month period			
	Consolidated		Separate	
	2020	2019	2020	2019
<b>Revenue</b>				
<b>Subsidiaries</b>				
Contract revenues	-	-	-	8,498
Rendering of service and others	-	-	4,392	7,460
Interest income	-	-	2,044	2,063
<b>Related companies</b>				
Contract revenues	171,471	547,936	171,471	547,936
Rental and service expenses	2,883	3,261	2,883	3,261
Other service expenses	-	800	-	-
<b>Expenses</b>				
<b>Subsidiaries</b>				
Cost of service	-	-	13,230	20,071
Administrative expenses	-	-	1,072	-
<b>Related companies</b>				
Contract costs	130,486	153,551	130,486	153,551
Cost of service	13,860	24,637	60	11,975
Space rental and services	146	2,082	146	2,082
Other service expenses	595	7,977	595	7,977
Purchase of steel	43,673	100,713	43,673	100,713
<b>Related Persons</b>				
Land rental expense	-	38	-	38
<b>Key management personnel</b>				
Key management personnel compensation				
Short-term employee benefits	34,904	37,935	34,904	37,935
Post-employment benefits	1,270	4,494	1,270	4,494
Total key management personnel compensation	36,174	42,429	36,174	42,429

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NOTES TO INTERIM FINANCIAL STATEMENTS

FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020

Balance as at September 30, 2020 and December 31, 2019 with related parties were as follows:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
<b>Assets</b>				
<b><u>Trade accounts receivables - related parties</u></b>				
Related companies	6,319	74,344	6,312	74,344
Total	<u>6,319</u>	<u>74,344</u>	<u>6,312</u>	<u>74,344</u>
<b><u>Retention receivables under construction contracts - related parties</u></b>				
Subsidiaries	-	-	3,100	3,100
Related companies	55,311	48,234	55,311	48,234
Total	<u>55,311</u>	<u>48,234</u>	<u>58,411</u>	<u>51,334</u>
<b><u>Other current receivables and advances</u></b>				
Subsidiaries	-	-	17,264	18,095
Related companies	79	83	79	83
Related persons	945	1,651	945	1,651
Total	<u>1,024</u>	<u>1,734</u>	<u>18,288</u>	<u>19,829</u>
Less allowance for doubtful accounts	-	-	-	-
Net	<u>1,024</u>	<u>1,734</u>	<u>18,288</u>	<u>19,829</u>
<b><u>Unbilled construction in progress - related parties</u></b>				
Related companies	<u>46,659</u>	-	<u>46,659</u>	-
<b><u>Short-term loans to related parties</u></b>				
Subsidiaries	-	-	80,000	98,000
<b><u>Other non-current financial assets</u></b>				
<b><u>Equity securities</u></b>				
Related companies	<u>642,715</u>	-	<u>642,715</u>	-

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FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020

(Unit : Thousand Baht)

	Consolidated		Separate	
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
<b><u>Liabilities</u></b>				
<b><u>Trade accounts payable - related parties</u></b>				
Related companies	6,363	25,321	5,169	25,321
<b><u>Other current payables - related parties</u></b>				
Subsidiaries	-	-	20,433	16,084
Related companies	1,807	2,567	-	769
Total	1,807	2,567	20,433	16,853
<b><u>Advance received from customers under construction contracts - related parties</u></b>				
Related companies	19,754	10,239	19,754	10,239
<b><u>Retention payables from subcontractors - related parties</u></b>				
Related companies	6,843	7,544	6,843	7,544
<b><u>Lease liabilities - related parties</u></b>				
Related companies	226,035	-	3,155	-

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Movements of short - term loans to related parties for the nine - month periods ended September 30, 2020 were as follows:

(Unit : Thousand Baht)

Relationship	Separate				
	Balance as at	During the period		Balance as at	
	January, 1 2020	Increase	Decrease	September, 30 2020	
<b><u>Loan to related parties</u></b>					
CSM Capital Partners Co., Ltd.	Subsidiary	10,000	10,000	(5,000)	15,000
SCR Asset Management Co., Ltd.	Subsidiary	83,000	5,000	(23,000)	65,000
JT Ten Co., Ltd.	Subsidiary	5,000	-	(5,000)	-
		<u>98,000</u>	<u>15,000</u>	<u>(33,000)</u>	<u>80,000</u>

As at September 30, 2020 and December 31, 2019, the Company had short-term loans to a subsidiary (“CSM Capital Partners Co., Ltd.”) of Baht 15 million and Baht 10 million, respectively, represented short-term loans under 4 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 September 30, 2020 and December 31, 2019, the Company had short-term loans to a subsidiary (“SCR Asset Management Co., Ltd.”) of Baht 65 million and Baht 83 million represented short-term loans under 13 loan agreements, requiring payable on demand. The principal and interest will be repaid within 1 year, interest charged at MLR-2.75% per annum.

As at December 31, 2019 the Company had short-term loans to a subsidiary (“JT Ten Co., Ltd.”) of Baht 5 million represented short-term loans under 1 loan agreements, requiring payable on demand. The principal and interest will be repaid within 2 years, interest charged at MLR-2.75% per annum.

**The commitments with related parties**

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.

The Ordinary General Meeting of Shareholders of the Company held on April 26, 2019, resolved the approval of Directors’ remunerations for the year 2019 which were represented the meeting allowance of Baht 18,000 per time per head, and the annual audit committee directors’ remunerations of Baht 330,000 per head.

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**7 Other current financial assets**

(Unit : Thousand Baht)

	Consolidated			
	September 30, 2020		December 31, 2019	
	Cost	Fair value	Cost	Fair value
<b>Other current financial assets</b>				
Premium savings	22,573	22,573	-	-
Fixed Deposit	90,000	90,000	-	-
Mutual fund – debt securities	1,598,355	1,601,151	-	-
<b>Total</b>	<b>1,710,928</b>	<b>1,713,724</b>	<b>-</b>	<b>-</b>

(Unit : Thousand Baht)

	Separate			
	September 30, 2020		December 31, 2019	
	Cost	Fair value	Cost	Fair value
<b>Other current financial assets</b>				
Premium savings	22,573	22,573	-	-
Fixed Deposit	90,000	90,000	-	-
Mutual fund – debt securities	1,597,500	1,600,289	-	-
<b>Total</b>	<b>1,710,073</b>	<b>1,712,862</b>	<b>-</b>	<b>-</b>

As at September 30, 2020 and December 31, 2019, investments in mutual fund – debt securities of the Company amounted to Baht 134 million and Baht 54 million, respectively, had been used as collateral for liabilities under letter of guarantee with two domestic commercial banks.

## SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## NOTES TO INTERIM FINANCIAL STATEMENTS

## FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020

## 8 Trade accounts receivables

(Unit : Thousand Baht)

	Consolidated		Separate	
	September 30,	December 31,	September 30,	December 31,
	2020	2019	2020	2019
Related companies	6,319	74,344	6,312	74,344
Other parties	717,489	951,815	710,027	939,361
<b>Total</b>	<b>723,808</b>	<b>1,026,159</b>	<b>716,339</b>	<b>1,013,705</b>
<u>Less</u> allowance for doubtful accounts	(157,657)	(131,682)	(154,752)	(128,778)
<b>Net</b>	<b>566,151</b>	<b>894,477</b>	<b>561,587</b>	<b>884,927</b>

Aging analyses for trade accounts receivables were as follows:

(Unit : Thousand Baht)

	Consolidated		Separate	
	September 30,	December 31,	September 30,	December 31,
	2020	2019	2020	2019
Within credit terms	343,441	605,518	341,984	599,256
Still litigation	159,515	155,994	154,752	155,994
Overdue:				
- Less than 3 months	82,116	148,576	81,330	147,270
- Over 3 months to 6 months	96,124	24,528	95,881	24,416
- Over 6 months to 12 months	15,857	85,332	15,710	82,748
- Over 12 months	26,755	6,211	26,682	4,021
<b>Total overdue</b>	<b>220,852</b>	<b>264,647</b>	<b>219,603</b>	<b>258,455</b>
<b>Total</b>	<b>723,808</b>	<b>1,026,159</b>	<b>716,339</b>	<b>1,013,705</b>

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

As at September 30, 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 doubtful accounts of trade receivables amount to Baht 21.14 million, which consisted of allowance for doubtful accounts 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.

## SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## NOTES TO INTERIM FINANCIAL STATEMENTS

## FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020

## 9 Retentions receivables under construction contracts

(Unit : Thousand Baht)

	Consolidated		Separate	
	September 30,	December 31,	September 30,	December 31,
	2020	2019	2020	2019
Related companies	55,311	48,234	58,411	51,334
Other parties	810,432	764,271	810,433	764,271
Total	865,743	812,505	868,844	815,605
Less allowance for doubtful accounts	(12,201)	(20,162)	(12,201)	(20,162)
<b>Net</b>	<b>853,542</b>	<b>792,343</b>	<b>856,643</b>	<b>795,443</b>
Current	185,121	130,269	185,121	130,269
Non-current	668,421	662,074	671,522	665,174
<b>Total</b>	<b>853,542</b>	<b>792,343</b>	<b>856,643</b>	<b>795,443</b>

## 10 Unbilled construction in progress

(Unit : Thousand Baht)

	Consolidated		Separate	
	September 30,	December 31,	September 30,	December 31,
	2020	2019	2020	2019
Related companies	46,659	-	46,659	-
Other parties	590,870	931,428	590,870	931,428
Total	637,529	931,428	637,529	931,428
Less allowance for doubtful accounts	(8,962)	(14,342)	(8,962)	(14,342)
<b>Net</b>	<b>628,567</b>	<b>917,086</b>	<b>628,567</b>	<b>917,086</b>

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(Unit : Million Baht)

	Consolidated		Separate	
	September 30,	December 31,	September 30,	December 31,
	2020	2019	2020	2019
Construction project contracts amount	49,383	44,995	49,383	44,995
Contract revenue recognized as revenue since commencing date to present	42,363	36,395	42,363	36,395
Less progress billings (as invoices)	(41,827)	(35,566)	(41,827)	(35,566)
Unbilled construction in progress	536	829	536	829
Unbilled construction in progress (in litigation)	102	102	102	102
Unbilled construction in progress at the end of period	638	931	638	931
Less allowance for doubtful accounts	(9)	(14)	(9)	(14)
<b>Net</b>	<b>629</b>	<b>917</b>	<b>629</b>	<b>917</b>
Excess of progress billing over work in progress	(421)	(635)	(421)	(635)
<b>Net</b>	<b>208</b>	<b>282</b>	<b>208</b>	<b>282</b>

11 Inventories

(Unit : Thousand Baht)

	Consolidated		Separate	
	September 30,	December 31,	September 30,	December 31,
	2020	2019	2020	2019
Construction materials	118,502	118,201	118,502	118,201
Spare parts and supplies	15,612	15,381	14,861	14,642
<b>Total</b>	<b>134,114</b>	<b>133,582</b>	<b>133,363</b>	<b>132,843</b>



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**12 Investments in associate**

Movements of investments in associate during the nine-month periods ended September 30, 2020 were as follows:

	(Unit : Thousand Baht)	
	Consolidated	Separate
At January 1, 2020	130	-
Share of losses of investments from equity method	(42)	-
<u>Less allowance for devaluation of investments</u>	<u>-</u>	<u>-</u>
<b>At September 30, 2020</b>	<b><u>88</u></b>	<b><u>-</u></b>

**13 Investments in subsidiaries**

Company's name	(Unit : Thousand Baht)			
	Paid-up Share Capital		Cost	
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
	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.	1,225	1,175	735,000	705,000
PT Three Land Co., Ltd.	120	120	95,976	95,976
JT Ten Co., Ltd.	140	100	118,972	84,980
AN 8 Co., Ltd.	130	130	103,870	103,870
SHG Management Co., Ltd.	4	4	2,800	2,800
Delta Infra One Co., Ltd.	1	-	900	-
<b>Total</b>			<b><u>1,467,582</u></b>	<b><u>1,402,690</u></b>

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES****NOTES TO INTERIM FINANCIAL STATEMENTS****FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 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.

On September 27, 2019, the Board of Directors meeting passed a resolution to establish one subsidiary named SHG Management Co., Ltd. Has a registered capital of Baht 4 million to operate the hotel and service business Which, on October 21, 2019, the company was registered with the company holding 70%.

On September 18, 2019, the Extraordinary general meeting of shareholders (PT Three Land Co., Ltd.) approved to increase the registered capital of the company from Baht 1 million to Baht 120 million to rent the land for construction the hotel and subsidiary also registered the increases of shares with Ministry of Commerce on September 30, 2019.

On August 7, 2019, the Extraordinary general meeting of shareholders of subsidiary (AN 8 Co., Ltd.) approved to increase the registered capital of the company from Baht 0.10 million to Baht 130 million to invest in real estate development for rental and subsidiary also registered the increases of shares with Ministry of Commerce on August 19, 2019.

On May 13, 2019, the Board of Directors meeting passed a resolution to establish one subsidiary named AN 8 Co., Ltd Has a registered capital of Baht 0.10 million for the real estate business for rent Which, on May 28, 2019, the company was registered with the company holding 79.90%.

On March 19, 2019, the Extraordinary general meeting of shareholders of subsidiaries (CSM Capital Partners Co., Ltd.) approved to increase the registered capital of the company from Baht 1,100 million to Baht 1,175 million to pay back Principal according to the terms of the loan with a local commercial bank and subsidiary company registered the capital increase with the Ministry of Commerce on April 1, 2019.

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**14 Property, plant and equipment**

Acquisitions, disposals and transfers of property, plant and equipment during the nine-month periods ended September 30, 2020 were as follows:

	(Unit : Thousand Baht)	
	Consolidated	Separate
Net book value at January 1, 2020	3,465,876	688,189
Acquisition and transfer in – at cost	51,668	40,483
Disposal	(2,777)	(2,436)
Depreciation for the period	(208,236)	(98,903)
<b>Net book value at September 30, 2020</b>	<b>3,306,531</b>	<b>627,333</b>

Pledge:

As at September 30, 2020, land, buildings and building improvement of the Company in the carrying amount of Baht 103 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 September 30, 2020, land with existing structures of the subsidiary (SCR Asset Management Co., Ltd) in the carrying amount of Baht 750 million and structures to be constructed in the future was mortgaged as collateral for contingent liabilities on borrowings from the domestic commercial bank in the credit line amounting to Baht 620 million.

As at September 30, 2020, the residences in Eight Thonglor Project of the subsidiary (CSM Capital Partners Co., Ltd) in the carrying amount of Baht 1,645 million were mortgaged as collateral for contingent liabilities on borrowings from the domestic commercial bank in the credit line amounting to Baht 1,150 million.

**15 Right-of-use assets, net**

	(Unit: Thousand Baht)	
	Consolidated	Separate
<b>For the six-month periods ended September 30, 2020</b>		
Opening net book value (Audited)	-	-
Adjustment from adoption of TFRS 16 on January 1, 2020 (Note 4)	1,089,165	550,603
Right-of-use assets - Increase	12,059	10,743
Depreciation	(68,615)	(55,127)
<b>Closing net book value (Unaudited)</b>	<b>1,032,609</b>	<b>506,219</b>

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**16 Leasehold right**

	(Unit : Thousand Baht)	
	Consolidated	Separate
Net book value at January 1, 2020	453,705	269,672
Adjustment from adoption of TFRS 16 on January 1, 2020 (Note 4)	(453,705)	(269,672)
<b>Net book value at September 30, 2020</b>	<b>-</b>	<b>-</b>

On October 10, 2019, the subsidiary (“PT Three Land Co., Ltd.”) has entered into land lease agreements to develop real estate with a related company. In which the subsidiary company agreed to lease 4 plots of Phuket land with a total area of 3 Rai 2 Ngan 3.90 square Wah. In order to developing hotels, resorts and other real estate development projects on leased land, for a period of 30 years. From the date of the contract signing on October 9, 2019, the subsidiary company must complete the project development and operating within 3 years from the date of the lease contract. The subsidiary agrees to pay whole land fee in the amount of Baht 95 million and the rental fee to be collected in the 4th year at the rate of Baht 0.80 million per month. The rental shall be adjusted increasingly every 3 years throughout the lease term. The subsidiary company had made full payment of the land fee on October 31, 2019.

**17 Trade accounts payables**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
Related companies	6,363	25,321	5,169	25,321
Other parties	420,275	367,242	410,575	352,805
<b>Total</b>	<b>426,638</b>	<b>392,563</b>	<b>415,744</b>	<b>378,126</b>

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18 Other current payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
Related companies	1,807	2,567	20,433	16,853
Other parties	425,699	347,459	387,992	304,344
<b>Total</b>	<b>427,506</b>	<b>350,026</b>	<b>408,425</b>	<b>321,197</b>
<b>Other parties</b>				
Other payables	24,546	22,854	968	5,048
Accrued value added tax	19,974	2,292	18,605	297
Accrued withholding tax	10,182	12,267	10,147	11,951
Other accrued expenses	121,466	156,764	108,741	133,766
Accrued estimated construction cost	249,531	153,282	249,531	153,282
<b>Total</b>	<b>425,699</b>	<b>347,459</b>	<b>387,992</b>	<b>304,344</b>

19 Retention payables from subcontractors

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
Related companies	6,843	7,544	6,843	7,544
Other parties	362,436	337,652	362,436	337,652
<b>Total</b>	<b>369,279</b>	<b>345,196</b>	<b>369,279</b>	<b>345,196</b>

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**20 Long-term loans**

As at September 30, 2020 and December 31, 2019, the Company has a Long-term loans as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
Long-term loans	1,634,882	1,818,604	-	-
(Profit) loss from changes in contract terms	(6,047)	-	-	-
Addition (deduction) the principal based on effective real interest rate method	938	-	-	-
At September 30, 2020	1,629,773	1,818,604	-	-
<u>Less</u> current portion of long-term loans				
<u>Less</u> long-term in default	(213,993)	(737,900)	-	-
<b>Net</b>	<b>1,415,780</b>	<b>1,080,704</b>	<b>-</b>	<b>-</b>

The movements of long-term loans for the nine-month period ended September 30, 2020 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
At January 1, 2020	1,818,604	1,937,073	-	-
Addition	-	31,800	-	-
Deduction	(183,722)	(150,269)	-	-
At September 30, 2020	1,634,882	1,818,604	-	-

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**Loans from domestic financial institution**

20.1 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 September 30, 2020, 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.

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 September 30, 2020, 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>September 30, 2020</u>
Financial ratio (DSCR)	Not less than 1.1	0.08

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

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

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On November 27, 2019, the subsidiary received a letter notifying except for the conditions of DSCR under the loan agreement for the year 2019.

On April 27, 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 6 months starting from July 2020 to December 2020.
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 2021 to December 2028.

Credit line of Baht 224 million

1. The Company agrees to pay only interest for a period of 6 months starting from May 2020 to October 2020.
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 2020 to February 2023.

As of the date of the modification of loan agreements, the subsidiary had loss from the modification amounting to Baht 3.80 million.

20.2 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, 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. 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 10 years from the date of the first drawdown. The interest rate is charged at MLR-2.25 to MLR-2.48 per annum.



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As of the date of the modification of loan agreements, the subsidiary had profit from the modification amounting to Baht 9.85 million.

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 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>September 30, 2020</u>
Debt to equity ratio	Not more than 2.00	1.40

	<u>Financial ratio per</u> <u>agreements</u>	<u>Financial ratio as at</u> <u>September 30, 2020</u>
Financial ratio (DSCR)	Not less than 1.1	1.1

**21 Provisions**

	(Unit: Thousand Baht)			
	<u>Consolidated</u>		<u>Separate</u>	
	<u>September 30,</u> <u>2020</u>	<u>December 31,</u> <u>2019</u>	<u>September 30,</u> <u>2020</u>	<u>December 31,</u> <u>2019</u>
Provision for the estimating costs of rectification and guarantee work	5,474	10,255	5,474	10,255
Provision for litigation	29,458	28,210	29,458	28,210
Estimated demolition cost	3,690	-	-	-
<b>Total</b>	<b>38,622</b>	<b>38,465</b>	<b>34,932</b>	<b>38,465</b>
Current	5,474	10,255	5,474	10,255
Non-current	33,148	28,210	29,458	28,210
<b>Total</b>	<b>38,622</b>	<b>38,465</b>	<b>34,932</b>	<b>38,465</b>

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Movements for the nine-month ended September 30 were as follows:

(Unit: Thousand Baht)

	Consolidated							
	Provision for the estimating costs of rectification and				Estimated demolition		Total	
	guarantee work		Provision for litigation		cost			
	2020	2019	2020	2019	2020	2019	2020	2019
As at January 1	10,255	8,024	28,210	58,465	-	-	38,465	66,489
Provision increased	7,053	16,800	1,248	1,237	3,690	-	11,991	18,037
Reversal	-	(1,827)	-	(20,813)	-	-	-	(22,640)
Payment of provision	(11,834)	(10,892)	-	(11,098)	-	-	(11,834)	(21,990)
<b>As at September 30</b>	<b>5,474</b>	<b>12,105</b>	<b>29,458</b>	<b>27,791</b>	<b>3,690</b>	<b>-</b>	<b>38,622</b>	<b>39,896</b>

(Unit: Thousand Baht)

	Separate					
	Provision for the estimating costs of rectification and				Total	
	guarantee work		Provision for litigation			
	2020	2019	2020	2019	2020	2019
As at January 1	10,255	8,024	28,210	58,465	38,465	66,489
Provision increased	7,053	16,800	1,248	1,237	8,301	18,037
Reversal	-	(1,827)	-	(20,813)	-	(22,640)
Payment of provision	(11,834)	(10,892)	-	(11,098)	(11,834)	(21,990)
<b>As at September 30</b>	<b>5,474</b>	<b>12,105</b>	<b>29,458</b>	<b>27,791</b>	<b>34,932</b>	<b>39,896</b>

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**22 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 September 30, 2020 and December 31, 2019 the Company held 9.04 million of the Company’s shares, 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 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.

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23 Segment information

Information about reportable segments:

	(Unit: Million Baht)							
	Segment 1		Segment 2		Segment 3		Total reportable segment	
	2020	2019	2020	2019	2020	2019	2020	2019
<b>For the three-month period ended September 30</b>								
Revenues from customer								
- External	1,839	2,288	71	32	-	-	1,910	2,320
- Inter - segments	1	-	1	-	4	6	6	6
- Eliminated	(1)	-	(1)	-	(4)	(6)	(6)	(6)
<b>Total revenue</b>	<b>1,839</b>	<b>2,288</b>	<b>71</b>	<b>32</b>	<b>-</b>	<b>-</b>	<b>1,910</b>	<b>2,320</b>
<b>Segment profit (loss)</b>								
<b>before income tax</b>	<b>67</b>	<b>198</b>	<b>(36)</b>	<b>(24)</b>	<b>(5)</b>	<b>(6)</b>	<b>26</b>	<b>168</b>
<b>For the nine-month period ended September 30</b>								
Revenues from customer								
- External	5,613	6,049	212	271	1	1	5,826	6,321
- Inter - segments	6	-	1	-	14	20	21	20
- Eliminated	(6)	-	(1)	-	(14)	(20)	(21)	(20)
<b>Total revenue</b>	<b>5,613</b>	<b>6,049</b>	<b>212</b>	<b>271</b>	<b>1</b>	<b>1</b>	<b>5,826</b>	<b>6,321</b>

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	(Unit: Million Baht)							
	Segment 1		Segment 2		Segment 3		Total reportable segment	
	2020	2019	2020	2019	2020	2019	2020	2019
<b>Segment profit (loss)</b>								
<b>Before Income tax</b>	<u>276</u>	<u>424</u>	<u>(123)</u>	<u>(75)</u>	<u>(16)</u>	<u>(18)</u>	<u>137</u>	<u>331</u>
<b>Segment assets as at</b>								
<b>September 30 / December 31</b>	<u>6,456</u>	<u>6,243</u>	<u>3,890</u>	<u>3,996</u>	<u>7</u>	<u>9</u>	<u>10,353</u>	<u>10,248</u>
<b>Segment liabilities as at</b>								
<b>September 30 / December 31</b>	<u>2,163</u>	<u>2,075</u>	<u>2,081</u>	<u>1,928</u>	<u>7</u>	<u>5</u>	<u>4,251</u>	<u>4,008</u>

Reconciliation of reportable segment profit or loss and assets

For the three-month and nine-month period ended September 30

	(Unit: Million Baht)				
	Consolidated				
	For the three-month period		For the nine-month period		
	2020	2019	2020	2019	
<b>Profit or loss</b>					
Total profit for reportable segments		26	165	137	343
Elimination of inter-segment profits		-	3	-	(12)
<b>Profit before income tax</b>		<u>26</u>	<u>168</u>	<u>137</u>	<u>331</u>

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(Unit: Million Baht)

	Consolidated		Separate	
	September	December	September	December
	30, 2020	31, 2019	30, 2020	31, 2019
<b>Assets</b>				
Segmental assets	7,046	6,782	5,930	5,884
Investments in subsidiaries	-	-	1,468	1,403
Property, plant and equipment	3,307	3,466	627	688
<b>Total assets</b>	<b>10,353</b>	<b>10,248</b>	<b>8,025</b>	<b>7,975</b>

**24 Earnings per share**

The calculation of basic earnings per share for the ended of three-month and nine-month periods ended September 30 was based on the profit for the period attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the period as follows:

(in thousands Baht / thousands shares)

	For the three-month period			
	Consolidated		Separate	
	2020	2019	2020	2019
Profit for the period attributable to shareholders of the Company (basic)	18,197	146,615	44,695	161,512
Number of ordinary shares outstanding	1,590,957	1,593,963	1,590,957	1,593,963
<b>Basic earnings per share (in Baht)</b>	<b>0.01</b>	<b>0.09</b>	<b>0.03</b>	<b>0.10</b>

(in thousands Baht / thousands shares)

	For the nine-month period			
	Consolidated		Separate	
	2020	2019	2020	2019
Profit for the period attributable to shareholders of the Company (basic)	140,809	280,283	229,025	319,743
Number of ordinary shares outstanding	1,590,957	1,593,963	1,590,957	1,593,963
<b>Basic earnings per share (in Baht)</b>	<b>0.09</b>	<b>0.18</b>	<b>0.14</b>	<b>0.20</b>

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**25 Dividends**

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 on May 29, 2020.

Year 2019: -

The Board of Directors Meeting of the Company held on August 9, 2019 resolved to pay an interim dividend for the period from January 1, 2019 to June 30, 2019 at the rate of Baht 0.04 per share totaling Baht 64 million, which the Company made the payment on September 6, 2019.

On April 26, 2019, the annual general meeting of shareholders approved the payment of dividend at the rate of Baht 0.09 per share, totalling Baht 144 million, which the Company made the payment on May 24, 2019.

**26 Financial instruments**

- **Determine of fair value for financial assets measured at fair value**

(Unit: Million Baht)

	Consolidated				Total
	Carrying amount	Fair Value			
		Level 1	Level 2	Level 3	
<b>September 30, 2020:</b>					
<b>Asset</b>					
<b>Financial assets measured at</b>					
<b>Fair value through profit or loss</b>					
Mutual fund - debt securities	1,601	1,601	-	-	1,601
<b>Financial assets measured at</b>					
<b>fair value through other</b>					
<b>comprehensive income</b>					
Equity securities	643	643	-	-	643
	<b>2,244</b>	<b>2,244</b>	<b>-</b>	<b>-</b>	<b>2,244</b>

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(Unit: Million Baht)

	Consolidated				Total
	Carrying amount	Fair Value			
		Level 1	Level 2	Level 3	
<b>December 31, 2019:</b>					
<b>Financial assets measured at fair value</b>					
Current investments – Mutual fund	609	609	-	-	609
Available-for-sale investment-equity securities	819	819	-	-	819
	<b>1,428</b>	<b>1,428</b>	<b>-</b>	<b>-</b>	<b>1,428</b>

(Unit: Million Baht)

	Separate				Total
	Carrying amount	Fair Value			
		Level 1	Level 2	Level 3	
<b>September 30, 2020:</b>					
<b>Asset</b>					
<b>Financial assets measured at fair value through profit or loss</b>					
Mutual fund - debt securities	1,600	1,600	-	-	1,600
<b>Financial assets measured at fair value through other comprehensive income</b>					
Equity securities	643	643	-	-	643
	<b>2,243</b>	<b>2,243</b>	<b>-</b>	<b>-</b>	<b>2,243</b>
<b>December 31, 2019:</b>					
<b>Financial assets measured at fair value</b>					
Current investments – Mutual fund	608	608	-	-	608
Available-for-sale investment-equity securities	819	819	-	-	819
	<b>1,427</b>	<b>1,427</b>	<b>-</b>	<b>-</b>	<b>1,427</b>

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

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• **Determination of fair value for financial assets and liabilities not measured at fair value**

Most of the Group’s / Company’s financial assets and liabilities are short-term. The Group / Company estimates the fair value of financial assets and liabilities approximately their carrying amounts in the statement of financial position.

Fair values of long-term loans approximated their carrying amounts because interest rates approximated to market rates.

**27 Commitments with non-related parties**

As at September 30, 2020 the Group/Company had commitments as follows:

	(Unit: Million Baht)	
	Consolidated	Separate
<b>Capital commitments: -</b>		
Not provide for		
Condominium	4	4
Camp and other buildings	4	4
Cost of construction building for service room	586	4
<b>Total</b>	<b>594</b>	<b>12</b>
<b>Commitments under non- cancellable operating leases</b>		
Within one year	16	16
After one year but within five years	71	71
Over five years	163	163
<b>Total</b>	<b>250</b>	<b>250</b>
<b>Other commitments: -</b>		
Subcontractor agreements	1,824	1,824
Letters of guarantee from banks for purchasing inventories, utilities usage, guarantee the work performance and advance received from customers	1,743	1,743
<b>Total</b>	<b>3,567</b>	<b>3,567</b>

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES****NOTES TO INTERIM FINANCIAL STATEMENTS****FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020**

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 September 30, 2020 the Group had unutilized credit facilities obtaining from domestic financial institutions totaling Baht 5,606 million.

**28 Contingent liabilities and assets****Litigations**

As at September 30, 2020, 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. Currently, the company is in the process of copying a copy of the Supreme Court’s judgment. However, on September 30, 2020, the Company already recorded the provision on the above lawsuits amounting to Baht 0.57 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 November 11, 2020, the case has been in the process of the Court’s consideration, the result has not

**SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES****NOTES TO INTERIM FINANCIAL STATEMENTS****FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020**

been finalized. However, on September 30, 2020, the Company already recorded the provision on the above lawsuits amounting to Baht 28.88 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. Currently, the Court of Appeal will appoint the date for judgement on January 20, 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 December 23, 2020.
- 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. Currently, the Court of First Instance will appoint the date for judgement on November 24, 2020.
- 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. Currently, the Court of First Instance appoint the plaintiff's witnesses on February 16, 2021 and defendant's witnesses on February 17-19, 2021.
- On April 30, 2020, the Company was sued as the 4<sup>th</sup> 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 of First Instance arrange for mediation and appoint the plaintiff and defendant's witnesses on November 16, 2020.

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**NOTES TO INTERIM FINANCIAL STATEMENTS**

**FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020**

**29 Reclassification**

As at September 30, 2020, 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 nine-month periods ended September 30, 2019 are summarized as follows:

	(Unit: Thousands Bath)		
	Consolidated		
	Increase (decrease)		
	As previously reported	from reclassification	After reclassification
<b>Statement of comprehensive</b>			
<b>For the three-month period ended September 30, 2019</b>			
Contract costs	1,907,494	13,171	1,920,665
Administrative expenses	131,576	(13,171)	118,405
<b>Statement of comprehensive</b>			
<b>For the nine-month period ended September 30, 2019</b>			
Contract costs	5,222,280	37,445	5,259,725
Administrative expenses	415,944	(37,445)	378,499

SYNTEC CONSTRUCTION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO INTERIM FINANCIAL STATEMENTS

FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2020

(Unit: Thousands Bath)

	As previously reported	Separate Increase (decrease) from reclassification	After reclassification
<b>Statement of comprehensive</b>			
<b>For the three-month period ended September 30, 2019</b>			
Contract costs	1,907,505	13,171	1,920,676
Administrative expenses	109,864	(13,171)	96,693
<b>Statement of comprehensive</b>			
<b>For the nine-month period ended September 30, 2019</b>			
Contract costs	5,225,473	37,445	5,262,918
Administrative expenses	338,769	(37,445)	301,324

**30 Subsequent event**

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.

**31 Approval of financial statements**

These interim financial statements have been approved for issue by the Company's Board of Directors on November 11, 2020.