

Translation

Referring to the public presentation session held on May 28, 2024, at 10.00 am via E-Meeting to inform the Company's shareholders, investors, and relevant stakeholders regarding the ongoing 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 conclusion on the Company's interim financial statements as of March 31, 2024, the Company would like to summarize and report the significant matters, and solutions as follows:

Basis for Disclaimer of Conclusion	Clarification
<p>1. Material Uncertainty Related to Going Concern The liquidity factors for Group and the Company may be dependent on the right of the bank to recall the debentures, the success of execution management's plans, the ability to seek additional sources of funds for business operation, revised the business plan to support the future operating performance and repayment debentures at the new maturity dates 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. These circumstances involve multiple uncertainties, which may have the potential interaction of material uncertainties and their possible cumulative effect on the financial information. Those circumstances indicate that material uncertainties exist that may cast significant doubt on the Group's ability to continue as a going concern.</p>	<ol style="list-style-type: none"> 1. As of March 31, 2024, the Company was still able to comply with the terms and conditions of the loan agreement regarding the maintenance of debt-to-equity ratio. 2. The Company has been consistently receiving loan approvals. 3. The Company has been issued letters of guarantee for project biddings as usual. 4. The Company signed project contracts totaling Baht 318 million in Q1/2024 and totaling Baht 61 million during April - May 2024: <ul style="list-style-type: none"> • Project awarded / Nearly signed approximately Baht 197 million • Project with lowest bid / Under negotiation approximately Baht 20,000 million

<p>2. Items that are being audited and the auditor has not been able to obtain sufficient appropriate audit evidence caused by the limitation on situation</p>	<p>The disclaimer of opinion on the consolidated financial statements of the Company and the Group and the separate financial statements of the Company was not due to the limitation imposed 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>
<p>1) Dawei Special Economic Zone There are uncertainties that may affect the development of the project. Therefore, the auditor is unable to consider the effect (if any) it may have on the interim consolidated and separate financial information caused by the uncertainty and the limitation on situation above.</p>	<p>1. <u>DSEZ Full Phase</u> 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 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>2. <u>DSEZ Initial Phase</u> 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.</p> <p>3. 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.</p> <p>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>
<p>2) A construction project of Baht 1,938.80 million and Baht 649.44 million, totaling of Baht 2,588.24 million The contractor will make payment to the Company whenever all conditions are agreed by the government sector. The Company's management is unable to assess the potential on such circumstance and unable to be concluded.</p>	<p>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>

<p>3) FDEE project The First Dhaka Elevated Expressway project in Bangladesh is currently in process of negotiation toll fee with the government sector in Bangladesh and wait for the finalized feasibility study report for the car traffic on the expressway in Bangladesh, which the result of the update projection might be significantly changed and may affect the recoverable amount of investment in associate on the interim consolidated and separate financial information caused by the uncertainty and the limitation on situation above.</p>	<p>As at March 31, 2024, the investment amount in First Dhaka Elevated Expressway Co., Ltd. (FDEE), a jointly controlled company in based in Bangladesh, was Baht 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 which FDEE is entitled to under the concession agreement, and therefore, 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>
<p>4) A joint venture currently under the negotiation with the employer to claim the remaining construction work through the Arbitration process The potential (if any) on such circumstances is unable to be concluded which may affect the recoverable amount of earned revenues not yet billed on the interim consolidated financial information caused by the uncertainty and the limitation on situation above.</p>	<p>The Company's interim financial statements as at March 31, 2024 included the Company's portion of earned revenues but not yet billed of Baht 66.08 million (Rupees 150 million) from an oversea joint venture.</p> <p>At the present, the joint venture is on process of negotiation for rights to claim payment for the remaining construction work from the employer through the Arbitration process.</p>
<p>5) The Company has been sued by other companies in various cases for breaches of contract, claims for damages, and other matters in the consolidated financial information and separate financial information of Baht 4,974.56 million and Baht 4,461.84 million. These the cases are under the court's consideration, and the outcomes cannot presently be concluded. Therefore, the Company's management does not make any provision for liabilities in the accounts. The auditor is unable to consider the effect (if any) it may have on the provision for liabilities on the interim consolidated and separate financial information caused by the uncertainty and the limitation on situation above.</p>	<p>The Central Administrative Court has not yet considered the case; however, the Company expects a positive outcome based on the facts and evidence which has been previously clarified.</p>
<p>3. Unaudited financial statements of a joint venture The consolidated information of financial position as of 31 March 2024 included an investment in a joint venture accounted for by the equity method. Such investment was</p>	<p>The consolidated information of financial position as of 31 March 2024 included an investment in a joint venture accounted for by the equity method. Such investment was based on the financial information of a joint venture as of 30 September 2019 which was reviewed by the joint venture's auditor. The joint venture's management was unable to prepare the financial information</p>

<p>based on the financial information of a joint venture as of 30 September 2019 which was reviewed by the joint venture's auditor. The joint venture's management was unable to assess the potential impact (if any) on the balance of joint venture's assets which is jointly controlled, the proportion of joint venture's liabilities, which is jointly liable, joint venture's share of profit and expenses, the statement of changes in equity and the statement of cashflows. The Settlement Agreement was finalized in part of compensation of USD 75 million must be paid by contractor and the Company received its share profit of USD 9 million from the joint venture.</p>	<p>up to date since the joint venture and the project owner have been in dispute regarding the termination of construction contract.</p> <p>In September 2023, the joint venture partners agreed to share profits from the joint venture after reserved sufficient funds for suppliers, subcontractors, claims, and any contingencies of the joint venture. Such share profits will be paid by monthly basis since September 2023 until May 2024 which the Company will receive such share profits for total amounts of USD 9 million.</p> <p>As at March 31, 2024, the Company has received share profits amount of USD 6 million.</p> <p>Currently, the joint venture is undergoing an auditing process which is expected to be completed within 2024.</p>
<p>4. Qualified opinion on the audit report of the component auditor The financial information of ITD Bangladesh Company Limited, a significant subsidiary and registered and operating in Bangladesh, which included in the interim consolidated financial information for the three-month period ended 31 March 2024 present total assets as at 31 March 2024 of Baht 2,790.51 million, and total revenue and profit for the three-month period ended 31 March 2024 of Baht 27.27 million and Baht 1.30 million, respectively. The component auditor expresses a qualified conclusion on the financial information for the three-month period ended 31 March 2024, regarding non-compliance with the laws of Bangladesh.</p>	<p>The auditor the Company's subsidiary in Bangladesh expressed a qualified opinion for the financial statement regarding non-compliance with certain laws of Bangladesh; the subsidiary is currently proceeding with the matter.</p>

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

1. The details regarding the Company's adjustments of working and controlling system for cost reduction and efficiency improvement as discussed in the Public Presentation session held on April 9, 2024

Answer: The Company has conducted studies and entered negotiations with financial institutions to obtain opinions on adjusting operational plans and reducing operating costs. The Company is currently waiting for opinions from financial institutions.

2. The State of the Dawei Special Economic Zone project in the Republic of the Union of Myanmar

Answer: The DSEZ project is divided into 2 phases: 1) Full Phase with an area of 196.5 km² and 2) Initial Phase with an area of 27 km². The Dawei Project remains in place in terms of (I) contractual clauses, (II) reimbursement conditions, and (III) current progress of the project:

I. Contractual Clauses

Although the Dawei Special Economic Zone Management Committee (DSEZ MC) had issued the Notice of Termination of the DSEZ Initial Phase projects on December 30, 2020, the Company sent a letter to DSEZ MC to rebut and dispute such termination on January 19, 2021, and April 4, 2021.

Later, in a meeting with DSEZ MC on January 12, 2023, it was concluded that which DSEZ MC will send the draft to the company for consideration.

II. Reimbursement Conditions

When the Full Phase project was reduced to the Initial Phase, there was a condition to receive a reimbursement from new developers who invested in the project, as stipulated in the Tripartite Memorandum.

III. Current Progress of the Project

On January 30, 2024, the Company met with the Minister of Foreign Affairs and proposed for support to consider the BRICS countries, including Brazil, Russia, India, and China (especially China and Russia) to participate in the project as a new developer which will entitle the Company to the reimbursement. Recently, the Myanmar government's news and online media have reported that Russia was invited to participate in the project.

Please be informed accordingly.