



the IPO, which equal to 1,100.00 million shares (Fully Diluted); the earnings per share is equal to 0.21 Baht per share.

However, investors should be aware that the calculated P/E ratio is based on the historical performance and does not take consideration of current and future performance. The ratios calculated from different period do not purport to provide a direct comparison.

To provide supporting information of the offering price, we have presented the P/E ratios of other listed companies in SET that are specialized contractors for underground structure and foundation as follows:

Company	Type of Business	Sector	Par Value (THB/Share)	Avg. Price (THB/Share) <sup>1/</sup>	P/E Ratio (Times) <sup>2/</sup>
Seafoo Plc. (SEAFCO)	Contractor of Bored pile & Diaphragm wall, foundation, and general civil works	Construction Services	0.50	6.08	11.49
Pylon Plc. (PYLON)	Provide construction service related to foundation works	Construction Services	0.50	4.34	10.31
<b>Average P/E Ratio</b>					<b>10.90</b>

Source: www.setsmart.com

Remark: <sup>1/</sup> Weighted average price from previous 3 months: 29 July 2020 to 26 October 2020.

<sup>2/</sup> Calculated from trading data for the past 3 months: 29 July 2020 to 26 October 2020.

Ratio of "Strategic Shareholders" who are not in the Silent Period: - None -

Secondary market:  SET  mai

Sector: Construction Services

Listing criteria:  Profit test  Market capitalization test

#### Use of Proceeds:

Use of Proceeds	Amount (Million Baht)	Expected to be used in	Details
1. Invest in computer systems, devices and software	10.00	2020 -2022	Assets used in Company's core business
2. Invest in machinery, vehicles and equipment	54.00	2020 -2022	
3. Construction of new workshop and warehouse	10.00	2020 - 2021	Construction at RT's headquarter to support core business.
4. Working capital	477.38	2021	

Remark: Details are described in Item 2.2.6 Future plan in the prospectus

If the funds raised from the IPO are insufficient for the aforementioned objectives. The Company will seek additional funding from financial institutions.

#### Dividend Payout Policy:

The Company has a policy to pay dividend at a rate of not less than 40% of net profit after corporate income tax and legal reserve, including other reserves based on its separated financial statements. However, the company

may consider changing the dividend payment depending on performance, financial status, liquidity, investment plan, and other necessities in the future. The resolution of the Board of Directors (“BOD”) that approves the dividend payment must be presented to the shareholders' meeting for approval. However, the BOD has an approval authority to approve the interim dividend payment if deemed appropriate. The payment must be reported to the shareholders at the next shareholders' meeting.

**Information of the Issuer:**

Right Tunnelling Public Company Limited (“The Company” or “RT”) was established on October 6, 2000 by Mr. Chawalit Tanomtin and fellow geologist and engineer. At the inception, the Company engaged in geotechnical works focusing on tunnel construction and rock excavation. The Company first project was the Khundan Prakanchon RCC Dam project in Nakornnayok Province of Thailand, the main scope of works were tunnel excavation in hard rock, with a dimension of 3.5 meters and total length of 1,910 meters. RT has expanded its business and clientele; such clients are local government agencies and state enterprises such as Royal Irrigation Department (RID), Electricity Generating Authority of Thailand (EGAT), State Railway of Thailand (SRT), Metropolitan Electricity Authority (MEA), Provincial Electricity Authority (PEA), Department of Highways (DOH), Department of Alternative Energy Development and Efficiency (De De), and also those in private sector. The Company works include tunnel construction, underground structure, dam construction, hydro power plant construction, pipe jacking & horizontal directional drilling, and other construction works such as slope stabilization and slope failure prevention, soil excavation, rock excavation, geological exploratory drilling, drilling & grouting with cement or chemical materials, mining development, rail tracks installation, road, bridge and drainage.

In addition, the Company also delivered structural concrete work for intake, rock quarry, rock fill, control buildings & maintenance rooms, slope protection & concrete face slab works, and diversion tunnel & appurtenant works for both the public and private sector customers. The Company also expanded its market to the regional countries, including the Lao People's Democratic Republic and the Republic of the Union of Myanmar. RT's regional works mainly involved in the construction of hydropower plants (both as a main contractor or a sub-contractor). The Company was entrusted by a group of clients that invest in hydropower plants in the region to undertake the construction of several projects such as: (1) a sub-contractor for open rock excavation works, underground rock supporting & grouting, underground concrete works, and stabilization works at Nam Ngum 2 Hydro Power Plant project, (2) a main contractor for tunnel and diversion tunnel at Theun-inboun Power Plant expansion project, (3) a main contractor for underground excavation and geological observation at Nam Ngum 3 Hydro Power Plant project, (4) a sub-contractor for civil works at Xayaburi Hydro Power Plant project, (5) a sub-contractor for structure work of inlet & outlet and underground excavation & concrete lining work at Nam Ngiep 1 Hydro Power Plant project, (6) a main contractor for river diversion work at Nam Theun 1 Hydro Power Plant project, (7) a sub-contractor for tunnel excavation and concrete lining at Xe-Pian Xe-Namnoy Hydro Power Plant project in Lao PDR. RT also a main contractor for tunnel work at Taoyekut 2 Hydro Power Plant project and a main contractor for tunnel work at Baluchaung 3 Hydro Power Plant project in Myanmar. In 2019, RT has been awarded

its first project in Cambodia as a sub-contractor for diversion tunnel and intake tower grouting works at Dauntri Dam Development project.

The Company provides civil engineering and geotechnical works that require expertise and high technology. The staff of engineers, geologists and technical personnel are those acquainted and expertise in underground and open excavation general civil works, geotechnical works, mining development, geological exploration and ore reserve evaluation.

Right Tunnelling's accomplishment track records for more than 20 years are honored by local and international clients. It demonstrates RT's ability to become the leader in providing high quality services while building excellence in its every aspect to meet customers' stringent requirements regarding innovation, on-time delivery, safety, health and environmental concerns.

Currently, the Company provides construction services categorized as follows:

1. Tunnel & Shaft Construction
2. Dam Construction
3. Hydro Power Plant Construction
4. Pipe Jacking (PJ) & Horizontal Directional Drilling (HDD)
5. Others Works such as Slope Stabilization, Earth and Rock Excavation, Geological Exploratory Drilling, Grouting Work, Mining Work and Rail Work

#### Major Shareholders:

As of June 11, 2020, the list of shareholders of the Company is as follows:

Name	Before IPO (Par Value 0.50 Baht)		After IPO (Par Value 0.50 Baht)	
	Number of shares (share)	Proportion (%)	Number of shares (share)	Proportion (%)
1. MR. CHAWALIT TANOMTIN <sup>1/</sup>	177,090,800	22.14	177,090,800	16.10
2. MISS CHANAPORN BRAY	90,500,000	11.31	90,500,000	8.23
3. MR. THANAVUT KIRINAWIN	62,030,400	7.75	62,030,400	5.64
4. MR. TEERAYUT CHUSILP <sup>2/</sup>	46,380,000	5.80	46,380,000	4.22
5. MR. PRITSADAPAN POJANAPREECHA	25,349,600	3.17	25,349,600	2.30
6. MISS PRAPAIPAN PUTTHAPIBAL	24,148,000	3.02	24,148,000	2.20
7. MR. SURASAK SEEKHIEW <sup>3/</sup>	22,958,400	2.87	22,958,400	2.09
8. MRS. NAMFON ANGKASINGH	21,674,400	2.72	21,674,400	1.97
9. MR. CHAIYA WONGLAPPANICH <sup>4/</sup>	20,788,000	2.60	20,788,000	1.89
10. MISS PENSRI JITTMAN	20,658,400	2.58	20,658,400	1.89
11. Other shareholders <sup>5/</sup>	288,422,000	36.04	288,422,000	26.22
<b>Total shares before IPO</b>	<b>800,000,000</b>	<b>100.00</b>	<b>800,000,000</b>	<b>72.73</b>
Initial Public Offering (IPO)	-	-	300,000,000	27.27
<b>Total shares after IPO</b>	<b>800,000,000</b>	<b>100.00</b>	<b>1,100,000,000</b>	<b>100.00</b>

**Remark:** <sup>1</sup> MR. CHAWALIT TANOMTIN is an authorized director, CEO, Chairman of Executive Committee, Member of the Nomination & Remuneration Committee, and Member of the Corporate Governance & Risk Management Committee.

<sup>2</sup> MR. TEERAYUT CHUSILP is an authorized director, Deputy Managing Director (Organization & Legal), Executive Director, and Member of the Nomination & Remuneration Committee.

<sup>3</sup> MR. SURASAK SEEKHIEW is an authorized director, Managing Director, Executive Director, and Member of the Corporate Governance & Risk Management Committee.

<sup>4</sup> MR. CHAIYA WONGLAPPANICH is an authorized director, Deputy Managing Director (Management and Finance), Executive Director, and Member of the Corporate Governance & Risk Management Committee.

<sup>5</sup> Other 70 shareholders

**Board of Directors:**

List of the Board of Directors as of June 17, 2020, has 12 members as follows:

Name – Surname	Position
1. DR. SONGPOPE POLACHAN	Chairman of the Board of Directors
2. MR. CHAWALIT TANOMTIN	Director / Deputy Chairman of the Board of Directors
3. MR. SURASAK SEEKHIEW	Director
4. MR. CHAIYA WONGLAPPANICH	Director
5. MR. TEERAYUT CHUSILP	Director
6. MR. SURAPHONG IAMCHULA	Director
7. DR. KRAYIM SANTRAKUL	Director
8. MR. NATTAPONG POOME	Director
9. DR. BOONTHEP NANEGRUNGSUNK	Chairman of the Audit Committee / Independent Director
10.MR. THANAPAT PUPAT	Member of the Audit Committee / Independent Director
11.MR. CHAIWUT JUMNONGSUTASATHIEN	Member of the Audit Committee / Independent Director
12.MR. JUMPOT KANJANAPANYAKOM	Independent Director

Ms. Pornthip Kongsangphat is the Company's secretary.

**Authorized directors:** MR.CHAWALIT TANOMTIN or MR.CHAIIYA WONGLAPPANICH or MR.TEERAYUT CHUSILP or MR.SURASAK SEEKHIEW signs together for a total of two people with the Company's seal.

**Director's restrictions:** - None -

MR. CHAIWUT JUMNONGSUTASATHIEN, who graduated with a master's degree in business administration from Kasetsart University and a bachelor's degree in accounting from Thammasat University, has background knowledge in accounting and finance.

**Revenue Structure:**
**Revenue structure by scope of works**

Revenue Structure	2017		2018		2019		6-Month 2019		6-Month 2020	
	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%
<b>Service revenue</b>										
1. Tunnel & Shaft works	798.00	31.88	1,201.76	63.60	1,401.46	59.23	625.01	59.88	868.90	59.90
2. Dam Construction	161.57	6.45	15.73	0.83	4.30	0.18	6.55	0.63	-	-
3. Hydro Power Plant	996.63	39.81	296.06	15.67	121.86	5.15	65.17	6.24	11.74	0.81
4. Pipe jacking & Horizontal directional drilling	328.92	13.14	208.74	11.05	264.73	11.19	105.97	10.15	164.18	11.32
5. Other works	156.80	6.26	138.83	7.35	512.57	21.66	206.92	19.83	382.18	26.35
<b>Revenue from construction services</b>	<b>2,441.92</b>	<b>97.54</b>	<b>1,861.12</b>	<b>98.49</b>	<b>2,304.92</b>	<b>97.41</b>	<b>1,009.64</b>	<b>96.73</b>	<b>1,427.00</b>	<b>98.38</b>
Sales of construction materials <sup>1</sup>	6.18	0.25	3.35	0.18	31.77	1.34	14.04	1.35	14.51	1.00
Other income <sup>2</sup>	55.33	2.21	25.22	1.33	29.58	1.25	20.05	1.92	8.98	0.62
<b>Total revenue</b>	<b>2,503.43</b>	<b>100.00</b>	<b>1,889.68</b>	<b>100.00</b>	<b>2,366.26</b>	<b>100.00</b>	<b>1,043.71</b>	<b>100.00</b>	<b>1,450.49</b>	<b>100.00</b>

Remark : <sup>1</sup> Sales of construction materials are sales of construction materials to contractors of projects that RT operates. These are general construction materials such as oil, steel, and concrete. Pricing policy is cost-plus pricing.

<sup>2</sup> Other Income such as rental income, other service income, and interest income.

**Revenue structure by type of operation**

Revenue Structure	2017		2018		2019		6-Month 2019		6-Month 2020	
	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%
<b>Service revenue</b>										
1. Main contractor	1,129.22	45.11	1,523.27	80.61	1,645.47	69.54	781.52	74.88	1,058.49	72.97
2. Sub-contractor	1,312.70	52.44	337.85	17.88	659.45	27.87	228.1	21.85	368.51	25.41
<b>Revenue from construction services</b>	<b>2,441.92</b>	<b>97.54</b>	<b>1,861.12</b>	<b>98.49</b>	<b>2,304.92</b>	<b>97.41</b>	<b>1,009.64</b>	<b>96.73</b>	<b>1,427.00</b>	<b>98.38</b>
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<sup>2</sup> Other Income such as rental income, other service income, and interest income.

**Revenue structure by location**

Revenue Structure	2017		2018		2019		6-Month 2019		6-Month 2020	
	Million Baht	%	Million Baht	%	Million Baht	สัดส่วน	Million Baht	%	Million Baht	%
<b>Service revenue</b>										
1. Local projects	1,125.48	44.96	1,616.50	85.54	2,229.80	94.23	969.18	92.86	1,352.59	93.25
2. Oversea projects	1,316.44	52.59	244.63	12.95	75.12	3.17	40.44	3.87	74.41	5.13
<b>Revenue from construction services</b>	<b>2,441.92</b>	<b>97.54</b>	<b>1,861.12</b>	<b>98.49</b>	<b>2,304.92</b>	<b>97.41</b>	<b>1,009.64</b>	<b>96.73</b>	<b>1,427.00</b>	<b>98.38</b>
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<sup>2</sup> Other Income such as rental income, other service income, and interest income.

Summary of Risk Factors (please see more details in section 2.2.3 Risk Factors in the prospectus):

## 1. Business risks

### 1.1 Economic conditions

Economic conditions affected the expansion of the construction business due to the economic growth or slowdown that affects both public and private investment which is a factor that affect the company's income. Therefore, the company has to take into account the risks from economic conditions and the rate of economic growth.

However, the company has more than 20 years experiences in the construction work of civil engineering and geotechnical in both as a direct contractor and subcontractors in the past which has gained trust of both government agencies, private agencies, as well as employers from abroad to work in various projects. In the meantime, the company plans to expand its customer base to neighboring countries especially in the CLMV countries to help reduce the risks from economic conditions.

### 1.2 Change in government policy

Changes in government policy may have an impact on the construction business. In particular, policies that have significant impact are policies on construction budgets for various infrastructure. However, the Company regularly monitors news from the government in order to plan the recruitment of the company to have continuous income. With the stated reason, the Company believes that the Company will not have a significant impact from risk factors due to changes in government policies.

### 1.3 Discontinuity of revenue from construction contracts

Since the main income of the company is revenue from construction from the construction of each project, which is recognized when the work is completed and the work is delivered according to the contract to the customer. Therefore, in the event that the company does not have construction work on hand to support continuous work or no new jobs to support, which may affect the operations of the company.

The company is aware of such risks. Therefore, guidelines have been established to mitigate such risks. The company has a budget plan, revenue target and new projects to be auctioned in order to be in line with the work that the company is doing. If the amount of work that is being done and will be completed and ready to deliver in a short time. Due to the small amount of backlogs, the company will have to rush to find new jobs as well as contact with other companies that have been partners in working with the company regardless of whether in the form of a joint venture or joint venture (Consortium). The company believes that the company will be able to reduce the risk arising from such incidents.

### 1.4 Faulty estimate of operating costs

Estimating construction costs is an important aspect of construction business because the estimated cost to accept the work will determine the company's operating results. Therefore, before accepting work in any project, the company will set a reasonable estimate of the cost of work in order to avoid errors and use in the pricing before the bidding by determining the profit margin for each job auction in accordance with the Company's policy. In addition, the project manager and the project engineering department will review the details for the purpose of tightness. The company is aware of such risks. Therefore, The company assigns project managers and engineering to inspect the details for tightness to help prevent or reduce errors related to inaccurate cost estimates.

The company assigns project managers and engineering to inspect details to ensure tightness. In addition, the company requires the engineering department to review and analyze costs and budgets of every project on a monthly basis, which includes checking the bill of quantity in the event that there is a significant change in the workload or price. When the cost of the project significantly exceeds the approved budget, the company will immediately adjust the cost estimate as well as find the cause of the change in cost. The meeting of the relevant departments would be called to find solutions to help prevent or reduce errors related to inaccurate cost estimates. This may expose the company to operational risks that prevent its performance from meeting its goals or may result in the company incurring a loss from operations

#### 1.5 Fluctuation on construction material and fuel prices

The company engages in the construction business of civil engineering and geotechnical where materials are purchased construction equipment such as steel and metal materials, cement, gravel, sand, fuel, lubricating oil and running materials such as fuel oil that are used for construction vehicles and machinery. Therefore, the cost of construction materials and fuel prices are the major construction costs of each project. If there is an increase or decrease in price, it will directly affect the purchase cost of raw materials used in the construction. Currently, some types of construction work with the government that have been completed for many years will be indicated on the construction value adjustment according to the price adjustment formula (K value). In the event that prices of main materials used for construction have risen or fallen beyond the specified price range, the company will receive compensation if material prices rise or the company will pay compensation if the material prices drop. In the private sector, some projects that have agreement in the contract require the employer to supply all construction materials to the contractor. It will not expose the company to risks from fluctuations in the price of construction materials in any way. In addition, the company also has an experienced team to monitor, review and analyze the material price situation with significant changes. This may affect the cost and budget of each project on a monthly basis including the price comparison of the main materials used by the company in large quantities by examining prices from multiple vendors and then comparing them To find the right price And use it as a reference price in further purchasing. Presently, it is expected that fuel prices are likely to decline or there will be no significant higher volatility which causes the risk of fluctuation of construction materials and fuel prices to decrease and unlikely to affect the company's operations.

#### 1.6 Project delayed

Delays in construction projects can occur from the operations of the company as a contractor or caused by the employer or caused by other external effects such as changing some details of work that the contractor is unable to enter the construction area, the employer could not deliver the area used for construction. In the late delivery of work, there is a contract requirement that the employer has the right to charge the contractor at the rate as specified in the contract. However, if such delay is not caused by the company or as a force majeure, the company can negotiate with the employer to request an extension of the construction time.

The company realizes the risk from the delay of each project. Therefore, there is a risk assessment before deciding to accept the job or enter the auction. In the event that the company has decided to accept the job or bid the job, there will be a set of guidelines for the work in order to be able to deliver the work on time.



#### 1.7 Competition within industry

The construction business is one of the industries that are important to the economy of Thailand and it is a business that has a tendency to compete in high competition for contractors to take up construction work. In some auction, the company sometimes has to compete with a large group of experienced contractors and higher financial potential than contractors or sub-contractors causing competition because the big companies that are listed on the Stock Exchange of Thailand will be a company with high working capital and lower financial costs than contractors or sub-contractors. As a result, the sub-contractors who want to win the auction will bid at the auction with a low margin, resulting in a lower profit-to-value of the project.

However, the company has working experience in the construction business especially the geotechnical work for more than 20 years, making the company becomes an expert and experienced in the construction of geotechnical works and civil engineering by contracting the construction of geotechnical work which require expertise and experience along with modern machinery that are enough to work. It is not easy to find people who will qualify as a company. As a result, the work in the mentioned section is not very competitive. In addition, the company is an expert and has experience in geotechnical work for more than 20 years. The company has a large-scale construction project both at home and abroad, which is known to the employer based on the stated reasons, the company believes that it will not be significantly impacted by competitive risks.

#### 1.8 Sabotage, accidents, and natural disasters

Sabotage, disasters, or natural disasters is an external factor that the company can not control. If such an event occurs, the operating project may be delayed and result in the delay of the project that will increase the cost of the project budget that the company has made which may affect the performance of the company.

However, the company has insurance from all construction projects to cover the damage that may arise from the above risks. In addition, the company also has insurance to cover damage to machinery. The company has insurance that is consistent with the insurance in the construction business and has an appropriate damage coverage limit.

#### 1.9 Information technology management

The businesses of the company relies on technology to keep pace with competitors including the management of various information. There are risks of leakage, loss, or may cause business interruption such as establish a system to monitor the server room according to the standards, set up the firewall and LOG to prevent network intruders at both the headquarters and the job site To install a joy domain, connect to Server Active Directory to manage the security of Computer systems within the organization, both at the headquarters and at the site, disaster recovery plan (Disaster Recovery Planning) to recover the organization's IT system when there is an event that causes disruption, IT staff takes care of the system according to the security policy of the information system and Follow the management manual.

#### 1.10 Government budget disbursement

Currently, the value of work under construction under the government policy is still high. If there is a problem in delaying budget disbursement, it may affect the liquidity of the company from not getting paid on time and may be the cause of the work delay than the time specified in the contract.

However, the construction business is at risk of government budget disbursement due to the delay because some contractors do not have an adequate credit limit. This may result in a lack of liquidity for the payment of wages and construction materials which could cause delay in delivery and may have problems with the employer in the part of the company that was not affected by the delay in the budget.

#### 1.11 Covid-19

The outbreak of the new coronavirus, COVID-19, has become a widespread public health concern. The rapid spread of the virus has created panic to the people around the world. From such conditions, it causes the government to issue an Emergency Decree on Public Administration in an emergency situation to control the outbreak of the coronavirus or COVID-19, resulting in problems with the movement of workers and engineers who work in Laos and Myanmar. The company has a construction project in that country. It also caused the company to have problems in the transportation of equipment that the company purchased from abroad by plane to use in construction which result in the company that unable to deliver work to the employer on time. The company is currently waiting for the government of foreign countries and Thailand to allow the international air transport system. For construction projects of domestic companies, the company was not affected by such measures. Since the company has requested permission from the responsible agency of each province to travel across the provincial area. For the work on the project during the period that the government prohibits people from leaving the home (Curfew), the company has received permission from the relevant authorities so the company was not affected by such conditions.

#### 1.12 Reliance on major customers

The Company is exposed to the risk of relying on a large customer that accounts for more than 30% of the total construction revenue. In 2017, the Company had revenue from construction from a private customer of 996.63 million baht or accounted for 40.81% of the total construction revenue. In 2018 - 2019, the Company had revenue from one government agency, including the Royal Irrigation Department, amounting to 854.86 million baht and 742.91 million baht or equivalent to a percentage of 45.93 and 32.23 percent of total construction revenue. In addition, in 2019 and the first six months of 2020, the Company has revenues from another government agency, the State Railway of Thailand, in the amount of 709.78 million baht and 554.57 Million baht or equivalent to 30.79% and 38.86% of total construction revenue. This makes the company at risk from relying on such customers. If the company will not receive continuous work from the said customer in the future, it may affect income that may decrease or have uneven income.

However, revenue from construction services from large private customers is a subsidiary of large construction companies listed on the SET that have a stable financial position with many large construction works. The company expects to receive some work from such customers. For government customers, construction companies are hired in major infrastructure works of the country. The company expect to receive jobs from the government sector continuously because the company has expertise in geotechnical construction which requires specialized experience and expertise such as the construction of tunnels and underground structures, dam construction work, etc.

### 1.13 Sub-contractor employment

For the construction service of the company, there are limited personnel restrictions in accepting the work with the employer which make some projects that the company hires other subcontractors (Sub-Contractors) to cover the needs of the employer within the time frame specified by the employer in the contract that the work requires hiring a subcontractor with specific expertise in construction, system installation, transportation employment, architectural work. In each project in which the company controls the work of subcontractors to ensure the construction is in accordance with the schemes and time frames set out in the contract. In hiring subcontractors and outsourcing, there may be a chance of mistakes in the work of subcontractors or third parties which caused a delay and caused damage to the Company's projects that makes the company vulnerable to damage from work.

The company manage such risks by establishing a policy for recruitment, selection and assessment of subcontractors in order to screen the quality and verify the reliability of the subcontractors. Subcontractors are determined on the basis of their work history, experience, expertise, construction works portfolio and financial status of the subcontractor that requires an assessment of liquidity, financial status and working capital. In this regard, the Company has set up an approved vendor list, which will be updated regularly for subcontractors at least once a year.

### 1.14 Reliance on major construction material/equipment vendors

The company has risk from relying on a large supplier of materials and equipment that accounts for more than 30% of the total procurement of the company. In 2017, the purchase amount was 525.75 million baht or 36.18% of the total purchase. In the future, if the company is unable to provide materials and equipment that meet the specified qualifications on time. It may cause a delay in the construction of the project.

However, the company has established a purchasing-procurement with transparent process and promotes fair competition and ensures that suitable vendors are selected to obtain quality products that meet the standards up to the best value for money in which sellers are evaluated based on their potential and product quality. An approved vendor list has been established and regularly assessed at least once a year. Most of the construction can be purchased locally with no problem because there are many vendors that can be substitutable which deliver materials and equipment to the company on time as needed.

### 1.15 Participating in joint ventures

In some cases, the company has entered into joint ventures with other partners under the criteria of shared responsibility to enable the company to participate in bidding and work on specific projects that require expertise or when the company wants to raise the qualifications for bidding to higher and operating in the project. The success of the joint venture largely depends on the ability of the company to work with the venture capitalists or the ability of the joint venture partner to fulfill their obligations under the contract. If the venture capitalist in a joint venture is unable to fulfill its obligations or is unable to fund its equity to invest. The company may have to invest more and provide more services and if the owner of the project has the right to claim damages for failing to comply with such obligations. The company may also be liable for the part of the venture capitalist in the joint venture.

This may expose the Company to legal liability and damage the Company's reputation and the profit that the company will receive from the project will be reduced and may have a negative impact on business performance and the liquidity of the company.

However, the Company has a policy for selecting parties to become a joint venture according to the Company's joint venture & consortium policy. It is approved by the executive committee or the board of directors according to the approval authority of the company. Throughout the past period, the company has never encountered a problem with a joint venture that makes it liable if the joint venture partner fails to comply with the agreement.

## 2. Financial Risk

### 2.1 Foreign exchange

The company has income from overseas construction contractors which makes the company exposed to foreign exchange fluctuations. Since the company has income from construction contracts purchase of products and the advance received from employer is mainly in foreign currency, such as US dollars. During 2017 - 2019 and the first six months of 2020, the Company had gain (loss) on exchange rate in (5.48) million baht 3.85 million baht 11.75 million and (9.16) million baht or equivalent to 0.22% loss, 0.20% gain, 0.50% gain and 0.63% loss of total income, respectively.

However, the Company hedges foreign exchange risk by entering into a forward contract with the bank as a risk management tool by setting the foreign currency trading limit in relation to the wages that the company will receive in each period to help reduce the possible foreign exchange risk. As of June 30, 2020, the Company has a foreign currency forward contract with USD currency 3 million USD limit.

### 2.2 Liquidity

In general of the construction business, financial liquidity is an important factor because businesses will have to use high working capital and have sufficient working capital to support the procurement of raw materials, materials for operation in each project, and support for wages stationed at various projects. If the company is unable to manage financial liquidity well, it may affect the operations of the company.

The Company is aware of the financial liquidity risk as it is an important factor in the Company's business operations. Therefore, to prevent such risk, The company has requested a bank loan for overdraft (O/D), promissory note (P/N), letter of guarantee (L/G), as well as a letter of credit (L/C) to be used as working capital sufficiently to business operations such as purchasing raw materials, operational equipment, and support various expenses in the implementation of the project, etc. and include planning to use the annual budget of the company. However, from the company's past experience, The company has never experienced a significant lack of liquidity that affects its business operations. In addition, the company has established a cash management policy that is suitable for business operations to support liquidity problems that may arise in the future by obtaining sufficient credit limit for business operations by raising capital through an initial public offering (IPO) to support the company's expansion is another option that will allow the company to reduce its liquidity risk.

### 2.3 Liquidity from unbilled receivables and risk to collect money from the customer

As of June 30, 2020, the company had unbilled income equal to 1,410.64 million baht in which is higher than in 2019 in the amount of 169.25 million baht or an increase of 13.63 percent, mainly due to the water tunnel project and tunnel building in Chiang Mai province in the amount of 852.22 million baht, consisting of

Unbilled receivables	Unbilled income generated in each period.					Unbilled receivables as of June 30, 2020 (Million baht)
	(Million baht)					
	Year 2016	Year 2017	Year 2018	Year 2019	6 months Year 2020	
1) Work in solving the cave cavity problem	-	83.00	(7.10)	252.10	44.00	372.00
2) Concrete preparation	-	-	290.00	55.00	(30.00)	315.00
3) Actual quantity of work	0.16	45.85	38.00	45.00	1.22	130.22
4) Work that is waiting for withdrawal according to the normal billing cycle according to the contract conditions	-	-	-	-	35.00	35.00

From the above table, details are as follows: (1) Work in solving the cave cavity problem in the amount of 372.00 million baht, which occurred from 2017 to the first six months of 2020. The company will be able to collect after solving the problem approximately in 2021 (2) Steel-bonded concrete preparation work in the amount of 315.00 million baht, which the most of the amount owed since 2018 in which the work occurred from 2018 to the first six months of 2020 with 50 percent of the disbursement. The Company can withdraw after installed by putting concrete around the tunnel, which is in accordance with the contract conditions and will be billed for the last installment in 2022. (3) Actual work quantity that has exceeded the amount of work specified in the construction list or the amount of work specified in the contract with the employer (Overrun work) in the amount of 130.22 million baht, in which the overrun work is specified in writing in the contract with the employer which it will be review from the employer and signed documents from the employer in written everytime the overrun job has occurred and the Company will be able to collect payments from the employer as specified in the contract. The contract sets that it can reimbursed in the last installment of the payment according to the contract, in which the Company will be able to collect the last installment in 2022 and (4) work that is waiting for withdrawal according to the normal billing cycle under the contract terms of 35.00 million baht that will be disbursed in the next period (3rd quarter of 2020) and income that has not been paid for from the road expansion project from 2 lanes to 4 lanes in Udon Thani Province in the amount of 154.09 million baht, the double tunnel tunnel project in Saraburi - Nakhon Ratchasima, in the amount of 120.96 million baht and the construction of the flood gate in Loei Province in the amount of 99.03 million baht.

The company has relatively high unbilled receivables (assets incurred from contracts), and the unbilled receivables generated in 2018, 2019 and the first six months of 2020 is mostly generated income from waiting for

the withdrawal according to the normal billing cycle according to the contract conditions, such as the concrete casting work of the construction of manholes and underground electrical conduits that can withdraw some money when the casting is finished and will withdraw the rest of the money after installing, which is in accordance with the terms of the contract and cause by additional amendments other than the contract that will be able to withdraw once the problem is solved, such as solving the cave problem, etc., The Company can collect gradually according to the terms of the contract. The unbilled receivables of the company can have a high outstanding balance and be overdue for a long time. It depends on the project value and the implementation period of each project. If it is a big project, it will have a long working period of about 2-5 years and if overrun work occurs. The company may have a long unbilled receivables that will mostly happen with large government construction projects since the company has to follow the contract that will be able to withdraw the money in the final payment according to the conditions of the construction contract. As a result, the company has to invest by using its own working capital in the construction which is still unable to charge money from the employer in the construction period but the company will be able to charge future customers at the latest when the contract expires. The company is exposed to liquidity risks that may be impacted by unbilled receivables that are not yet due to be billed to employers for a long time. The company is at risk that it may not be able to collect money from the employer. However, the company manages its working capital from using loans from financial institutions such as bank overdrafts and short-term loans and project specific loans to be used as the Company's working capital. Due to the customer is a government customer, there is a payout that is based on the budget cycle each year. The company is confident that it will be able to collect it from the employer because it is in accordance with the contract terms that are signed in the written inspection documents, letters from the employer for every additional job. In the past, the company was still able to collect money from the government employer in such cases. (More details can be found at Section 2.2.16, management's analysis and explanation on contract assets - unbilled receivables)

#### 2.4 Lending interest rate fluctuation

Presently, the company uses loans from financial institutions in order to mainly use as working capital for business operations. As of December 31, 2019 and June 30, 2020, the Company has short-term and long-term loans from financial institutions which worth 1,012.71 million baht and 979.41 million baht, respectively, with different interest rates for each type of credit limit that the company receives. It is a floating rate that changes in accordance with the costs of financial institutions and the economy, referring to the interest rate MOR and MLR, which may result in the company exposed to fluctuating interest rates, impact on financial costs, and performance of the company. When considering financial costs for the year 2020 and the first six months of 2020, worth 72.65 million baht and 38.67 million baht, accounting for 3.07% and 2.67% of total revenue, respectively. The Company plan to reliance lesser on loans from financial institutions and using internal working capital sources from some of the funds received from fund raising after listing on the SET to reduce the interest expense and reduce the risk of interest rate fluctuation from loans from financial institutions.

## 2.5 Reliance on directors and assets guarantee with financial institution

The Company relies on guarantees for short-term and long-term borrowings with several domestic financial institutions. The major shareholders and directors of the Company are Mr. Chawalit Thanomtin, Mr. Chaiya Wonglappanich and Mr. Teerayut Chusilp, directors and shareholders of the Company 22.14%, 2.60% and 5.80%, respectively, as guarantors of financial institution loan in full amount, including using personal assets as collateral for financial institution loans. There is no charge or fee for being a guarantor/collateral. However, the company will have a written notification to the financial institution to release the guarantee. The company believes that if the company is approved to list ordinary shares on the Stock Exchange of Thailand, financial institutions can withdraw guarantees from the said group of shareholders. In addition, the Company also sees that once the company is listed on the Stock Exchange of Thailand, the company will be able to add more opportunities and options to raise funds through the capital market with lower financial costs. This will enable the company to reduce its dependence on guarantees and to use assets as collateral for loans from the shareholders.

## 3. Management Risk

### 3.1 Reliance on management and key personnel

The Company's construction business relies on the management of the main management. If the main management team cannot continue to manage the company, the company's business could be affected. The company still has to rely on skilled personnel and specific skills in the construction business, civil engineering and geotechnical, which is an important part of the company's business operations.

However, the Company has appointed an executive committee and various sub-committees such as the executive committee and the risk management committee. In the past, the company has applied the management guidelines by delegating duties and responsibilities to the other management and each employee clearly to decentralize management power and reduce the risk of dependence on the chief executive officer, which also include the preparation of succession plans at the executive level for all positions to help the company to continue its business.

## 4. Risk of Share Offering

### 4.1 Shareholders of the Company may have restrictions in exercising their rights to purchase newly issued ordinary shares of the Company in the future.

If the company is listed on the Stock Exchange of Thailand, the company can raise capital through capital raising. The company can issue new shares in the future and allocate new shares in 3 types: allocation to existing shareholders in proportion to their shareholding (Right Offering: RO), public offering (PO) and allocation to the specific investors (Private Placement: PP) by issuing capital increase shares in the case of allocation to the public and the allocation to the private placement. The existing shareholders of the company may be restrictions on the exercise of the right to purchase the newly issued ordinary shares of the company. Since the capital increase of listed companies will have a direct impact on the shareholders' benefits and the Company's share price, the company will disclose information related to the capital increase for the shareholders and general investors to make appropriate investment decisions and in accordance with the relevant criteria.

4.2 The Company may not offer subscription of the Company instruments to shareholders who live abroad.

Although public limited company is not required to offer the right to purchase the newly issued ordinary shares to the existing shareholders when issuing the newly issued ordinary shares but public limited companies issue various instruments, including newly issued ordinary shares and other types of instruments issued by the company. In the case that the company offers or gives ordinary shareholders the right to increase capital or any form of rights, the company has the right to exercise its discretion in making the offering of such instruments to the shareholders. The Company may not offer the right to subscribe for such instruments to ordinary shareholders existing outside Thailand. The company may be prohibited from offering such instruments to shareholders in certain countries unless the applicable procedures have been followed. For example, the company may not offer such rights to a US person general shareholder as defined in Regulation S under the US Securities Act C. 1933 (including as amended) Compliance with securities laws or other regulatory requirements in some countries may prevent investors from exercising their right to purchase proportional instruments. However, the Company is not obliged to apply for the registration of the Company's ordinary shares in any country in order for foreign investors to exercise their rights to purchase new ordinary shares proportionately in the future.

Summary of Financial Position and Performance from 2017 – 2019 and 6-month 2020:

Details		2017	2018	2019	6-month 2020
Total Assets	Million Baht	2,519.38	2,999.13	3,730.54	3,874.08
Total Liabilities	Million Baht	1,989.36	2,542.37	3,143.20	3,147.42
Total Shareholders' Equities	Million Baht	530.01	456.76	587.34	726.66

Details		2017	2018	2019	6-month 2019	6-month 2020
Revenue from Construction Contracts	Million Baht	2,441.92	1,861.11	2,304.92	1,009.64	1,427.00
Total Revenues	Million Baht	2,503.44	1,889.68	2,366.26	1,043.73	1,450.49
Cost of Construction Contracts	Million Baht	2,137.51	1,688.19	1,895.80	852.57	1,101.94
Gross Profit (exclude other revenues)	Million Baht	304.41	172.92	409.12	157.07	325.06
Net Profit (Loss)	Million Baht	52.70	(65.21)	130.66	37.51	137.32
Earnings (Loss) Per Share	Baht/Share <sup>2</sup>	0.07	(0.08)	0.16	0.05	0.17
Number of Paid up Shares	Million Share <sup>2</sup>	800	800	800	800	1,100
Operating Cash Flow	Million Baht	16.08	58.13	(104.16)	(128.00)	155.64
Investing Cash Flow	Million Baht	(115.78)	(245.95)	(101.30)	(29.68)	(0.32)
Financial Cash Flow	Million Baht	46.40	209.32	221.05	162.08	(168.89)
Gross Profit Margin (exclude other revenues)	%	12.47	9.29	17.74	15.56	22.78



Details		2017	2018	2019	6-month 2019	6-month 2020
Net (Loss) Profit Margin	%	2.10	(3.45)	5.52	3.69	9.47
Current Ratio	Times	0.64	0.65	0.70	0.69	0.76
Quick Ratio	Times	0.13	0.08	0.20	0.16	0.22
Debt to Equity ratio	Times	3.75	5.57	5.35	6.15	4.33
Interest Bearing Debt to Equity Ratio	Times	1.07	2.25	2.45	2.66	1.82
Return on Total Assets Ratio (ROA)	%	2.30	(2.36)	3.88	2.36 <sup>/1</sup>	7.22 <sup>/1</sup>
Return on Equity Ratio (ROE)	%	10.47	(13.22)	25.03	16.18 <sup>/1</sup>	41.80 <sup>/1</sup>

Remark:<sup>/1</sup> Annualized calculation for comparing to the historical data by multiply the data of the 6-month 2020 ending 30 June 2020 by two

<sup>/2</sup> Adjusted the par value to THB 0.50 per share for comparing

#### Management Discussion and Analysis:

The Company's overall performances in 2017, 2018, 2019, and 6-month 2020 ending 30 June 2020, revenues from construction contracts were THB 2,441.92 million, THB 1,861.12 million, THB 2,304.92 million, and THB 1,427.00 million, equivalent to 97.54%, 98.49%, 97.41%, and 98.38% of total revenues, respectively. In 2018, revenues from construction contracts decreased from those of 2017, mainly, due to the decrease of oversea revenues as four of the five oversea projects were completed and delivered in the previous year coupled with the delay of a high value projects which was expected to start in 2018 according to the delay in access to the project site caused by the hirer resulted to the lower-than-expected revenues from construction contracts. In 2019, the increased revenues mainly came from projects in Thailand, while the oversea revenues decreased as the delivery of completed projects in 2018. The first 6-month in 2020 revenues from construction contracts increased from the same period of 2019 mainly due to the increase of projects in Thailand and oversea which continued to realize the revenues.

#### Gross Profits and Gross Profit Margin

The Company's gross profits in 2017, 2018 and 2019 were THB 304.41 million, THB 172.92 million, and THB 409.12 million, equivalent to gross profit margin of 12.47%, 9.29%, and 17.25% respectively. Comparing gross profits in 2018 to 2017, the gross profits decreased THB 131.49 million or decreased by 43.19% due to the decreased gross profits of some projects, especially, oversea projects according to the additional cost form machinery moving out of the project site and the delay in access to the project site caused by the hirer resulted to the increase of cost. Moreover, the cost of track doubling for the east coast line project (Chacheongsao– Klong Sipkao – Kengkhoi) increased as the speeding up of works to complete the project on time coupled with the decline of gross profit margin of local projects caused by the high cost form additional work, the increase of fuel price resulted in the machinery cost. Such increased cost came along with the increase of number of projects. In 2019, gross profits increased THB 236.19 million or increased by 136.59% comparing to those of 2018 due to the

ability to increase gross profit margin in various local and overseas projects including other construction services with high profit margin. As the construction services to the hirers for small to medium projects in 2019 resulted from the Company's long experience of tunnel construction and the efficiency of machinery management which improved the Company's net profit margin in 2019. The First 6-month in 2020, gross profits increased THB 167.98 million or increased by 106.95% comparing to the same period in 2019 due to the improve ratio of cost to revenue of the projects as the new projects in 6-month of 2020 had higher gross profit margin compared to the previous year, especially the project of a tunnel over a double-track rail route from Map Kabao – Thanon Chira Junction which had high gross profit margin. In addition, the Company was able to manage project cost efficiently resulting to the better cost management according to there were some machinery already has zero book value but still able to operate, including the additional project which had high gross profit margin

#### **Net Profits and Net Profit Margin**

The Company's net profits (loss) in 2017, 2018, and 2019 were THB 52.70 million, net losses of THB 65.21 million, and THB 130.66 million, equivalent to net profit margin of 2.10%, net loss margin of 3.45%, and net profit margin of 5.52% respectively. Net profits and net profit margin in 2018 decreased from those of 2017 due to the decrease of gross profits from local projects according to the delay of launching of high gross profit project supposing to start in the beginning of 2018. The delay caused by the owner could not delivery the working area on time, coupled with the increase of cost of the completed local and overseas projects in 2018 resulted in the decline of gross profit margin.

In 2019, the Company's net profits were THB 130.66 million increasing of THB 195.88 million from 2018 or increased by 300.36% resulted from the improve of gross margin of local and overseas projects, including the local project which started to realized revenues in 2019. The administration expenses decreased from previous year due to the decrease of production expenses which were realized as the Company's expenses, for example, the maintenance expenses since the machines were used for the project's work consequently such expensed would be recognized as the cost of the projects which resulted in the improved of net profit and net profit margin. The first 6-month of 2020 ending 30 June 2020, net profits were THB 137.32 million, equivalent to net profit margin of 9.47% due to the high gross profit margin of several big projects in the beginning of 2020, and the decrease of the proportion of administration expenses to revenue, and the improve of cost management since some machines had zero depreciation but still were used for the work of the project and the decrease of salary to revenue and financial cost.

#### **The Financial Position**

##### **Total Assets**

As of 31 December 2017, 2018, 2019, and 30 June 2020, total assets were THB 2,519.38 million, THB 2,999.13 million, THB 3730.54 million, and THB 3,874.08 million.

Current assets as of As of 31 December 2017, 2018, 2019, and 30 June 2020 were THB 1,009.46 million, THB 1,374.80 million, THB 2,065.02 million, and THB 2,259.92 million, equivalent to 40.07%, 45.84%, 68.85%, and 58.33 of total assets, respectively. The key current assets were cash and cash equivalent, account receivables,

other receivables, contract assets – unbilled receivables, costs to fulfill contracts with customers, inventories and construction supplies and other current assets. As of 30 June 2020, the Company's account receivables increased THB 48.70 million or increased by 8.85% due to non-related account receivables increased from the completion projects which had not received payment from customers, mainly, came from the project of Royal Irrigation Department and the Metropolitan Electricity Authority. Non-current assets were THB 1,509.91 million, THB 1,624.33 million, THB 1,665.52 million, and THB 1,614.16 million, equivalent to 59.93%, 54.16%, 44.65%, and 41.67 of total assets, respectively. The key non-current assets consisted of restricted bank deposits, retention receivables, investment in subsidiaries, investment properties, property, plant and equipment, and other non-current assets. The Major non-current asset was the property, plant, and equipment which decreased from those of 2019 due to the depreciation of fixed asset life and as of 30 June 2020, the machines and equipment and vehicles had zero depreciation but were able to be used, book values deducted by the accumulated depreciation of such fixed assets were THB 371 million

#### **Total Liabilities**

Total liabilities as of 31 December 2017, 2018, 2019, and 30 June 2020 were THB 1,989.36 million, THB 2,542.37 million, THB 3,143.20 million, and 3,147.42 million or equivalent to 78.96%, 84.77%, 84.26%, and 81.24% of total liabilities and equity, respectively.

Current liabilities as of 31 December 2017, 2018, 2019, and 30 June 2020 were THB 1,584.11 million, THB 2,102.23 million, THB 2,954.43 million, and 2,972.96 million or equivalent to 62.88%, 70.09%, 79.20%, and 78.18% of total liabilities and equity, respectively. The key current liabilities consisted of bank overdrafts and short-term loan from financial institutions, trade and other payables, advance received from hirers, short-term provisions, provision for losses on construction revenues. The major current liabilities were bank overdrafts and short-term loan from financial institutions and trade payables. As of 30 June 2020, the Company's bank overdrafts and short-term loan from financial institutions were THB 975.45 million decreasing of THB 32.64 million or decrease by 3.24% from 2019 due to the decrease of promissory note of THB 49.71 million or decrease by 6.08% and the decrease of bank overdraft of THB 13.91 million or decrease by 16.05% since the Company received the payment from customers resulting to the decrease of bank overdraft. Moreover, the account payables and other payables were THB 879.85 million increasing of THB 135.45 million or increased by 18.20%, mainly, due to the salary and accrued employee's compensation such as salary, Bonus, and accrued diligence allowance according to the increase of number of employees and the increase of salary rate in 2020.

Non-current liabilities as of 31 December 2017, 2018, 2019, and 30 June 2020 were THB 405.26 million, THB 440.13 million, THB 188.77 million, and THB 189.47 million or equivalent to 16.09%, 14.68%, 5.06%, and 4.81% of total liabilities and shareholder equities, respectively. The keys non-current liability consisted of the machinery account payables, lease liabilities, long-term loan from financial institutions. The major non-current liabilities were lease liabilities. As of 30 June 2020, current portion of lease liabilities were THB 112.97 million decreasing of THB 2.42 million or decreased by 2.09% according to the payment to lease liabilities.

### Shareholders' Equity

The Company's shareholders' equities as of 31 December 2017, 2018, 2019, and 30 June 2020 were THB 530.01 million, THB 456.76 million, THB 587.34 million, and THB 726.66 million or equivalent to 21.04%, 15.23%, 15.74%, and 18.76% of total liabilities and shareholders' equities, respectively. The registered and paid-up capital as of 31 December 2017, 2018, 2019, and 30 June 2020 were THB 400 million. As of 10 June 2020, EGM No.1/2563 had the resolution to increase registered capital for Initial public offering of THB 150 million issuing common shares of 300 million shares at the par value of THB 0.50 resulting to the current registered capital of THB 550 million. The shareholders' equities as of 30 June 2020 increased due to the retained earnings of THB 276.29 million increasing of THB 138.88 million from 2019 or increased by 101.07% due to the increase of the Company's performance of net profit of THB 137.32 million in the first 6-months of 2020.

### Liquidity

#### Liquidity

As of 31 December 2017, 2018, 2019, and 30 June 2020, the Company's current assets were THB 1,009.46 million, THB 1,374.80 million, THB 2,065.02 million, and THB 2,259.92 million, respectively while the current liabilities were THB 1,584.11 million, THB 2,102.23 million, THB 2,954.43 million, and THB 2,957.95 million, respectively resulting to the current ratio of 0.64 times, 0.65 times, 0.70 times, and 0.76 times, respectively. The improvement of current ratio in 2018 came from the increase of current assets more than the increase of the current liabilities. In 2019, the current ratio was better than those of 2018 due to the increase of account receivable and unbilled receivables while the current liabilities increased in smaller proportion. As of 30 June 2020, the improvement of current ratio came from the increase of current assets of 9.44% according to the increase of unbilled receivables. The unbilled receivables came from the completed projects which had not issued the invoice. In the case that the actual work was overrun, the Company need to complete the project before billing which the customers will pay in the last payment according to the condition in the contracts. The current liabilities increased in smaller proportion or increased by 0.12%, mainly due to the increase of account payables and other payables according to the accrues expenses of salary and accrued employee's compensation.

Due to the offering of the newly issued ordinary shares in the period close to the disclosure of financial statements for the third quarter of 2020 ended September 30, 2020, the Company and its financial advisor have considered the internal financial statements prior to the review of the Company. The Company's auditor, initially, hereby certifies that the company has not expanded its scope of business to other businesses and there is no significant connected transaction with a person who may have a conflict. Other than those that disclosed in the registration statement for the offering of securities, the results that occurred in the third quarter of 2020 were in line with the Company's normal business operations. There is no material change that will adversely affect investors' investment decisions. In addition, there is no material information that occurred in the third quarter of 2020 that investors should be aware of in order to make investment decisions that have not yet been disclosed in the securities offering registration statement. Details of the financial statements for the period ended 30 September 2020 can be found on the website <http://rtco.co.th/> Including the news through the information dissemination system of the Stock Exchange of Thailand.

Investor Relation: Miss Chicha Wadsuvonmanee    Tel : 02-313-4848 Ext. 134  
email address: ir@rtco.co.th

The Company certifies that information reported in the information memorandum is correct.

(Company's seal)

.....

(MR. CHAWALIT TANOMTIN)

Authorized Director

.....

(MR. SURASAK SEEKHIEW)

Authorized Director

## Information Memorandum (Additional)

General Information					
General Information	Company Name / Ticker	Right Tunnelling Public Company Limited / RT			
	Address / Telephone and Fax / URL	No. 292 Moo 4, Bangna-Trad (KM 26) Rd., Bangbor, Bangbor, Samut Prakan 10560 Telephone: +66 (0) 2313-4848 Fax: +66 (0) 2313-4849, 4787 Email Address: rt@rtco.co.th			
	Financial Advisors / Underwriters	Asset Pro Management Company Limited / Phillip Securities (Thailand) Public Company Limited			
	Registered Capital (shares) / Paid-up Capital (shares)	1,100.00 million shares / 1,100.00 million shares			
	Number of shares and silent period	Silent shares of 605,000,000 shares, equivalent to 55% of paid-up shares for the period of 1 year from the first trading day. Upon the expiration of 6-month period of the prescribed time, the shareholders will be allowed to sell 25% of the silent shares and the rest can be sold after 1 year.			
Financial Information	Fiscal Year End	1 January to 31 December of every year			
	Financial Statement Submission Policy	1. The reviewed financial Statement: The Company will submit reviewed 1st quarter, 2nd quarter and 3rd quarter financial statements every year within 45 days from the end of each quarter period without submitting the 4th quarter reviewed financial statements 2. The audited financial statement: The Company will submit the annual financial statements within 2 months from the end of the accounting period.			
	Audit Firm	EY Office Company Limited			
	Auditor	1. Mr. Natthawut Santipet CPA No. 5730 2. Mr. Supachai Phanyawattano CPA No. 3930 3. Miss Krongkaew Limkittikul CPA No. 5874			
Financial performance in the past 3 years and the latest accumulated period		2017	2018	2019	6-month 2020 ended 30 June 2020
	Book value per share	0.66	0.57	0.73	0.66
	Earnings per share	0.07	(0.08)	0.16	0.17
	Dividend per share	0.02 <sup>1</sup>	0.01 <sup>1</sup>	-	-
	Dividend Payout Ratio	16.96 <sup>2</sup>	-	-	-
Other (If any)	Listing Conditions	-None-			
	Green Shoes Option	-None-			

Remarks: <sup>1</sup> Dividend per share of the year 2017 is a dividend paid from the performance of year 2016 and dividend per share of year 2018 is a dividend from the performance of year 2017. Since 2018, the company has not paid any dividends.

<sup>2</sup> Dividend Payout Ratio is Dividend payment from Net profit from the performance of the year

Board of Directors					
No.	Title	Name	Surname	Position	Appointed Date
1	Dr.	Songpope	Polachan	Chairman of the Board of Director	30 March 2015
2	Mr.	Chawalit	Tanomtin	Director / Deputy Chairman of the Board of Director	6 October 2000
3	Mr.	Surasak	Seekhiew	Director	6 October 2000
4	Mr.	Chaiya	Wonglappanich	Director	6 October 2000
5	Mr.	Teerayut	Chusilp	Director	6 October 2000
6	Mr.	Suraphong	Iamchula	Director	6 October 2000
7	Dr.	Krayim	Santrakul	Director	6 October 2000
8	Mr.	Nattapong	Poome	Director	6 October 2000
9	Dr.	Boonthep	Nanegrungsunk	Chairman of Audit Committee / Independent director	3 April 2017
10	Mr.	Thanapat	Pupat	Audit Committee / Independent director	3 April 2017
11	Mr.	Chaiwut	Jumnongsutasathien	Audit Committee / Independent director	25 April 2019
12	Mr.	Jumpot	Kanjanapanyakom	Independent director	3 April 2017

Investment in Subsidiaries					
No.	Company	Business Type	Paid-up Capital (USD)	Shareholding (%)	Investment Value (Based on cost) (MB)
1	Right Tunnelling Myanmar Company Limited	Construction Services	USD 150,000	99.99	THB 5.002 Million

Prepared by Asset Pro Management Company Limited

The Company certifies that information reported in the information memorandum is correct.

(Company's seal)

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(MR. CHAWALIT TANOMTIN)

Authorized Director

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(MR. SURASAK SEEKHIEW)

Authorized Director