

Translation

Referring to the public presentation session held on April 9, 2024, at 10.00 am via E-Meeting to inform the Company's shareholders, investors, and relevant stakeholders regarding the CS (Caution – Financial Statements) sign posting on the securities of Italian-Thai Development Public Company Limited (the "Company") due to the auditor's disclaimer of opinion on the Company's financial statements for the year ended December 31, 2023, the Company would like to summarize and report the significant matters, and solutions as follows:

Basis for Disclaimer of Opinion	Clarification
<p>1. Material Uncertainty Related to Going Concern</p> <ul style="list-style-type: none"> - current liabilities more than the current assets. - inability to maintain the debt-to-equity ratio computed on the consolidated financial statements. - The circumstances involve multiple uncertainties such as adequate liquidity, loan and debentures recalling, the success of execution management's plans, the ability to seek additional sources of funds for business operation, the business plan to support the future operating performance and repayment loan and debentures including the continuing support of the provider of the bank facilities, and the negotiation to collect the construction revenue for various projects from various contractors. 	<p>Referring to the letter no. CSD 011/2567 dated on March 28, 2024, about the clarification of the auditor's report on disclaimer opinion for financial statement for the year ended December 31, 2023:</p> <ul style="list-style-type: none"> - The inability to the maintaining of the debt-to-equity ratio computed on the consolidated financial statements, the Company had received letters of waivers from the banks waiving such conditions on February 29, 2024, and March 18, 2024. - The bondholders meeting for 5 series of debentures comprises of ITD242A, ITD24DA, ITD254A, ITD266A, and ITD24DB passed a resolution to postpone all principal repayment next 2 years from the original maturity dates. It causes to the decrease in number of current liabilities as of the first quarter of 2024. The bondholders meeting also approved the waiver of maintenance of Debt to Equity (D/E) Ratio as specified in the Terms and Conditions, with effect from the end of 2023 accounting year until the end of 2025 accounting year, and waiver for the Issuer to commence negotiation or conclude agreements with creditors for debt restructuring, without triggering the event of default as per the terms and conditions. - At the present, the Company has negotiating with the major creditors to get the financial support both short-term, and long-term aiming to cope with liquidity problems. The Company has now received the partial support and expected that the major creditors will complete the loan agreement for the Company's continuous operation. - The Company is now changing the working and controlling system to decrease expenses and increase performance qualities ensuring that the Company will be capable to compete and gain profit form operation. The Company also has the plan to sell the unused assets to decrease the liabilities.
<p>2. Items that are being audited and I (auditors), have not been able to obtain sufficient appropriate audit evidence caused by the limitation on situation</p>	<ul style="list-style-type: none"> - Referring to the disclaimer of opinion on the consolidated financial statements of the Company and the Group and the separate financial statements of the Company for the year ended December 31, 2023, it was not limited by the company or the company's executives, or it was not in compliance with Thai Accounting Standards, but it was due to the material uncertainties as clarified in 5 topics as below.
<p>2.1 Dawei Special Economic Zone in the Republic of the Union of Myanmar</p>	<p><u>DSEZ Full Phase</u></p> <ul style="list-style-type: none"> - The Reimbursement right for the previous investment in the development of the DSEZ Full Phase by ITD is still and remains protected under the Tripartite Memorandum, which was agreed and signed under the principles of mutual cooperation among the Thai Government, the Government of the Republic of the Union of Myanmar, and ITD. Under such guaranteed

	<p>reimbursement right, ITD shall receive the reimbursement amount from any new investors in such project area(s) under the scope of the DSEZ Full Phase.</p> <p><u>DSEZ Initial Phase</u></p> <ul style="list-style-type: none"> - Although the Dawei Special Economic Zone Management Committee (DSEZ MC) issued the Notice of Termination of the DSEZ Initial Phase projects to the Concessionaire, the Concessionaires have, however, rebutted and disputed such termination ever since. Now, the DSEZ MC requested to negotiate the disputed termination issue and find an amicable solution going forward acceptable to both parties. The DSEZ MC have proposed to draft the Settlement Proposal for the Concessionaires' consideration. To-date, the Concessionaires are waiting the draft proposal from the DSEZ MC for further discussion. - In addition, the Concessionaires have routinely reported the DSEZ Project status to relevant Thai government agencies. On 4th December 2023, the Concessionaires submitted a letter to the Office of the National Economic and Social Development Council, holding the role of joint secretary of the Joint High-Level Committee (JHC) and the Joint Coordinating Committee (JCC) of the Thai and Myanmar Governments in the co-development of the DSEZ Project. Furthermore, on 30th January 2024, the Concessionaires attended the meeting with and submitted a letter to the Thai Deputy Prime Minister and Minister of Foreign Affairs and reported the project status and on-going situation; including emphasis on the importance of the DSEZ Project to Thai investors' investment abroad whose rights are protected under the "Protection of Investment" scheme and principle according to international and regional framework agreements. The DSEZ Project is also of significance as it is in direct response to the Thai Government's "Proactive Economic Diplomacy Policy" which is aligned with the country's geo-economic and political strategy in the region.
<p>2.2 High-Speed Rail Linking 3 Airports Project</p>	<ul style="list-style-type: none"> - The project owner is now negotiating to amend the joint venture agreement and waiting for a notice to proceed from the government. The owner also asks for extension of construction payment to the Company and agrees to pay all pending interest.
<p>2.3 FDEE (First Dhaka Elevated Expressway) Bangladesh</p>	<ul style="list-style-type: none"> - As at December 31, 2023, the investment amount in First Dhaka Elevated Expressway Co., Ltd. (FDEE), a jointly controlled company in based in Bangladesh, was THB 3,068.34 million. The FDEE project, an elevated expressway project, underwent a partial opening in September 2023 which was well received by the public. The Company is currently negotiating toll adjustments with the relevant authorities in Bangladesh, where FDEE is entitled under the concession agreement, and FDEE has asked Systra-MVA to conduct a new traffic study on the number of vehicles using the expressway. The study is expected to be completed in the third quarter of 2024 and might affect the value of investment. Therefore, the auditor could not provide an opinion on the financial statements due to the limitation on situation.

<p>2.4 CC26R Metro project (ITD-ITD CEM JV.) India</p>	<ul style="list-style-type: none"> - Referring to the Company's financial statements for the year ended December 31, 2023, it included the Company's portion of earned revenues but not yet billed of Baht 62.27 million (Rupees 150 million) which present variation orders claims for a construction project with a State Enterprise of an oversea joint venture between the Company and an oversea subsidiary. - At the present, the joint venture is on process of negotiation for rights to collect payment for the remaining construction work from the employer through the Arbitration process. The recoverability of such earned revenues not yet billed is dependent on the outcome of the Arbitration dispute resolution.
<p>2.5 Legal case regarding Underwater Cable Extension project</p>	<ul style="list-style-type: none"> - Provincial Electricity Authority (PEA) sued the Company in Black Case No. 92/2021, dated on January 20, 2021. The Company disputed the case to Central Administrative Court, dated on July 25, 2022. The case detail is as follows: <ol style="list-style-type: none"> 1.) PEA sued the Company by accusing that the Company used the substandard 115 KV cables in the construction. PEA also asked for the fine in the amount of 4,148 million Baht. 2.) The Company disputed all matters. The timeline and significant matters are as follows: <ul style="list-style-type: none"> - The Company was the constructor of 115 KV Underwater Cable Extension project from to Khanom, Nakhon Si Thammarat province to Ko Samui, Surat Thani province with the project value of 3,577 million Baht. (Contract NO. Jor 201/2554 (B.E.) dated on August 8, 2011) - On April 26, 2013, the Company completed the project in accordance with PEA's terms and condition and handed over the cable extension with 3-year guarantee period. - On April 26, 2016, PEA returned the bank guarantee letter to the Company. - On August 7, 2018, there was the accident from the cruise ship that docked and anchored in the cable area. The anchor caused the cable to be damaged, exploded, and unable to supply the electricity. - PEA hired the Company to repair the damaged section. The repairing process (88.81 million Baht) was completely done on November 2, 2018, with 1-year guarantee expiring on November 2, 2019. - PEA, as repairing controller, worried about the damaged cable, assumed that the Company might use the substandard cables in repairing process, and then sued the Company with such an accusation.
<p>3. Unaudited financial statements of a joint venture</p>	<ul style="list-style-type: none"> - As at 31 December 2023, the consolidated financial statement included investments in a joint venture in Laos PDR, accounted for by the equity method of Baht 83.09 million, for which the figures are based on financial information of a joint venture as of 30 September 2019 which had been reviewed by the joint venture's auditor. The joint venture's management was unable to prepare the financial information up to date since the joint venture and the project owner have been in dispute regarding the termination of construction contract. - In 2021, the joint venture had reached a conclusion regarding a settlement agreement which specified that the employer was to the pay amount of USD 75 million, and consequently, the Company will receive share profits totaling USD 9 million.

	<ul style="list-style-type: none"> - As at December 31, 2023, the joint venture has received partial payment amount of USD 46 million the Company has received share profits amount of USD 2.7 million. The remaining will be gradually paid monthly within June 2024 - Currently, the joint venture is undergoing an auditing process which is expected to be completed within 2024.
4. Qualified opinion on the audit report of the component auditor	<p><u>ITD Bangladesh Company Limited</u></p> <ul style="list-style-type: none"> - The component auditor in Bangladesh expressed a qualified opinion on the financial statements on the basis that the joint venture had an unregistered amount of share capital of BDT 80,131 (THB 24,984.85). This was due to the changes in foreign exchange rates on the received date; however, the difference amount has been recorded a share money deposit account. - The subsidiary is currently in the process of hiring an advisor to proceed in compliance with the laws of Bangladesh.

The Company strongly believes in its potential and opportunities to acquire the upcoming infrastructure projects from both government and private sectors, including projects for roads, expressways, double-tracking railways, high-speed railways, and airport expansions in Bangkok and its metropolitan as well as other major provinces such as Chiang Mai, Phuket, and Krabi since the Company has the experience and past achievements to qualify for all types of projects.

The following are important topics and inquiries discussed during the Q&A session:

1. What is the Company's approach on short-term debt, and are there any discussions for the extension of the payment period or the amendment of covenants of the full amount? And if not, what is the plan?

- As of December 31, 2023, the Company has not yet received approval from debenture creditors and bank creditors regarding the maintenance of debt-to-equity ratio. The auditor then recorded some of the long-term liabilities as short-term liabilities. Later, the Company received approval from bondholders and main bank creditors to waive the debt-to-equity ratio. Only one financial institution is in the process of proposing to its board of directors for approval, and according to the negotiations, it is unlikely that there will be an issue, and the amount is insignificant. Therefore, short-term liabilities are expected to switch to long-term liabilities in the first quarter.

2. What is the cause of the crisis?

- There are many issues that affect the Company's operations, such as long-term investments that have not yet yielded results, such as the DSEZ project and the potash mining project, which are in the process of increasing their value. Additionally, the COVID-19 pandemic and global conflicts have also increased costs and affected the company.

3. What is the progress on solving the Company's financial liquidity issue?

- The Company has negotiated with creditors on two matters including the matter of the Company's debentures which have been kindly approved by the debenture holders to extend the repayment period by 2 years, resulting in an increase in liquidity; and the matter of working capital for which negotiations are progressing well with banks to obtain a credit line to circulate the project.

4. Progress of the project in the Republic of the Union of Myanmar

- At present, the debt situation is not yet considered as bad debt, as conditions and right of ITD to receive such reimbursement amount remains protected under the Tripartite Memorandum. ITD still secures the rights and the mechanism to protect its previous investment. Currently, there are investors both Thai and Chinese companies expressing tangible interest in the project, wherein these investors still see opportunities to invest in Myanmar amid the current crisis in Myanmar. This will strengthen ITD's confidence and tendency to receive the reimbursement amount as well. Furthermore, the formal discussion with the Thai Minister of Foreign Affairs came to a strategic view that this Dawei Project responds to and is aligned with the "Proactive Economic Diplomacy Policy" of the current Thai government proving that the project is of strategic importance and confirms that the project remains attractive for investment.

5. Given that the Company's D/E value drastically increases, what is the Company's plan for debt repayment?

- The Company has several plans, such as the acquisition of more projects, the reduction of project costs to increase competitiveness, and the sale of non-operating assets to reduce debt. In addition, the Company has invested in various concessions, which are expected to be able to operate well, including the potash mining project that have already been licensed and are expected to continue operating, which will increase the Company's revenue in the future.

6. Will the current liquidity issue affect future public sector tenders?

- At present, the Company has not been affected by the issue and has received supports from financial institutions in issuing bid guarantees. Whether it is government work or private sector, the company can still receive guarantees and enter the bid as usual.

7. The reason for the significant decline in the Company's Q4/2023 revenue

- This is due to the decrease in government project biddings. It is expected that when the government budget for 2024-2025 is completed, there will be more biddings for government projects and the company will acquire more projects than in the past two years.

8. What is the Company's approach in earning money from the potash mining project? Is there any progress on the sale, and when will the Company receive the revenue?

- The Company is currently working on the matter, having hired a financial advisor and is in talks with interested investors. Any further updates shall be disclosed.

9. How much will the impending government's 2024 budget disbursement contribute to the Company's liquidity?

- The disbursement will be a significant help, and the Company expects that it will happen shortly. The new project biddings and the disbursement will help increase the Company's liquidity.

10. New investors in the DSEZ Project to provide the reimbursement amount to ITD.

- Based on initial discussions and negotiations, there is a potential investor, namely Krung Thon Engineers Co., Ltd. This company is capable and have the vital experience to carry out large-scale construction projects. There are also investors from China who see opportunities to invest in this project and are prepared to form joint ventures with the Thai groups.

11. Details of the amount of the financial support from banks

- At this time, the Company cannot disclose the amount, but can confirm that the amount to be received is sufficient for the company to successfully complete all projects in hand. The Company has been negotiating with banks since December 2023 and has jointly studied the details of each project to determine the appropriate

and enough for the successful completion of more than 100 projects. In addition, the banks can still provide credit lines for bidding for new works which will provide the Company with additional projects and increase its working capital. This, coupled with the reduction of the company's costs, will enable the Company to move forward more steadily.

12. Details on overdue payment to suppliers

- This is another issue that the Company has jointly consider with banks since the Company wants to properly deal with the impacts on all stakeholders of the Company, including bondholders, shareholders, banks, and suppliers. Therefore, negotiations have been held with several banks for financial support to repay the debts to various creditors because the suppliers are necessary for the Company to successfully complete all operations.

Please be informed accordingly.