

**REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
BY THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

TO THE BOARD OF DIRECTORS

T ENGINEERING CORPORATION PUBLIC COMPANY LIMITED

We have reviewed the statement of financial position of T Engineering Corporation Public Company Limited as at September 30, 2021, and the related statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended September 30, 2021, and the related statements of changes in shareholders' equity and cash flows for the nine-month period ended September 30, 2021, and the condensed notes to the financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Thai Standard on Review Engagements No. 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the aforementioned interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting".

Emphasis of Matter

We draw attention to Notes 27.2 and 27.3.2 to the interim financial statements, the Company has 2 litigations which are currently under the process of the courts. Our conclusion is not modified in respect of this matter.

BANGKOK
November 12, 2021

Kornthong Luangvilai
Certified Public Accountant (Thailand)
Registration No. 7210
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

T ENGINEERING CORPORATION PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2021

Unit : Baht

	Notes	As at September 30, 2021 “Unaudited”	As at December 31, 2020
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4.3	38,584,925	19,070,594
Trade and other current receivables	5	6,773,717	14,584,896
Current contract assets	22	1,373,453	3,028,940
Inventories		2,264,151	-
Current tax assets		446,261	2,788,463
Other current financial assets	6	-	4,466,080
Other current assets		1,099,855	29,567,888
Total Current Assets		50,542,362	73,506,861
NON-CURRENT ASSETS			
Deposits at financial institution with restriction of use	7	19,090,000	15,861,500
Other non-current financial assets	8	31,875,914	28,378,100
Trade and other non-current receivables	9	2,351,620	2,298,307
Non-current contract assets	10	-	-
Investment properties	11	60,248,000	60,248,000
Property, plant and equipment	12	19,587,282	19,193,481
Right-of-use assets		2,536,722	78,332
Retention receivables	13	23,508,484	36,919,510
Intangible assets		1,671,141	2,328,638
Other non-current assets	14	52,211,853	49,351,915
Total Non-current Assets		213,081,016	214,657,783
TOTAL ASSETS		263,623,378	288,164,644

See the condensed notes to the financial statements

T ENGINEERING CORPORATION PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT SEPTEMBER 30, 2021

Unit : Baht

	Notes	As at September 30, 2021 “Unaudited”	As at December 31, 2020
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Trade and other current payables	15	30,036,155	45,914,640
Current contract liabilities	22	-	-
Current portion of lease liabilities	17	722,438	79,842
Other short-term borrowing		12,235,690	12,235,690
Current retention payables		20,023,631	22,340,442
Current provisions for employee benefits		539,306	813,204
Other current provisions		1,063,656	2,514,145
Provision for expected loss on construction contract	18.1	482,579	-
Provision for penalty arising from delay on construction contract	18.2	837,000	-
Other current liabilities		10,425,103	11,016,394
Total Current Liabilities		<u>76,365,558</u>	<u>94,914,357</u>
NON-CURRENT LIABILITIES			
Long-term borrowing from financial institution	16	30,000,000	-
Lease liabilities	17	1,863,433	-
Non-current retention payables		9,107,143	13,191,110
Deferred tax liabilities		3,804,335	3,804,335
Non-current provisions for employee benefits		6,257,745	5,886,382
Provisions for loss on litigations	27	7,603,230	7,612,789
Total Non-current Liabilities		<u>58,635,886</u>	<u>30,494,616</u>
TOTAL LIABILITIES		<u>135,001,444</u>	<u>125,408,973</u>

T ENGINEERING CORPORATION PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT SEPTEMBER 30, 2021

Unit : Baht

	Notes	As at September 30, 2021 “Unaudited”	As at December 31, 2020
LIABILITIES AND SHAREHOLDERS’ EQUITY (CONTINUED)			
SHAREHOLDERS’ EQUITY			
SHARE CAPITAL			
	19		
Authorized share capital			
10,948,438,156 ordinary shares of Baht 1 each		10,948,438,156	
12,826,431,971 ordinary shares of Baht 1 each			12,826,431,971
Issued and paid-up share capital			
10,948,438,156 ordinary shares of Baht 1 each, fully paid		10,948,438,156	10,948,438,156
Discount on ordinary shares		(9,309,242,796)	(9,309,242,796)
Expired warrant surplus	20	7,859,252	7,859,252
Retained earnings (Deficit)			
Appropriated			
Legal reserve		5,526,839	5,526,839
Unappropriated (Deficit)		(1,537,077,367)	(1,478,455,352)
Other components of shareholders’ equity		13,117,850	(11,370,428)
TOTAL SHAREHOLDERS’ EQUITY		128,621,934	162,755,671
TOTAL LIABILITIES AND SHAREHOLDERS’ EQUITY		263,623,378	288,164,644

See the condensed notes to the financial statements

T ENGINEERING CORPORATION PUBLIC COMPANY LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2021
“Unaudited”

Unit : Baht

	Notes	2021	2020
Revenues from construction contracts	22	(422,353)	10,456,639
Cost of construction contracts	22	(482,579)	(8,269,910)
Gross profit (loss)		<u>(904,932)</u>	<u>2,186,729</u>
Other income		1,332,144	1,250,396
Administrative expenses		(21,046,085)	(26,602,210)
Reversal of provisions for loss on litigations		-	31,214,864
Other gains	6	-	700,920
Profit (loss) from operating activities		<u>(20,618,873)</u>	<u>8,750,699</u>
Finance costs		(551,328)	(56,222)
Reversal of expected credit loss determined in accordance with TFRS 9		43,822	8,033,528
Profit (loss) before income tax		<u>(21,126,379)</u>	<u>16,728,005</u>
Income tax expense	23	-	-
Profit (loss) for the period		<u>(21,126,379)</u>	<u>16,728,005</u>
Other comprehensive income (loss)			
Components of other comprehensive income that will not be reclassified to profit or loss			
Gains (losses) on investment in equity instruments designated at fair value through other comprehensive income	8	6,553,721	(710,074)
Total components of other comprehensive income that will not be reclassified to profit or loss		<u>6,553,721</u>	<u>(710,074)</u>
Other comprehensive income (loss) for the period - net of tax		<u>6,553,721</u>	<u>(710,074)</u>
Total comprehensive income (loss)		<u>(14,572,658)</u>	<u>16,017,931</u>
Basic earnings (losses) per share			
Basic earnings (losses) per share (Baht)	21	(0.0019)	0.0015
Weighted average number of ordinary shares (shares)	21	<u>10,948,438,156</u>	<u>10,948,438,156</u>
Diluted earnings (losses) per share			
Diluted earnings (losses) per share (Baht)	21	(0.0019)	0.0015
Diluted weighted average number of ordinary shares (shares)	21	<u>10,948,438,156</u>	<u>10,948,438,156</u>

See the condensed notes to the financial statements

T ENGINEERING CORPORATION PUBLIC COMPANY LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2021
“Unaudited”

Unit : Baht

	Notes	2021	2020
Revenues from construction contracts	22	6,507,087	57,778,857
Cost of construction contracts	22	(7,458,590)	(48,924,771)
Gross profit (loss)		(951,503)	8,854,086
Other income		5,029,438	3,921,980
Administrative expenses		(55,362,075)	(83,526,742)
Reversal of provisions for loss on litigations		-	31,253,556
Other gains	6	-	739,860
Loss from operating activities		(51,284,140)	(38,757,260)
Finance costs		(1,255,893)	(355,997)
Reversal of expected credit loss determined in accordance with TFRS 9	9, 10 and 13	43,822	22,181,133
Loss before income tax		(52,496,211)	(16,932,124)
Income tax expense	23	-	-
Loss for the period		(52,496,211)	(16,932,124)
Other comprehensive income (loss)			
Components of other comprehensive income that will not be reclassified to profit or loss			
Gains on investment in equity instruments designated at fair value through other comprehensive income	8	18,362,474	2,910,327
Total components of other comprehensive income that will not be reclassified to profit or loss		18,362,474	2,910,327
Other comprehensive income for the period - net of tax		18,362,474	2,910,327
Total comprehensive loss		(34,133,737)	(14,021,797)
Basic losses per share			
Basic losses per share (Baht)	21	(0.0048)	(0.0016)
Weighted average number of ordinary shares (shares)	21	10,948,438,156	10,504,310,419
Diluted losses per share			
Diluted losses per share (Baht)	21	(0.0048)	(0.0016)
Diluted weighted average number of ordinary shares (shares)	21	10,948,438,156	10,504,310,419

See the condensed notes to the financial statements

T ENGINEERING CORPORATION PUBLIC COMPANY LIMITED
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2021
“UNAUDITED”

Unit : Baht

	Notes				Retained earnings (deficit)		Other components of shareholders' equity			Total Shareholders' equity
		Issued and paid-up share capital	Share discount on ordinary shares	Expired warrant surplus	Appropriated legal reserve	Unappropriated (Deficit)	Other comprehensive income (loss)		Total other components of shareholders' equity	
							Gain on revaluation of assets	Gains (losses) on investment in equity instruments designated at fair value through other comprehensive income		
Balances as at January 1, 2020		10,114,938,156	(8,500,747,796)	7,859,252	5,526,839	(1,456,142,187)	15,217,339	(29,711,427)	(14,494,088)	156,940,176
Changes in shareholders' equity										
Increase in ordinary shares	19.2.3	833,500,000	(808,495,000)	-	-	-	-	-	-	25,005,000
Total comprehensive income (loss) for the period		-	-	-	-	(16,932,124)	-	2,910,327	2,910,327	(14,021,797)
Balances as at September 30, 2020		<u>10,948,438,156</u>	<u>(9,309,242,796)</u>	<u>7,859,252</u>	<u>5,526,839</u>	<u>(1,473,074,311)</u>	<u>15,217,339</u>	<u>(26,801,100)</u>	<u>(11,583,761)</u>	<u>167,923,379</u>
Balances as at January 1, 2021		10,948,438,156	(9,309,242,796)	7,859,252	5,526,839	(1,478,455,352)	15,217,339	(26,587,767)	(11,370,428)	162,755,671
Changes in shareholders' equity										
Transfer of loss on measuring financial assets upon disposal of investments in equity instruments designated as at FVTOCI	8	-	-	-	-	(6,125,804)	-	6,125,804	6,125,804	-
Total comprehensive income (loss) for the period		-	-	-	-	(52,496,211)	-	18,362,474	18,362,474	(34,133,737)
Balances as at September 30, 2021		<u>10,948,438,156</u>	<u>(9,309,242,796)</u>	<u>7,859,252</u>	<u>5,526,839</u>	<u>(1,537,077,367)</u>	<u>15,217,339</u>	<u>(2,099,489)</u>	<u>13,117,850</u>	<u>128,621,934</u>

See the condensed notes to the financial statements

T ENGINEERING CORPORATION PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2021
“UNAUDITED”

Unit : Baht

	Notes	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss for the period		(52,496,211)	(16,932,124)
Adjustments for			
Finance costs		1,255,893	355,997
Depreciation and amortization		2,670,443	4,276,522
Employee benefit expenses		371,238	1,295,814
Reversal of provision for loss on litigations		-	(31,253,556)
Other current provisions		7,679	816,867
Provision for expected loss on construction contract		482,579	-
Provision for penalty arising from delay on construction contract		837,000	-
Write-off financial assets		61,433	15,089,495
Reversal of impairment loss in accordance with TFRS 9 which recognized in profit or loss		(43,822)	(22,181,133)
Write-off investment in joint arrangement		-	(510,000)
Reversal of impairment loss of investment in joint arrangement		-	510,000
Reversal of trade and other payables		(905,734)	(30,406)
Reversal of retention payables		(800,315)	-
Loss on write-off of equipment		14,758	9
Gain on financial assets mandatorily measured at fair value through profit or loss		-	(739,860)
Reversal of accrued interest income		-	187,611
Dividend income		-	(1,742,140)
Interest income		(42,968)	(258,699)
		<u>(48,588,027)</u>	<u>(51,115,603)</u>
Operating assets (increase) decrease			
Current investments		-	5,373,720
Trade and other current receivables		7,778,885	(3,343,633)
Current contract assets		1,655,487	48,763,005
Inventories		(2,264,151)	418,500
Other current financial assets		4,466,080	(5,373,720)
Other current assets		2,747,436	1,635,000
Deposits at financial institution with restriction of use		(3,228,500)	240,990,000
Trade and other non-current receivables		(70,924)	10,821,784
Retention receivables		13,411,026	23,067,316
Other non-current assets		(71,475)	955,500

T ENGINEERING CORPORATION PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2021
“UNAUDITED”

Unit : Baht

	Notes	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)			
Operating liabilities increase (decrease)			
Trade and other current payables		(15,444,304)	(149,355,770)
Current contract liabilities		-	(17,206,367)
Current retention payables		(2,316,811)	(619,230)
Other current provisions		(1,458,168)	(1,911,071)
Other current liabilities		(591,291)	(1,245,780)
Non-current retention payables		(3,283,652)	(822,133)
Provision for employee benefits paid during the period		(273,773)	(3,468,157)
Provision for loss on litigations		(9,559)	(138,377,818)
Net cash flows used in operations		<u>(47,541,721)</u>	<u>(40,814,457)</u>
Cash received from interest		75,262	804,720
Cash paid for income tax		(446,261)	(2,788,307)
Cash received from income tax refund		25,720,597	-
Net cash flows used in operating activities		<u>(22,192,123)</u>	<u>(42,798,044)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash received from sales of financial assets mandatorily measured at fair value through other comprehensive income		14,864,660	-
Dividend income		-	1,742,140
Payments for purchases of building improvements and equipment		(1,835,830)	(9,144)
Net cash flows provided by investing activities		<u>13,028,830</u>	<u>1,732,996</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash received from long-term borrowing from financial institution	4.2	30,000,000	-
Repayments for lease liabilities	4.2	(538,036)	(457,409)
Interest paid for lease liabilities		(114,772)	(27,214)
Proceeds from increase in ordinary shares		-	25,005,000
Cash paid for interest expenses		(669,568)	-
Net cash flows provided by financing activities		<u>28,677,624</u>	<u>24,520,377</u>
Net increase (decrease) in cash and cash equivalents		19,514,331	(16,544,671)
Cash and cash equivalents as at January 1,		19,070,594	44,797,431
Cash and cash equivalents as at September 30,		<u><u>38,584,925</u></u>	<u><u>28,252,760</u></u>

See the condensed notes to the financial statements

T ENGINEERING CORPORATION PUBLIC COMPANY LIMITED
CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2021
“UNAUDITED”

1. GENERAL INFORMATION OF THE COMPANY AND GOING CONCERN

T Engineering Corporation Public Company Limited (the “Company”) was incorporated in Thailand under the Civil and Commercial Code on April 10, 1981 and engages as a plant and building construction and other related services.

On July 14, 2005, the Company was registered under the Public Limited Company Act. On September 28, 2006, the Company was listed in the Market for Alternative Investment (“MAI”) on the Stock Exchange of Thailand.

As at September 30, 2021, the registered office of the Company is located at 242 and 244 Krung Thonburi Road, Klong Ton Sai, Khlong San District, Bangkok.

Going Concern

As at September 30, 2021, the Company had total current liabilities in excess of total current assets of Baht 25.82 million and had substantial deficit of Baht 1,537.08 million. In addition, the Company also had comprehensive loss for the three-month and nine-month periods ended September 30, 2021 of Baht 14.57 million and Baht 34.13 million, respectively. The current ratio as at September 30, 2021 and December 31, 2020 are 0.66 and 0.77, respectively. The current liabilities mainly include trade and other current payables and retention payables which are partially due which the Company negotiated for installment payments. The Company currently has only one construction project. However, the Company’s management believes that the preparation of the financial statements in accordance with the ongoing concern basis is still appropriate. On March 31, 2021, the Company entered into the borrowing agreement with a financial institution to increase liquidity for a credit facility of Baht 30 million for a period of 3 years from the date of the contract signing which will mature on March 31, 2024, using its land as collateral (see Notes 11 and 16).

Later, on August 13, 2021, the Board of Directors’ Meeting No. 4/2021 passed a resolution to approve the going concern plan to find investor who is able to enhance the potential in financial and both of domestic and overseas construction projects. The Company could find the investor according to the plan.

Subsequently, on October 12, 2021, the Extraordinary General Shareholders’ Meeting passed a resolution to approved to the increase in registered share capital. The Company received the payment of such increased ordinary shares in amount of Baht 1,080.88 million in October 2021. Therefore, the Company has sufficient capital for its business operations for a period of 12 months from the financial statements date (see Note 29.1.1).

Operational plan after the increase of registered share capital

The Company still engages to construction business and has plan to expand business to bid project of nearby country which has more channel, chance and higher profits because the competition in the construction industry in nearby country is not as high as the domestic competition. In addition, the Company is interested in the bidding for large projects with higher potential from having sufficient funding sources beside long-standing industry expertise.

Coronavirus Disease 2019 Pandemic

The Coronavirus disease 2019 (“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 Company’s operates. Nevertheless, the Company’s management will continue to monitor the ongoing development and regularly assess the financial impact in respect of valuation of assets, provisions and contingent liabilities.

2. BASIS OF PREPARATION AND PRESENTATION OF INTERIM FINANCIAL STATEMENTS

- 2.1 The interim financial statements is prepared in Thai Baht and in compliance with Thai Accounting Standard No. 34 “Interim Financial Reporting” and accounting practices generally accepted in Thailand. The Company presents the condensed notes to interim financial statements and the additional information is disclosed in accordance with the regulations of the Office of the Securities and Exchange Commission.
- 2.2 The statement of financial position as at December 31, 2020, presented herein for comparison, have been derived from the financial statements of the Company for the year then ended which had been previously audited.
- 2.3 An English version of the interim financial statements has been prepared from the interim financial statements that is in Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial statements shall prevail.
- 2.4 The unaudited results of operations presented in the three-month and nine-month periods ended September 30, 2021 are not necessarily an indication nor anticipation of the operating results for the full year.
- 2.5 Certain financial information which is normally included in the annual financial statements prepared in accordance with TFRS, but which is not required for interim reporting purposes, has been omitted. Therefore, the interim financial statement for the three-month and nine-month periods ended September 30, 2021 should be read in conjunction with the audited financial statements for the year ended December 31, 2020.

2.6 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

During the period, the Company has adopted the revised financial reporting standards and the Conceptual Framework for Financial Reporting issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revisions to references to the Conceptual Framework in TFRSs, the amendment for definition of business, the amendment for definition of materiality and accounting requirements for interest rate reform. The adoption of these financial reporting standards does not have any significant impact on the Company's interim financial statements.

2.7 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

The Amendment to Thai Financial Reporting Standards No. 16 "Leases" ("TFRS 16") added the requirements for the temporary exception arising from the Phase 2 of the interest rate benchmark reform amendments, which an entity shall apply these amendments for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted. This revised TFRS 16 has been announced in the Royal Gazette on January 27, 2021.

In addition, the Federation of Accounting Professions has issued the Notification regarding the amendments to Thai Financial Reporting Standards No. 4 "Insurance Contracts", Thai Financial Reporting Standards No. 7 "Financial Instruments: Disclosures", and Thai Financial Reporting Standards No. 9 "Financial Instruments", which have been announced in the Royal Gazette on June 28, 2021 and will be effective for the financial statements for the period beginning on or after January 1, 2022 onwards with earlier application permitted. The amendment to such Thai Financial Reporting Standards are relevant to the Phase 2 of the interest rate benchmark reform amendments which provided practical expedients for the modification of the contractual cash flows of financial assets or financial liabilities resulted from the interest rate benchmark reform, including temporary exceptions from specific hedge accounting requirements, and additional disclosure requirements of TFRS 7.

The Company's management will adopt such TFRSs in the preparation of the Company's financial statements when it becomes effective. The Company's management is in the process to assess the impact of these TFRSs on the financial statements of the Company in the period of initial application.

3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the financial statements for the year ended December 31, 2020.

4. SUPPLEMENTARY DISCLOSURES OF CASH FLOWS INFORMATION

4.1 Non-cash item for the nine-month periods ended September 30, are as follows:

	2021 Baht	2020 Baht
Gains on investments in equity instruments designated at fair value through other comprehensive income	18,362,474	2,910,327
Gains on financial assets mandatorily at fair value through profit or loss	-	739,860

4.2 Change in liabilities from financing activities for the nine-month periods ended September 30, are as follows:

For the nine-month period ended at September 30, 2021	Balance as at January 1, 2021 Baht	Financing cash flows Cash received Baht	Cash paid Baht	Other change (1) Baht	Balance as at September 30, 2021 Baht
Lease liabilities	79,842	-	(538,036)	3,044,065	2,585,871
Other short-term borrowing	12,235,690	-	-	-	12,235,690
Long-term borrowing from financial institution	-	30,000,000	-	-	30,000,000
Total	<u>12,315,532</u>	<u>30,000,000</u>	<u>(538,036)</u>	<u>3,044,065</u>	<u>44,821,561</u>

For the nine-month period ended at September 30, 2020	Balance as at January 1, 2020 Baht	Financing cash flows Cash Received Baht	Cash Paid Baht	Change from implementation of TFRS 16 Baht	Other changes (1) Baht	Balance as at September 30, 2020 Baht
Lease liabilities	311,402	-	(457,409)	473,156	(127,224)	199,925
Other short-term borrowing	12,235,690	-	-	-	-	12,235,690
Total	<u>12,547,092</u>	<u>-</u>	<u>(457,409)</u>	<u>473,156</u>	<u>(127,224)</u>	<u>12,435,615</u>

(1) Other change was arised from increase in lease liabilities from new lease agreements during the period.

4.3 Cash and cash equivalents as at September 30, 2021 and December 31, 2020 consisted of the following:

	As at September 30, 2021 Baht	As at December 31, 2020 Baht
Cash on hand	39,274	45,944
Cash at banks		
- Current accounts	6,055,672	16,422,990
- Savings accounts	32,206,442	2,379,227
- Fixed accounts (maturity less than 3 months)	283,537	222,433
Total	<u><u>38,584,925</u></u>	<u><u>19,070,594</u></u>

As at September 30, 2021 and December 31, 2020, savings accounts at banks carry interest rate at the rate of 0.05% to 0.25% per annum and 0.38% to 1.00% per annum, respectively.

As at September 30, 2021 and December 31, 2020, fixed deposits (maturity less than 3 months) at banks carry interest rate at the rate of 0.10% to 0.47% per annum and 0.37% to 1.63% per annum, respectively.

5. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables as at September 30, 2021 and December 31, 2020 consisted of the following:

	As at September 30, 2021 Baht	As at December 31, 2020 Baht
Trade receivables		
- Other parties	-	5,948,099
Trade receivables	<u>-</u>	<u>5,948,099</u>
Other current receivables		
Other receivables		
- Other parties	16,834	154,352
- Other receivable - bank (see Note 27.1)	-	5,334,318
- The Revenue Department	1,887,253	551,739
Advance payments for construction	2,808,321	1,466,321
Prepaid expenses	2,061,309	1,130,067
Other current receivables	<u>6,773,717</u>	<u>8,636,797</u>
Total	<u><u>6,773,717</u></u>	<u><u>14,584,896</u></u>

The aging of trade receivables as at September 30, 2021 and December 31, 2020, are as follows:

	As at September 30, 2021 Baht	As at December 31, 2020 Baht
Within credit term	-	5,948,099
Total	<u>-</u>	<u>5,948,099</u>

6. OTHER CURRENT FINANCIAL ASSETS

Other current financial assets as at September 30, 2021 and December 31, 2020, consisted of the following:

	As at September 30, 2021 Baht	As at December 31, 2020 Baht
Financial assets mandatorily measured at fair value through profit or loss		
Investment in equity instruments	-	6,772,052
Unrealized loss	-	(2,305,972)
Total	<u>-</u>	<u>4,466,080</u>

Losses on financial assets mandatorily measured at fair value through profit or loss

As at September 30, 2020, the Company has unrealized loss on remeasuring financial assets mandatorily measured at fair value through profit or loss of Baht 8.63 million which recognized gain on financial assets mandatorily measured at fair value through profit or loss as other gains in the statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended September 30, 2020 of Baht 0.70 million and Baht 0.74 million, respectively (As at September 30, 2021 : Nil).

The Company recognized reversal of unrealized loss from sale of financial assets mandatorily measured at fair value through profit or loss for the nine-month period ended September 30, 2021 of Baht 2.30 million (For the three-month period ended September 30, 2021 : Nil).

Trading of financial assets mandatorily measured at fair value through profit or loss

For the nine-month period ended September 30, 2021, the Company sold all financial assets mandatorily measured at fair value through profit or loss of Baht 5.03 million.

For the nine-month period ended September 30, 2020, the Company did not purchase or sell financial assets mandatorily measured at fair value through profit or loss.

7. DEPOSITS AT FINANCIAL INSTITUTION WITH RESTRICTION OF USE

As at September 30, 2021 and December 31, 2020, deposits at financial institution with restriction of use amounting to Baht 19.09 million and Baht 15.86 million, respectively, were saving account and fixed accounts with maturity term of 3 - 12 months, carrying interest rate at 0.05% to 0.38% per annum and 0.38% to 1.63% per annum, respectively, which the Company used as collateral for facility of letters of guarantee issued by financial institutions (see Note 25.1) and long-term borrowing from financial institution (see Note 16).

8. OTHER NON-CURRENT FINANCIAL ASSETS

Other non-current financial assets as at September 30, 2021 and December 31, 2020, consisted of the following:

	As at September 30, 2021 Baht	As at December 31, 2020 Baht
Financial assets measured at fair value through other comprehensive income		
Investment in equity instruments	33,975,403	54,965,867
Unrealized loss	(2,099,489)	(26,587,767)
Total	<u>31,875,914</u>	<u>28,378,100</u>

Losses on investments in equity instruments designated at fair value through other comprehensive income

As at September 30, 2021, the Company has unrealized loss on remeasuring investments in equity instruments designated at fair value through other comprehensive income of Baht 2.10 million. The Company recognized gain on investments in equity instruments designated at fair value through other comprehensive income as other comprehensive income of Baht 6.55 million and Baht 18.36 million, respectively, in the statement of profit or loss and other comprehensive income for the three-month and nine-month periods ended September 30, 2021.

As at September 30, 2020, the Company has unrealized loss on remeasuring investments in equity instruments designated at fair value through other comprehensive income of Baht 26.80 million. The Company recognized loss on investments in equity instruments designated at fair value through other comprehensive income as other comprehensive loss of Baht 0.71 million in the statement of profit or loss and other comprehensive income for the three-month period ended September 30, 2020 and recognized gain on investments in equity instruments designated at fair value through other comprehensive income as other comprehensive income of Baht 2.91 million in the statement of profit or loss and other comprehensive income for the nine-month period ended September 30, 2020.

The Company transferred of loss on measuring financial assets upon disposal of investments in equity instruments designated at fair value through other comprehensive income directly to retained earnings for the nine-month period ended September 30, 2021 amounting to Baht 6.13 million (For the three-month period ended September 30, 2021 and for the three-month and nine-month periods ended September 30, 2020 : Nil).

Trading of investments in equity instruments designated at fair value through other comprehensive income

For the nine-month period ended September 30, 2021, the Company sold investments in equity instruments designated at fair value through other comprehensive income of Baht 14.86 million.

For the nine-month period ended September 30, 2020, the Company did not purchase or sell investments in equity instruments designated at fair value through other comprehensive income.

9. TRADE AND OTHER NON-CURRENT RECEIVABLES

Trade and other non-current receivables as at September 30, 2021 and December 31, 2020, consisted of the following:

	As at September 30, 2021 Baht	As at December 31, 2020 Baht
Trade receivables		
- Other parties	144,531,513	144,531,513
<u>Less</u> Allowance for expected credit loss	<u>(144,531,513)</u>	<u>(144,531,513)</u>
Trade receivables	<u>-</u>	<u>-</u>
Other non-current receivables		
Other receivables		
- Other parties	5,489,577	5,480,086
<u>Less</u> Allowance for expected credit loss	<u>(5,414,352)</u>	<u>(5,458,174)</u>
Other receivables	<u>75,225</u>	<u>21,912</u>
Advance payments for construction	<u>2,276,395</u>	<u>2,276,395</u>
Other non-current receivables	<u>2,351,620</u>	<u>2,298,307</u>
Total	<u>2,351,620</u>	<u>2,298,307</u>

The aging of trade receivables as at September 30, 2021 and December 31, 2020, are as follows:

	As at September 30, 2021 Baht	As at December 31, 2020 Baht
Overdue		
Over 12 months	144,531,513	144,531,513
Total	<u>144,531,513</u>	<u>144,531,513</u>

For the nine-month periods ended September 30, the movements of allowance for expected credit loss are as follows:

	2021 Baht	2020 Baht
Beginning balances as previously reported	149,989,687	154,164,620
<u>Add</u> Impact on recognized allowance for expected credit loss as TFRS 9	<u>-</u>	<u>10,214,557</u>
Beginning balances - new Financial Reporting Standards	149,989,687	164,379,177
<u>Less</u> Reversal of expected credit loss during the periods	<u>(43,822)</u>	<u>(10,877,100)</u>
Ending balances	<u>149,945,865</u>	<u>153,502,077</u>

10. NON-CURRENT CONTRACT ASSETS

Non-current contract assets as at September 30, 2021 and December 31, 2020, consisted of the following:

	As at September 30, 2021 Baht	As at December 31, 2020 Baht
Non-current contract assets	38,317,650	38,317,650
<u>Less</u> Allowance for expected credit loss	<u>(38,317,650)</u>	<u>(38,317,650)</u>
Non-current contract assets (see Note 22)	<u>-</u>	<u>-</u>

For the nine-month periods ended September 30, the movements of allowance for expected credit loss are as follows:

	2021 Baht	2020 Baht
Beginning balances	38,317,650	39,619,782
<u>Less</u> Reversal of expected credit loss during the periods	<u>-</u>	<u>(1,302,132)</u>
Ending balances	<u>38,317,650</u>	<u>38,317,650</u>

11. INVESTMENT PROPERTIES

On March 31, 2021, the Company has pledged investment properties in net book value amounting to Baht 60.25 million, as collateral against borrowing agreement with a financial institution (see Note 16).

12. PROPERTY, PLANT AND EQUIPMENT

As at September 30, 2021, property, plant and equipment in the financial statements increased approximately by Baht 0.39 million mainly due to investment in building improvements and equipment amounting to Baht 1.82 million while decreased from increasing of accumulated depreciation amounting Baht 1.43 million.

On June 7, 2021, the Company has pledged land and buildings in net book value amounting to Baht 17.91 million, as collateral for the bail contract to suspend the execution under the judgment of the Civil Court (see Note 27.3.2).

13. RETENTION RECEIVABLES

Retention receivables as at September 30, 2021 and December 31, 2020, consisted of the following:

	As at September 30, 2021 Baht	As at December 31, 2020 Baht
Retention receivables	71,544,236	84,955,262
<u>Less</u> Allowance for expected credit loss	<u>(48,035,752)</u>	<u>(48,035,752)</u>
Total	<u>23,508,484</u>	<u>36,919,510</u>

For the nine-month periods ended September 30, the movements of allowance for expected credit loss are as follows:

	2021 Baht	2020 Baht
Beginning balances	48,035,752	58,037,653
<u>Less</u> Reversal of expected credit loss during the periods	-	(10,001,901)
Ending balances	<u>48,035,752</u>	<u>48,035,752</u>

14. OTHER NON-CURRENT ASSETS

Other non-current assets as at September 30, 2021 and December 31, 2020, consisted of the following:

	As at September 30, 2021 Baht	As at December 31, 2020 Baht
Guarantees and deposits	350,776	279,300
Withholding tax deducted at source	51,861,077	49,072,615
Total	<u>52,211,853</u>	<u>49,351,915</u>

15. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at September 30, 2021 and December 31, 2020, consisted of the following:

	As at September 30, 2021 Baht	As at December 31, 2020 Baht
Trade payables		
- Other parties	15,602,845	32,640,217
Trade payables	<u>15,602,845</u>	<u>32,640,217</u>
Other current payables		
Other payables		
- Other parties	10,472,106	6,365,758
Accrued expenses	3,961,204	6,908,665
Other current payables	<u>14,433,310</u>	<u>13,274,423</u>
Total	<u>30,036,155</u>	<u>45,914,640</u>

16. LONG-TERM BORROWING FROM FINANCIAL INSTITUTION

On March 31, 2021, the Company entered into the borrowing agreement with a financial institution to increase liquidity for a periods 3 years from the signing date of the contract which will mature on March 31, 2024. The Company drew down the loan in full credit facility amount Baht 30 million in May 2021 with interest rate of 5.99% per annum. Interest payments are made on a monthly basis and make repayment of principal within maturity date which using its deposits at financial institution and land as collateral (see Notes 7 and 11).

17. LEASE LIABILITIES

Lease liabilities as at September 30, 2021 and December 31, 2020, consisted of the following:

	As at September 30, 2021 Baht	As at December 31, 2020 Baht
Maturity analysis:		
Within 1 year	857,712	81,000
1 - 5 years	2,001,328	-
	<u>2,859,040</u>	<u>81,000</u>
<u>Less</u> Unearned interest	<u>(273,169)</u>	<u>(1,158)</u>
Total	<u><u>2,585,871</u></u>	<u><u>79,842</u></u>
Classification as:		
Current	722,438	79,842
Non - Current	1,863,433	-
Total	<u><u>2,585,871</u></u>	<u><u>79,842</u></u>

18. PROVISION FOR EXPECTED LOSS ON CONSTRUCTION CONTRACT AND PROVISION FOR PENALTY ARISING FROM DELAY ON CONSTRUCTION CONTRACT

18.1 As at September 30, 2021, provision for expected loss on construction contract increased approximately Baht 0.48 million which recognized as cost of construction contract for the three-month and nine-month periods ended September 30, 2021 (As at December 31, 2020 : Nil).

18.2 As at September 30, 2021, provision for penalty arising from delay on construction contract increased approximately Baht 0.84 million which recognized as a deduction from revenue from construction contract for the three-month and nine-month periods ended September 30, 2021 (As at December 31, 2020 : Nil).

19. SHARE CAPITAL

19.1 On February 27, 2020, the Extraordinary General Shareholders' Meeting passed a resolution to decrease of the registered share capital from the amount of Baht 10,545,938,156 to Baht 10,114,938,156 by decreasing the unissued registered shares capital of 431,000,000 shares at the par value of Baht 1 each which were the remaining reserved and unsubscribed increased ordinary shares for Private Placement. The Company registered the decrease in registered share capital with the Ministry of Commerce on March 6, 2020.

19.2 On February 27, 2020, the Extraordinary General Shareholders' Meeting passed a special resolution to approve the increase of the registered share capital from the amount of Baht 10,114,938,156 to Baht 12,826,431,971 by issuing new ordinary shares of 2,711,493,815 shares at the par value of Baht 1 each. The Company registered the increase in registered share capital with the Ministry of Commerce on March 10, 2020. The allotment of new ordinary shares are as follows:

- 19.2.1 The shareholders passed a resolution to approve the allocation of increased ordinary shares of 1,011,493,815 shares for offering to existing shareholders in accordance with their shareholding ratio (Rights Offering) at the price of Baht 0.03 each, totally Baht 30.34 million with the ratio of 10 existing ordinary shares to 1 increased ordinary share. However, shareholders have the rights to subscription for the increased ordinary shares in excess of their rights. On July 1, 2020, the Annual General Shareholders' Meeting passed a solution to approve the authorization to Managing director to postpone and determine the date for subscription and payment for the subscription of increased ordinary shares for offering to existing shareholders because of the situation of the Coronavirus disease 2019 ("COVID-19") pandemic and capital market fluctuation which may affect to the consideration for subscription of increased ordinary shares of the existing shareholders. As a result, the Company has postponed the date of subscription and payment for the subscription of increased ordinary shares to be sold to the existing shareholders.
- 19.2.2 On February 24, 2021, the Board of Directors' Meeting No. 1/2021 passed a resolution to cancel the subscription and payment for the subscription of increased ordinary shares that offering to the existing shareholders of 1,011,493,815 shares because of the situation of the Coronavirus disease 2019 ("COVID-19"). Therefore, there were several postpone the date of subscription and payment for the subscription of increased ordinary shares and this lead to the Company was unable to determine the date of subscription and payment for the subscription of increased ordinary shares within 1 year from the Extraordinary General Shareholders' Meeting No. 1/2020 approval. The Company will propose to the Annual General Shareholders' Meeting of 2021 to pass a solution to decrease the Company's registered share capital of 1,011,493,815 shares (see Note 19.3).
- 19.2.3 The shareholders passed a resolution to approve the allocation of increased ordinary shares of 1,700,000,000 shares for offering to Private Placement which non-related person of the Company in the price of Baht 0.03 each totally Baht 51.00 million. The Company received the payment of such increased ordinary shares of 833,500,000 shares of Baht 0.03 each, totally Baht 25.01 million on May 26, 2020 and registered the increase in paid-up share capital with the Ministry of Commerce on June 9, 2020. The Company will propose to the Annual General Shareholders' Meeting of 2021 to pass a solution to decrease the Company's registered share capital of 866,500,000 shares (see Note 19.3).
- 19.3 On April 28, 2021, the Annual General Shareholders' Meeting passed a resolution to approve the decrease of the registered share capital from the amount of Baht 12,826,431,971 to Baht 10,948,438,156 by decreasing the unissued registered shares capital of 1,877,993,815 shares at the par value of Baht 1 each which were the result of the remaining from cancelling the subscription and payment for the subscription of increased ordinary shares that offering to the existing shareholders in accordance with their shareholding ratio (Rights Offering) of 1,011,493,815 shares (see Note 19.2.2) and offering to Private Placement of 866,500,000 shares (see Note 19.2.3). The Company registered the decrease in registered share capital with the Ministry of Commerce on May 19, 2021.

20. WARRANTS

The Annual General Meeting of Shareholders held on April 25, 2013, had the resolution approve the issuance of Warrants No. 1 (TIES-WA) in the number of 22,000,000 units to the management and employees and the Extraordinary General Meeting of Shareholders held on November 17, 2014 has a resolution to approve the allotment and offering of newly issued ordinary shares of the Company to the existing shareholders of the Company in proportion to their respective shareholdings (Right Offering) and adjustment of right which specified that the Company is obliged to adjust the exercise price and exercise ratio. The preliminary details of the warrants are described below:

Type of Warrants	:	Warrants purchasing ordinary shares of Thai Industrial & Engineering Service Public Company Limited allocated to the management and employees
Type	:	Specified warrant's holder and non-transferable.
Term of Warrants	:	5 years from the issuing date of warrants.
Number of issued and offered warrants	:	22,000,000 units
Offering Price	:	0 Baht per unit
Allocation method	:	17,000,000 units directly allocated to management and employees 5,000,000 units allocated by the appointed person from the Board of Directors and/or Managing Director in order to allocate to new management and employees who will work for the Company within 1 year from the date of the shareholders' meeting approve this offering
Exercise Ratio	:	1 warrant to 11.971 ordinary shares (Formerly: 1 warrant to 1 ordinary share)
Exercise Price	:	Baht 1 (Formerly: Baht 2.50)
Exercise Period	:	The first: 1 year after the Company issued warrants, and not exceed 25% of the allocated warrants The second: 2 years after the Company issued warrants, and not exceed 50% of the allocated warrants The third: 3 years after the Company issued warrants, and not exceed 75% of the allocated warrants The forth: 4 years after the Company issued warrants, and not exceed 100% of the allocated warrants

Holders of warrants are able to exercise the warrants to ordinary shares on the last business day of March, June, September and December throughout the term of the warrants. The unexercised warrants as at May 14, 2018 which was the last exercised date were 8,140,000 units and the Company transferred expired share capital from share-based payment of Baht 7.86 million to be a separate item under retained earnings (deficit) in the statement of financial position.

21. BASIC LOSSES PER SHARE AND DILUTED LOSSES PER SHARE

Basic losses per share for the three-month and nine-month periods ended September 30, 2021 and 2020 are calculated by dividing loss for the periods by weighted average number of ordinary shares issued during the periods.

For the three-month and nine-month periods ended September 30, are as follows:

	For the three-month periods ended September 30,	
	2021	2020
	Baht	Baht
Profit (loss) for the periods (Baht)	(21,126,379)	16,728,005
Ordinary shared - beginning balance (shares)	10,948,438,156	10,114,938,156
Effect from issue shared capital during the periods	-	833,500,000
Weighted average number of ordinary shares (shares) as at September 30,	10,948,438,156	10,948,438,156
Basic earnings (loss) per share (Baht)	(0.0019)	0.0015
	For the nine-month periods ended September 30,	
	2021	2020
	Baht	Baht
Loss for the periods (Baht)	(52,496,211)	(16,932,124)
Ordinary shared - beginning balance (shares)	10,948,438,156	10,114,938,156
Effect from issue shared capital during the periods	-	389,372,263
Weighted average number of ordinary shares (shares) as at September 30,	10,948,438,156	10,504,310,419
Basic losses per share (Baht)	(0.0048)	(0.0016)

DILUTED LOSSES PER SHARE

Diluted losses per share for the three-month and nine-month periods ended September 30, 2021 and 2020 are calculated by dividing the loss for the periods of ordinary shareholders by the sum of the weighted average number of ordinary shares outstanding during the periods and the weighted average number of shares to be issued for the exercise of all dilutive potential ordinary shares into ordinary shares, without any consideration. The calculation assumes that the holders will exercise dilutive potential ordinary share into ordinary shares when the exercise price is lower than fair value of ordinary shares. However, for the three-month and nine-month periods ended September 30, 2021 and 2020, there are no has warrants which are able to exercise to ordinary shares.

22. SIGNIFICANT INFORMATION OF CONSTRUCTION CONTRACTS

Significant information of construction contracts as at September 30, 2021 and December 31, 2020, are as follows:

	As at September 30, 2021 Baht	As at December 31, 2020 Baht
Contract revenues	26,900,000	353,204,005
Cost incurred to date	9,866,153	321,877,045
Profit (loss) recognized to date	(330,126)	7,455,900
Cost and profit (loss) recognized to date	9,536,027	329,332,945
<u>Less</u> Progress billings to date	(8,162,574)	(326,304,005)
Contract assets	(1,373,453)	(3,028,940)
Total contract liabilities	-	-
	For the nine-month period ended September 30, 2021 Baht	For the year ended December 31, 2020 Baht
Cost of construction contracts incurred during the period/year	9,722,741	52,277,119
Expected loss on construction contract	(482,579)	-
Cost of construction contracts incurred recognized as expense during the period/year	(6,976,011)	(52,277,119)
Cost of construction contracts related to activities in the future which recognized as asset	2,264,151	-
	As at September 30, 2021 Baht	As at December 31, 2020 Baht
Contract assets beginning of the period/year	3,028,940	56,617,309
Unearned construction revenues at the beginning of the period/year	-	-
Revenues from construction contracts recognized as revenues during the period/year	6,507,087	60,807,797
Progress billings during the period/year	(8,162,574)	(114,396,166)
Contract assets	1,373,453	3,028,940
	For the three-month periods ended September 30, 2021 Baht	2020 Baht
Revenues from construction contracts recognized as revenues during the periods	(422,353)	10,456,639
Expected loss on construction contract	(482,579)	-
Cost of construction contracts incurred recognized as expense during the periods	-	(8,269,910)
Profit (loss) recognized during the periods	(904,932)	2,186,729
	For the nine-month periods ended September 30, 2021 Baht	2020 Baht
Revenues from construction contracts recognized as revenues during the periods	6,507,087	57,778,857
Expected loss on construction contract	(482,579)	-
Cost of construction contracts incurred recognized as expense during the periods	(6,976,011)	(48,924,771)
Profit (loss) recognized during the periods	(951,503)	8,854,086

The Company reversed revenues from construction contracts in the statements of profit or loss and other comprehensive income for the three-month period ended September 30, 2021 of Baht 0.42 million and recognized revenues from construction contracts in the statements of profit or loss and other comprehensive income for the nine-month period ended September 30, 2021 of Baht 6.51 million because of the effect of recognition of expected loss on construction contract that related revenue previously recognized in prior period and provision for penalty arising from delay on construction contract increased from the prior period (see Note 18).

The Company recognized revenues from construction contracts in the statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended September 30, 2020 of Baht 10.46 million and Baht 57.78 million, respectively, which has no effect of the expected loss on construction contract and provision for penalty arising from delay that recognized as a deduction from revenue from construction contract.

In addition, the Company recognized expected loss on construction contract in the statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended September 30, 2021 of Baht 0.48 million based on the progress of the construction project and actual costs incurred to date, together with fluctuations in costs of construction materials, labour and the current situation (For the three-month and nine-month periods ended September 30, 2020 : Nil).

23. INCOME TAX EXPENSE

Reconciliations of income tax expense for the three-month and nine-month periods ended September 30, are as follows:

	For the three-month periods ended September 30,	
	2021	2020
	Baht	Baht
Profit (loss) before income tax	(21,126,379)	16,728,005
Income tax expense at 20%	(4,225,276)	3,345,601
Effect of tax losses not recognized as deferred tax asset	4,029,113	4,384,975
Effect of the non-taxable income and non-deductible expense	196,163	(7,730,576)
Income tax expense	-	-
	For the nine-month periods ended September 30,	
	2021	2020
	Baht	Baht
Loss before income tax	(52,496,211)	(16,932,124)
Income tax expense at 20%	(10,499,242)	(3,386,425)
Effect of tax losses not recognized as deferred tax asset	10,443,596	11,869,545
Effect of the non-taxable income and non-deductible expense	55,646	(8,483,120)
Income tax expense	-	-

The Company has not recognized deferred tax assets for unused tax losses because they expect no certain future taxable profit to be utilized. As at September 30, 2021 and December 31, 2020, the Company has unused tax losses carried forward amounting to Baht 415.20 million and Baht 223.74 million, respectively. Such tax losses will partially expire in 2022.

24. RELATED PARTY TRANSACTIONS AND BALANCES

The Company has certain transactions with related parties. These related parties are related through common shareholdings and/or directorships. Significant related party transactions included in the financial statements are determined at the normal business prices based on the general market prices or prices agreed by the agreement in case no market reference.

Directors and key management's compensation

Directors and key management's compensation for the three-month and nine-month periods ended September 30, consisted of the following:

	For the three-month periods ended September 30,	
	2021	2020
	Baht	Baht
Short-term benefits	2,021,700	3,155,700
Post-employee benefits	8,748	5,449
Directors remuneration	1,059,000	445,000
Total directors and key management's compensation	3,089,448	3,606,149
	For the nine-month periods ended September 30,	
	2021	2020
	Baht	Baht
Short-term benefits	7,199,100	8,641,150
Post-employee benefits	26,244	97,022
Directors remuneration	2,407,000	2,139,000
Total directors and key management's compensation	9,632,344	10,877,172

25. COMMITMENTS AND CONTINGENT LIABILITIES

The Company has commitments and contingent liabilities as follows:

25.1 As at September 30, 2021 and December 31, 2020, the Company has letters of guarantee issued by the financial institutions of Baht 16.19 million and Baht 13.86 million, respectively. The Company has credit facilities for letters of guarantee issued by the financial institutions of Baht 16.19 million and Baht 13.86 million, respectively, which are guaranteed by the Company's deposits at financial institutions (see Note 7).

25.2 On February 24, 2021, the Company entered to into a borrowing agreement from a major shareholder which has unused had credit facility of Baht 50 million with interest rate of 7.50% per annum. The interest is calculated since drawdown date until such borrowing repayment completion date, for support its working capital. Interest repayments are made on a monthly basis and make repayment of principal on February 28, 2022, using its land as collateral.

Later, on April 1, 2021, the Company entered into an amendment of the borrowing agreement with such major shareholder by revising the unused credit facility from Baht 50 million to Baht 20 million and changing collateral from its land to be collateralized by the Company's director with the same other condition. In case that the shareholders of the Company pass a resolution approving the increase of the Company's registered capital, such loan agreement shall be implicitly canceled.

On October 12, 2021, the Extraordinary General Shareholders' Meeting passed a resolution to approve the increase of the registered share capital of the Company (see Note 29.1.1) and the Company entered into memorandum of cancellation of the borrowing agreement and other conditions related to such the borrowing agreement from such major shareholder which is in accordance with the condition of such borrowing agreement.

- 25.3 Commitments to pay rental under the lease agreements for land and equipment in the future as at September 30, 2021 and December 31, 2020, consisted of the following:

	As at September 30, 2021 Baht	As at December 31, 2020 Baht
Within 1 year	186,084	322,862
Later than 1 year and not later than 5 years	-	12,567

Rental under the lease agreements recognized as expenses in the statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended September 30, 2021 are Baht 0.18 million and Baht 0.54 million, respectively.

Rental under the lease agreements recognized as expenses in the statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended September 30, 2020 are Baht 2.30 million and Baht 7.02 million, respectively.

- 25.4 During the year 2018, the Company proposed and won the bidding for construction with a domestic company. However, the Company could not sign the construction contract within specified date. Subsequently, such domestic company announced the change of the list of bidder and such construction had already completed in May 2020. The Company's management believes that there is no material impact to the financial statements.

26. OPERATING SEGMENT INFORMATION

Operating segment information is reported to comply with the internal report that is prepared for decision in the resource allocation to the segment and assess its segment performance. The Company's chief operating decision maker is Chief Executive Officer.

Business segment

The Company operates only construction business. Therefore, the Company have a business segment and such business segment has recognized revenue overtime.

Geographical segment

The Company operates in only domestic. Therefore, the Company has only one geographic segment.

Information about transactions with major customers

The Company has revenues from construction contracts with external customers over 10% of total revenue from construction contract.

For the three-month period ended September 30, 2021, the Company reversed revenues from construction contract from 1 major customer in total amount of Baht 0.42 million (see Note 22) and for the three-month period ended September 30, 2020, the Company has revenue from construction contract from 1 major customer in total amount of Baht 10.46 million. For the nine-month periods ended September 30, 2021 and 2020, the Company has revenue from construction contract from 1 major customer in total amount of Baht 6.51 million and 1 major customer in total amount of Baht 53.42 million, respectively.

27. LITIGATIONS

27.1 On July 24, 2012, the Company sued a company (the “Contractor”) for breach of the construction contract in the amount of Baht 100.23 million and such company sued counterclaim the Company in the same lawsuit in amount of Baht 281.02 million. However, as the Company has disclosed information to the Electronic Listed Companies Information Disclosure (ELCID). The Supreme Court has made the final judgment. The Contractor has to pay the Company to net of Baht 65.01 million with interest since the next date of prosecution until payment completion and the Contractor has to return the letter of guarantee (contract collateral) and the letter for advance receipt guarantee in total of 4 copies to the Company.

The brief information of the case before the final judgment by the Supreme Court can be summarized as follows:

On April 28, 2016, the Civil Court already rendered its judgment ordered the Company to pay the Contractor in amount of Baht 105.31 million.

On May 25, 2018, the Appeal Court rendered its judgment to reverse the Civil Court’s judgment and ordered the Contractor to pay the Company net of Baht 43.69 million with interest since the next date of prosecution until payment completion which is the amount after deducted compensation to the Contractor of Baht 30.80 million, resulting in provision for loss on litigations as at December 31, 2019 amount of Baht 30.80 million.

Later, on October 28, 2020, the Supreme Court rendered its judgment to order the Contractor to pay the Company net of Baht 65.01 million with interest since the next date of prosecution until payment completion which is the amount after deducted compensation to the Contractor of Baht 3.62 million. Therefore, the Company recorded the reversal of provision for loss on litigations of Baht 30.22 million in the statement of profit or loss and other comprehensive income for the year ended December 31, 2020 and transferred provision for loss on litigations to other payables of Baht 0.58 million as part of compensation to the Contractor according to Supreme Court’s judgment. The remaining compensation of Baht 3.04 million was recorded as liabilities in the related accounts in the financial statements. Currently, the Court has appointed the enforcement officer and in process of appointed lawyer to trace properties.

Moreover, during 2017, the bank which issued letters of guarantee to such contractor on behalf of the Company deducted the Company's deposit at bank of Baht 12.31 million which consist of payment of letter of guarantee fee by Baht 7.52 million and payment of the obligations for letters of guarantee by Baht 4.79 million. The Company recognized payment of the obligations for such letters of guarantee by Baht 4.79 million and deducted of duplicate letter of guarantee fee by Baht 0.54 million totally Baht 5.33 million as other receivable - bank and presented as part of trade and other current receivables (see Note 5). However, the Company believes that the bank had no rights to deduct the Company's deposit at bank because the deduction occurred while the case has not resolved.

Subsequently, on May 25, 2018, the bank which issued letters of guarantee to such contractor on behalf of the Company sued the Company to make a payment according to a request for issuance the letters of guarantee of Baht 49.49 million. The Civil Court took evidence in June 2019 and on August 15, 2019, the Civil Court already rendered its judgment to dismiss the case and ordered the bank to return the money deducted from the Company's deposit at bank of Baht 12.31 million with interest since the date of prosecution until payment completion. In October 2019, the Company requested the Court to issue an execution warrant and meanwhile, bank appealed such case to the court. Subsequently, on September 22, 2020, the Appeal Court rendered its judgment to uphold the Civil Court's judgment. On December 4, 2020, the Court received certain payment from bank as the judgment. Later, on February 11, 2021 and October 21, 2021, the Company has received such payment of Baht 7.02 million and Baht 9.39 million, respectively.

- 27.2 On July 27, 2017, the Company was sued by 2 sub-contractors for breach of the construction agreements and the guarantee agreements due to termination made by the Company on July 13, 2017 with the claim amount of Baht 14.10 million. Later, on October 11, 2017, the Company had submitted testimony and sued for counterclaim 2 sub-contractors in the amount of Baht 11.39 million. The Civil Court had ordered to accept testimony and sued for counterclaim. Later, the Court appointed the mediation of the case. On March 29, 2018, the parties could not agree together and accept to return the case to the court consideration process. The Civil Court had ordered to take evidence on October 16 - 18, 2018 and on November 27, 2018, the Civil Court rendered its judgment to order the Company to make payment to sub-contractors and return letter of guarantee.

Subsequently, during May 2019, the Company received the rights to claim sequestered notice from Legal Execution Department to sequester the rights of some cash at bank of the Company of Baht 0.99 million and the bank has already withdrawn such cash to the Legal Execution Department. Subsequently, on May 26, 2020, the Appeal Court rendered its judgement to reverse the Civil Court's judgment which ordered the sub-contractor to pay the Company of Baht 11.39 million with interest since the next date of prosecution until payment completion. The Company filed an execution under the Appeal Court's judgment and filed objection of the petition to Supreme Court of sub-contractors. Later, the Court ordered to accept petition of sub-contractors and suspend the execution. The Company submitted the supreme amendment on August 6, 2021. The case is currently being considered by the Supreme Court.

Later, on June 25, 2020, the Company has submitted a petition to withdraw the execution warrant as the Appeal Court judgment. On July 1, 2020, the court ordered the withdrawal of the execution warrant. On July 21, 2020, the Company already received sequestered money from Legal Execution Department. Therefore, provision for loss on litigations as at September 30, 2021 and December 31, 2020 are Baht 2.26 million. The management believes that the resultant losses will not significantly differ from the provision that is recognized in the financial statements.

27.3 The Company has been sued by other companies as defendants for breach of contracts relating to construction, hire-of-work, purchase of goods, services, hire employee and borrowing as follows:

27.3.1 As at December 31, 2020, the cases that the Court has rendered the judge compulsions to for 7 cases to order the Company to make compensation in amount of Baht 13.87 million. The Company has outstanding claim amount to be paid of Baht 2.46 million that were recorded that were recorded as liabilities in the related accounts in the financial statements (As at September 30, 2021 : Nil).

27.3.2 During the year 2019 and 2020, the Company was sued totaling 1 case relating to borrowing with the claims totaling of Baht 17.59 million. The cases are currently under consideration by the Court. Meanwhile, the Company has pledged land and buildings of the Company (see Note 12) and land of the Company's Directors for the bail contract to suspend the execution under the judgment of the Civil Court. The Court scheduled a collateral hearing on February 11, 2022. As at September 30, 2021 and December 31, 2020, the Company has recorded as provisions for losses on litigations amounting to Baht 5.34 million and Baht 5.35 million, respectively and liabilities in the related accounts in the same amount of Baht 12.24 million. The Company's management believes that the resultant losses will not significantly differ from the liabilities recognized in the financial statements.

The Company recorded provisions for losses on litigations (see Notes 27.2 and 27.3.2) as at September 30, 2021 and December 31, 2020, totaling Baht 7.60 million and Baht 7.61 million, respectively.

28. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Some financial assets of the Company that were measured at fair value in the statement of financial position as at the reporting period as follows:

As at September 30, 2021 and December 31, 2020, the Company has financial assets which are financial assets mandatorily measured at fair value through profit or loss and investments in equity instruments designated at fair value through other comprehensive income with fair value equally to its carrying amount which is measured using fair value hierarchy level 1. The fair value is determined based on last bidding price of the Stock Exchange of Thailand at the last working date of accounting period.

29. EVENTS AFTER THE REPORTING PERIOD

- 29.1 On October 12, 2021, the Extraordinary General Shareholders' Meeting passed the resolutions as the follows:
- 29.1.1 Increase of the registered share capital from the amount of Baht 10,948,438,156 to Baht 64,992,438,156 by issuing new ordinary shares of 54,044,000,000 shares at the par value of Baht 1 each for offering to Private Placement in the price of Baht 0.02 each totaling Baht 1,080.88 million. The Company received the payment of such increased ordinary shares in whole amount on October 26, 2021 and then registered the increase in paid-up share capital with the Department of Business Development on October 27, 2021.
 - 29.1.2 Change the name of the Company from "T Engineering Corporation Public Company Limited" to "PSG Corporation Public Company Limited" which registered changing of the name of the Company with the Department of Business Development on October 27, 2021.
- 29.2 On November 8, 2021, the Company acknowledged the intention to make a tender offer for all of the remaining securities of the Company according to Notification of the Capital Market Supervisory Board No. TorChor. 12/2554 Re: Rules, Conditions and Procedures for Acquisition of Securities for Business Takeovers (as amended) ("Notification No. TorChor. 12/2554") from Mrs. Panicha Dau as the tender offeror wishes to make a tender offer for all of the remaining securities of the Company of 12,998,438,156 shares representing 20% of the total issued and sold shares of the Company and the total voting rights of the Company. The tender offer price is 0.02 Baht per share, detail details of which appeared in the Company's news no. IR.029/2564 dated November 8, 2021.

30. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

These interim financial statements have been approved for issuing by the Company's Board of Directors on November 12, 2021.