

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders of Hydrotek Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position as at June 30, 2018 and the related consolidated and separate statements of comprehensive income for the three-month and six-month periods ended June 30, 2018, changes in shareholders' equity and cash flows for the six-month period ended June 30, 2018, and the condensed notes to financial statements of Hydrotek Public Company Limited and its subsidiaries and of Hydrotek Public Company Limited. The Company's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my reviews in accordance with Thai Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my reviews, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 "Interim Financial Reporting".

Emphasis of matter

I draw attention the note to the financial statement No. 24, which explains the uncertainty over the outcome of the case that the Company has filed a lawsuit to the Administrative Court demanding of construction service fees to be paid to the Company, The Counterparty has filed a counterclaim to the Administrative Court demanding compensation from the Company, Currently such case is under consideration by the Administrative Court. My opinion is not qualified in respect of this matter.

SP Audit Company Limited

(Miss Susan Eiamvanicha)

Certified Public Accountant (Thailand) No. 4306

Bangkok

August 10, 2018

HYDROTEK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT JUNE 30, 2018

(Unit : Baht)

	Notes	Consolidated		Separate financial statements	
		June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
		Unaudited	Audited	Unaudited	Audited
<u>ASSETS</u>					
Current Assets					
Cash and cash equivalents		91,105,885.77	172,758,733.17	90,133,314.60	171,645,023.77
Trade and other current receivables - third parties	6	38,975,450.90	28,277,560.16	36,245,311.00	25,598,000.67
Other current receivable - related parties	5.1	-	-	58,400.63	-
Unbilled receivables	7	104,784,035.09	97,651,316.68	104,784,035.09	97,651,316.68
Suspend input vat		3,438,246.24	3,941,768.85	3,368,784.19	3,872,306.80
Construction in progress		2,563,080.36	2,370,999.30	156,800.00	-
Total Current Assets		240,866,698.36	305,000,378.16	234,746,645.51	298,766,647.92
Non-Current Assets					
Deposits at banks pledged as collateral	8	53,901,788.01	53,738,901.77	53,901,788.01	53,738,901.77
Investment in subsidiaries	9	-	-	17,643,626.00	17,643,626.00
Receivables under the concession agreement		11,943,481.85	11,173,710.50	-	-
Investments property		2,973,750.00	2,973,750.00	2,973,750.00	2,973,750.00
Land and equipment	10	151,811,170.81	152,912,056.84	151,819,833.74	152,912,417.88
Intangible assets	11	5,033,543.72	5,171,160.20	430,059.52	619,007.63
Withholding tax deducted at source		33,416,697.77	32,762,782.83	33,416,596.13	32,762,697.09
Other non-current assets		976,595.28	1,014,595.28	976,595.28	1,014,595.28
Total Non-Current Assets		260,057,027.44	259,746,957.42	261,162,248.68	261,664,995.65
Total Assets		500,923,725.80	564,747,335.58	495,908,894.19	560,431,643.57

Notes to financial statements are an integral part of these financial statements.

HYDROTEK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT JUNE 30, 2018

(Unit : Baht)

	Notes	Consolidated		Separate financial statements	
		June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
		Unaudited	Audited	Unaudited	Audited
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current Liabilities					
Bank overdraft	12	19,403,072.68	19,840,536.25	19,403,072.68	19,840,536.25
Trade and other current payables - third parties	13	133,074,714.71	154,815,045.66	126,356,466.69	148,376,995.86
Other current payable - related parties	5.1	722,377.52	449,980.78	1,101,541.35	1,339,992.00
Construction revenue received in advance	7	120,152.61	179,230.51	120,152.61	179,230.51
Advances received from customers under construction contracts		12,214,401.32	9,808,159.82	12,214,401.32	9,808,159.82
Unbilled output tax		791,709.93	457,729.08	791,709.93	457,729.08
Accrued income tax		93,068.21	395,282.72	-	-
Provision for construction losses		-	745,754.61	-	745,754.61
Short-term loan from person and related parties	5.1	10,000,000.00	10,000,000.00	30,576,051.80	33,600,000.00
Current portion					
Provision for warranty	15	6,175,945.25	5,618,180.55	4,409,476.98	5,618,180.55
Total Current Liabilities		182,595,442.23	202,309,899.98	194,972,873.36	219,966,578.68
Non-Current Liabilities					
Long-term loans due to third party	14	125,644,786.50	125,643,886.50	125,644,786.50	125,643,886.50
Provision for warranty	15	3,306,925.92	5,391,365.35	3,306,925.92	3,461,236.25
Employee benefit obligation	16	8,700,307.74	7,537,454.95	8,700,307.74	7,537,454.95
Non-current liabilities		9,242,714.46	17,921,714.39	9,242,714.46	13,975,999.61
Total Non-Current Liabilities		146,894,734.62	156,494,421.19	146,894,734.62	150,618,577.31
Total Liabilities		329,490,176.85	358,804,321.17	341,867,607.98	370,585,155.99
SHAREHOLDERS' EQUITY					
Share capital					
Authorized share capital					
970,283,450 ordinary shares, at par value of Baht 1.00		970,283,450.00	-	970,283,450.00	-
589,968,760 ordinary shares, at par value of Baht 1.00		-	589,968,760.00	-	589,968,760.00
Paid-up share capital					
589,968,760 ordinary shares, at par value of Baht 1.00		589,968,760.00	-	589,968,760.00	-
486,484,072 ordinary shares, at par value of Baht 1.00		-	486,484,072.00	-	486,484,072.00
Premium on share capital		59,476,373.77	59,476,373.77	59,476,373.77	59,476,373.77
Share subscription received in advance		-	103,484,688.00	-	103,484,688.00
Retained earnings (deficits)					
Appropriated legal reserve		9,620,000.00	9,620,000.00	9,620,000.00	9,620,000.00
Unappropriated		(490,854,913.32)	(455,937,559.13)	(505,023,847.56)	(469,218,646.19)
Other components of equity		(871,012.22)	(1,122,381.22)	-	-
Equity attributable to the owners of the company		167,339,208.23	202,005,193.42	154,041,286.21	189,846,487.58
Non-controlling interests		4,094,340.72	3,937,820.99	-	-
Total shareholders' equity		171,433,548.95	205,943,014.41	154,041,286.21	189,846,487.58
Total Liabilities and Shareholder's Equity		500,923,725.80	564,747,335.58	495,908,894.19	560,431,643.57

Notes to financial statements are an integral part of these financial statements.

HYDROTEK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2018

(Unit : Baht)

	Notes	Consolidated		Separate financial statements	
		2018	2017	2018	2017
Revenues					
Construction income		35,573,251.57	64,202,634.05	35,573,251.57	57,656,343.98
Service income		-	7,800,000.00	-	7,800,000.00
Other income		1,429,489.70	916,290.55	1,136,609.41	3,094,132.66
Total Revenues		37,002,741.27	72,918,924.60	36,709,860.98	68,550,476.64
Expenses					
Cost of construction		31,405,323.19	63,276,253.99	31,405,323.19	59,227,866.25
Cost of services		-	3,792,633.90	-	3,792,633.90
Administrative expenses		24,976,292.61	13,123,410.60	24,801,644.96	12,832,963.46
Finance cost		2,601,219.29	3,478,040.90	2,980,383.12	3,994,876.52
Total Expenses		58,982,835.09	83,670,339.39	59,187,351.27	79,848,340.13
Loss before income tax expenses		(21,980,093.82)	(10,751,414.79)	(22,477,490.29)	(11,297,863.49)
Income tax expense		(23,912.48)	(9,163.81)	-	-
Loss for the period		(22,004,006.30)	(10,760,578.60)	(22,477,490.29)	(11,297,863.49)
Other comprehensive income					
Transactions that be classified into profit or loss in the future					
Difference exchange rate from conversion of financial statements		1,189,530.53	(228,273.49)	-	-
Transactions that not be classified into profit or loss in the future					
Acturial gain		42,769.49	-	42,769.49	-
Other comprehensive income(loss) for the period		1,232,300.02	(228,273.49)	42,769.49	-
Total comprehensive loss for the period		(20,771,706.28)	(10,988,852.09)	(22,434,720.80)	(11,297,863.49)
Profit (loss) attributable to					
Equity holders of the Company		(22,051,041.12)	(10,798,310.60)		
Non-controlling interests		47,034.82	37,732.00		
		(22,004,006.30)	(10,760,578.60)		
Total comprehensive income (loss) attributable to					
Equity holders of the Company		(21,056,647.21)	(10,980,929.39)		
Non-controlling interests		284,940.93	(7,922.70)		
		(20,771,706.28)	(10,988,852.09)		
Basic loss per share	19	(0.04)	(0.03)	(0.04)	(0.03)
Weighted average of ordinary shares (Unit : Share)		589,968,760	389,968,760	589,968,760	389,968,760

Unaudited

HYDROTEK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018

(Unit : Baht)

	Notes	Consolidated		Separate financial statements	
		2018	2017	2018	2017
Revenues					
Construction income		57,202,553.32	146,584,876.39	57,202,553.32	134,700,973.35
Service income		410,000.00	15,962,460.06	410,000.00	15,962,460.06
Revenues from sales		-	1,046,196.00	-	1,046,196.00
Other income		4,022,285.21	1,636,441.35	3,443,135.50	4,347,128.52
Total Revenues		61,634,838.53	165,229,973.80	61,055,688.82	156,056,757.93
Expenses					
Cost of construction		48,947,732.34	143,341,853.79	48,947,732.34	134,189,222.91
Cost of services		207,105.00	7,746,283.97	207,105.00	7,746,283.97
Cost of sales		-	364,000.00	-	364,000.00
Administrative expenses		38,562,300.52	27,014,424.34	38,264,910.40	26,614,245.82
Finance cost		5,189,793.72	7,056,121.94	5,982,629.42	7,969,820.57
Total Expenses		92,906,931.58	185,522,684.04	93,402,377.16	176,883,573.27
Loss before income tax expenses		(31,272,093.05)	(20,292,710.24)	(32,346,688.34)	(20,826,815.34)
Income tax expense	18	(93,070.63)	(52,719.74)	-	-
Loss for the period		(31,365,163.68)	(20,345,429.98)	(32,346,688.34)	(20,826,815.34)
Other comprehensive income					
Transactions that be classified into profit or loss in the future					
Difference exchange rate from conversion of financial statements		314,211.25	(774,576.64)	-	-
Transactions that not be classified into profit or loss in the future					
Acturial gain (loss)		(3,458,513.03)	2,508,240.00	(3,458,513.03)	2,508,240.00
Other comprehensive income(loss) for the period		(3,144,301.78)	1,733,663.36	(3,458,513.03)	2,508,240.00
Total comprehensive loss for the period		(34,509,465.46)	(18,611,766.62)	(35,805,201.37)	(18,318,575.34)
Profit (loss) attributable to					
Equity holders of the Company		(31,458,841.16)	(20,441,469.93)		
Non-controlling interests		93,677.48	96,039.95		
		(31,365,163.68)	(20,345,429.98)		
Total comprehensive income (loss) attributable to					
Equity holders of the Company		(34,665,985.19)	(18,552,891.24)		
Non-controlling interests		156,519.73	(58,875.38)		
		(34,509,465.46)	(18,611,766.62)		
Basic loss per share	19	(0.05)	(0.05)	(0.05)	(0.05)
Weighted average of ordinary shares (Unit : Share)		589,968,760	389,968,760	589,968,760	389,968,760

Unaudited

HYDROTEK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018

(Unit : Baht)

	Notes	Equity attributable to the owners of the Company								Non-Controlling interests	Total
		Paid-up share capital	Premium on share capital	Share subscription received in advance	Retained earnings (deficits)		Other components of shareholders' equity		Total Equity attributable to the owners of the Company		
					Appropriated legal reserve	Unappropriated	Difference exchange rate from conversion of financial statements				
Balance as at January 1, 2018		486,484,072.00	59,476,373.77	103,484,688.00	9,620,000.00	(455,937,559.13)		(1,122,381.22)	202,005,193.42	3,937,820.99	205,943,014.41
Changes in equity for the period											
Increment of share capital	17	103,484,688.00	-	(103,484,688.00)	-	-		-	-	-	-
Actuarial loss		-	-	-	-	(3,458,513.03)		-	(3,458,513.03)	-	(3,458,513.03)
Total comprehensive loss for the period		-	-	-	-	(31,458,841.16)		251,369.00	(31,207,472.16)	156,519.73	(31,050,952.43)
Balance as at June 30, 2018		589,968,760.00	59,476,373.77	-	9,620,000.00	(490,854,913.32)		(871,012.22)	167,339,208.23	4,094,340.72	171,433,548.95
Balance as at January 1, 2017		389,968,760.00	66,695,860.87	-	9,620,000.00	(398,636,038.45)		69,738.45	67,718,320.87	2,806,513.24	70,524,834.11
Changes in equity for the period											
Increment of share capital in subsidiary		-	-	-	-	-		-	-	432,821.50	432,821.50
Actuarial gain		-	-	-	-	2,508,240.00		-	2,508,240.00	-	2,508,240.00
Total comprehensive loss for the period		-	-	-	-	(20,441,469.93)		(619,661.31)	(21,061,131.24)	(58,875.38)	(21,120,006.62)
Balance as at June 30, 2017		389,968,760.00	66,695,860.87	-	9,620,000.00	(416,569,268.38)		(549,922.86)	49,165,429.63	3,180,459.36	52,345,888.99

Unaudited

HYDROTEK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
SEPARATE STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018

(Unit : Baht)

	Notes	Paid-up share capital	Premium on share capital	Share subscription received in advance	Retained earnings (deficits)		Total
					Appropriated legal reserve	Unappropriated	
Balance as at January 1, 2018		486,484,072.00	59,476,373.77	103,484,688.00	9,620,000.00	(469,218,646.19)	189,846,487.58
Changes in equity for the period							
Increment of share capital	17	103,484,688.00	-	(103,484,688.00)	-	-	-
Actuarial loss		-	-	-	-	(3,458,513.03)	(3,458,513.03)
Total comprehensive loss for the period		-	-	-	-	(32,346,688.34)	(32,346,688.34)
Balance as at June 30, 2018		589,968,760.00	59,476,373.77	-	9,620,000.00	(505,023,847.56)	154,041,286.21
Balance as at January 1, 2017		389,968,760.00	66,695,860.87	-	9,620,000.00	(410,857,191.10)	55,427,429.77
Changes in equity for the period							
Actuarial gain		-	-	-	-	2,508,240.00	2,508,240.00
Total comprehensive loss for the period		-	-	-	-	(20,826,815.34)	(20,826,815.34)
Balance as at June 30, 2017		389,968,760.00	66,695,860.87	-	9,620,000.00	(429,175,766.44)	37,108,854.43

Unaudited

HYDROTEK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOW

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018

(Unit : Baht)

	Notes	Consolidated		Separate financial statements	
		2018	2017	2018	2017
Cash Flow From Operating activities					
Loss before income tax expenses		(31,365,770.53)	(20,388,750.19)	(32,346,688.34)	(20,826,815.34)
Adjustments to reconcile loss before income tax expenses for cash received (used) from operations					
Share of profit attributable to non-controlling interests		93,677.48	96,039.95	-	-
Doubtful debts		8,800.00	334,867.93	8,800.00	334,867.93
Depreciation		1,122,133.05	1,349,184.94	1,113,831.16	1,320,675.48
Amortisation of intangible assets		203,964.22	233,464.13	188,948.11	195,280.75
Provision for warranty(Reversal)		(1,526,674.73)	2,184,234.03	(1,363,013.90)	(135,721.99)
(Gain) loss on disposal of fixed assets		(4,738.67)	(16,434.16)	(4,738.67)	7,196.26
Loss from write-off fixed assets		-	8,544.82	-	2,541.17
Unrealized loss on exchange rate		-	89,176.00	-	89,176.00
Provision for construction losses(Reversal)		(745,754.61)	(427,641.10)	(745,754.61)	(427,641.10)
Provisions for employee benefits		499,139.76	638,191.00	499,139.76	638,191.00
Interest income		(518,200.15)	(327,144.24)	(516,383.56)	(319,732.51)
Interest expenses		5,189,793.72	7,056,121.94	5,982,629.42	7,969,820.57
Loss from operation before changes in operating assets and liabilities		(27,043,630.46)	(9,170,144.95)	(27,183,230.63)	(11,152,161.78)
Increase in trade and other current receivables - third parties		(10,523,920.46)	(14,675,191.83)	(10,508,695.52)	(14,182,756.11)
Increase in other current receivables - related parties		-	-	(58,400.63)	(2,553,580.69)
Increase in unbilled receivables		(7,132,718.41)	(33,065,846.80)	(7,132,718.41)	(33,065,846.80)
(Increase) decrease in suspend input vat		503,522.61	(2,566,319.62)	503,522.61	(2,582,613.25)
(Increase) decrease in construction in progress		(156,800.00)	4,762,754.78	(156,800.00)	4,762,754.78
Increase in receivables under the concession agreement		(577,332.72)	(1,285,282.39)	-	-
Decrease in other non-current assets		38,000.00	614,800.00	38,000.00	614,800.00
Increase (decrease) in trade and other current payables - third parties		(25,949,549.51)	45,701,100.53	(26,213,796.33)	44,411,046.33
Increase (decrease) in other current payables - related parties		(36,687.95)	50,989.47	(196,224.95)	50,989.47
Increase (decrease) in construction revenue received in advance		(59,077.90)	(1,749,927.96)	(59,077.90)	878,998.20
Increase (decrease) in advance received under construction contracts		2,406,241.50	(11,498,282.97)	2,406,241.50	(11,498,282.97)
Increase in unbilled output tax		333,980.85	353,150.37	333,980.85	353,150.37
Increase (decrease) in other non-current liabilities		(8,678,999.93)	1,872,782.31	(4,733,285.15)	2,406,462.98
Cash generated from operating		(76,876,972.38)	(20,655,419.06)	(72,960,484.56)	(21,557,039.47)
Cash paid for employee benefits		(2,794,800.00)	(1,182,000.00)	(2,794,800.00)	(1,107,000.00)
Cash paid for income tax		(1,049,200.08)	(1,625,956.10)	(653,899.04)	(1,517,652.99)
Net cash used in operating activities		(80,720,972.46)	(23,463,375.16)	(76,409,183.60)	(24,181,692.46)

Unaudited

HYDROTEK PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOW

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018

(Unit : Baht)

	Notes	Consolidated		Separate financial statements	
		2018	2017	2018	2017
Cash Flow From Investing Activities					
Cash received for disposal of investments in associates		-	-	-	(1,731,286.00)
(Increase) decrease in deposits at bank pledged as collateral		(162,886.24)	7,344,045.33	(162,886.24)	7,344,045.33
Cash paid for purchase of equipment		(52,508.35)	(979,376.00)	(52,508.35)	(979,376.00)
Cash received from disposal of equipment		36,000.00	141,479.31	36,000.00	2,803.74
Cash paid for purchase of intangible assets		-	(384,749.45)	-	-
Cash received from interest income		370,800.90	256,947.80	368,968.75	247,781.40
Net cash provided from investing activities		191,406.31	6,378,346.99	189,574.16	4,883,968.47
Cash Flow From Financing Activities					
Increase (decrease) in bank overdraft and short-term loans from financial institutions		(437,463.57)	(10,345,553.23)	(437,463.57)	(10,345,553.23)
Cash received from short-term loans from director		-	15,510,000.00	-	15,510,000.00
Cash received (paid) for short-term loan from related party		-	-	(3,023,948.20)	12,000,000.00
Cash paid for long-term loans due to financial institutions		-	(120,000.00)	-	(120,000.00)
Cash received from increment of share capital in subsidiary-non-controlling interests		-	432,821.50	-	-
Cash paid for interest expenses		(686,541.87)	(2,476,806.95)	(1,830,687.96)	(3,342,026.13)
Net cash provided from (used in) financing activities		(1,124,005.44)	3,000,461.32	(5,292,099.73)	13,702,420.64
Effects of exchange rate change on the balance of					
cash and cash equivalents		724.19	(7,343.35)	-	-
Net Decrease in Cash and Cash Equivalent		(81,652,847.40)	(14,091,910.20)	(81,511,709.17)	(5,595,303.35)
Cash and Cash Equivalent at the Beginning of the period		172,758,733.17	27,388,449.84	171,645,023.77	16,868,186.80
Cash and Cash Equivalent at the End of the period	20.1	91,105,885.77	13,296,539.64	90,133,314.60	11,272,883.45

Unaudited

HYDROTEK PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONDENSED NOTES TO INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018 (UNAUDITED)

1. General information

Hydrotek Public Company Limited (“Company”) is a public company and is incorporated in Thailand. The Company is listed on the Market for Alternative Investment (MAI). The address of the Company’s registered office is 14th Floor, TP&T Tower 1 Soi Vibhavadee-Rangsit 19, Chatuchak, Chatuchak, Bangkok.

The principal business operations of the Company and subsidiaries (“the Group”) are service of water treatment and wastewater treatment system by construction service and selling of related supplies.

2. Basis of preparation of interim financial statements

These interim consolidated and separate financial statements are prepared in accordance with Thai Generally Accepted Accounting Principles under the Accounting Act B.E. 2543 (or 2000), being those Thai Accounting Standards issued under the Account Profession Act B.E. 2547 (or 2004), and the financial reporting requirements of Capital Market Supervisory Board. The primary financial statements (i.e. statement of financial position, statement of comprehensive income, statement of changes in shareholders’ equity and statement of cash flows) are prepared in the full format as required by Capital Market Supervisory Board. The notes to the financial statements are prepared in a condensed format according to Thai Accounting Standard 34 “Interim Financial Reporting (revised 2017)” and additional notes are presented as required by Capital Market Supervisory Board under the Securities and Exchange Act B.E. 2535 (or 1992).

The interim consolidated and separate financial statements are prepared to provide an update on the financial statements for the year ended December 31, 2017. They focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2017.

The interim consolidated and separate financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The Federation of Accounting Profession (FAP) has notified to apply the following financial reporting standards to the financial statements having an accounting period beginning on or after January 1, 2018.

TFRS No. 2 Share-based Payment (revised 2017)
TFRS No. 3 Business Combinations (revised 2017)
TFRS No. 4 Insurance Contracts (revised 2017)
TFRS No. 5 Non-current Assets Held for Sale and Discontinued Operations (revised 2017)
TFRS No. 6 Exploration for and Evaluation of Mineral Resources (revised 2017)
TFRS No. 8 Operating Segments (revised 2017)
TFRS No. 10 Consolidated Financial Statements (revised 2017)
TFRS No. 11 Joint Arrangements (revised 2017)
TFRS No. 12 Disclosure of Interests in Other Entities (revised 2017)
TFRS No. 13 Fair Value Measurement (revised 2017)
TAS No. 1 Presentation of Financial Statements (revised 2017)
TAS No. 2 Inventories (revised 2017)
TAS No. 7 Statement of Cash Flows (revised 2017)
TAS No. 8 Accounting Policies, Changes in Accounting Estimates and Errors (revised 2017)
TAS No. 10 Events after the Reporting Period (revised 2017)
TAS No. 11 Construction Contracts (revised 2017)
TAS No. 12 Income Taxes (revised 2017)
TAS No. 16 Property, Plant and Equipment (revised 2017)
TAS No. 17 Leases (revised 2017)
TAS No. 18 Revenue (revised 2017)
TAS No. 19 Employee Benefits (revised 2017)
TAS No. 20 Accounting for Government Grants and Disclosure of Government Assistance (revised 2017)
TAS No. 21 The Effects of Changes in Foreign Exchange Rates (revised 2017)
TAS No. 23 Borrowing Costs (revised 2017)
TAS No. 24 Related Party Disclosures (revised 2017)
TAS No. 26 Accounting and Reporting by Retirement Benefit Plans (revised 2017)
TAS No. 27 Separate Financial Statements (revised 2017)
TAS No. 28 Investments in Associates and Joint Ventures (revised 2017)
TAS No. 29 Financial Reporting in Hyperinflationary Economies (revised 2017)
TAS No. 33 Earnings per Share (revised 2017)
TAS No. 34 Interim Financial Reporting (revised 2017)
TAS No. 36 Impairment of Assets (revised 2017)
TAS No. 37 Provisions, Contingent Liabilities and Contingent Assets (revised 2017)
TAS No. 38 Intangible Assets (revised 2017)
TAS No. 40 Investment Property (revised 2017)
TAS No. 41 Agriculture (revised 2017)
TFRIC No. 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities (revised 2017)
TFRIC No. 4 Determining whether an Arrangement contains a Lease (revised 2017)
TFRIC No. 5 Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds (revised 2017)
TFRIC No. 7 Applying the Restatement Approach under TAS 29 (revised 2017) Financial Reporting in Hyperinflationary Economies (revised 2017)
TFRIC No. 10 Interim Financial Reporting and Impairment (revised 2017)

(Unaudited)

TFRIC No. 12 Service Concession Arrangements (revised 2017)
 TFRIC No. 13 Customer Loyalty Programmes (revised 2017)
 TFRIC No. 14 TAS 19 (revised 2017) - The Limit on a Defined Benefit Assets, Minimum Funding Requirements and their Interaction (revised 2017)
 TFRIC No. 15 Agreements for the Construction of Real Estate (revised 2017)
 TFRIC No. 17 Distributions of Non-cash Assets to Owners (revised 2017)
 TFRIC No. 18 Transfers of Assets from Customers (revised 2017)
 TFRIC No. 20 Stripping Costs in the Production Phase of a Surface Mine (revised 2017)
 TFRIC No. 21 Levies (revised 2017)
 TSIC No. 10 Government Assistance – No Specific Relation to Operating Activities (revised 2017)
 TSIC No. 15 Operating Leases - Incentives (revised 2017)
 TSIC No. 25 Income Taxes - Changes in the Tax Status of an Entity or its Shareholders (revised 2017)
 TSIC No. 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease (revised 2017)
 TSIC No. 29 Service Concession Arrangements : Disclosures (revised 2017)
 TSIC No. 31 Revenue - Barter Transactions Involving Advertising Services (revised 2017)
 TSIC No. 32 Intangible Assets - Web Site Costs (revised 2017)

The Group has adopted such financial reporting standards to the financial statements on the current period. The management believes that they don't have any significant impact on the financial statements for the current period.

3. Principles of interim consolidation financial statements

The interim consolidated financial statements for the six-month periods ended June 30, 2018 and 2017 have been prepared by including the financial statements of Hydrotek Public Company Limited and its subsidiaries after eliminate the significant related party balances and transactions. The Company holds shares at the percentage of:

<u>Companies</u>	<u>Nature of business</u>	<u>Country of incorporation</u>	<u>Percentage of shareholding</u>	
			<u>2018</u>	<u>2017</u>
Hydrotek-Chaisarit Joint Venture	Service of water treatment and wastewater	Thailand	100.00	100.00
Hydrotek Utilities Co., Ltd.	Investment project, which operate and selling portable water and related businesses	Thailand	100.00	100.00
Hydrotek Supreme Mandalay Co.,Ltd.	Investment project, wastewater treatment plant and wastewater collection system.	Myanmar	80.00	80.00

The financial statements of the subsidiaries are prepared for the same reporting periods as the Company and using consistent significant accounting policies.

Non-controlling interests measured at net asset value of the proportion of shares held by non-controlling interest in it.

4. Accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended December 31, 2017.

Costs that incur unevenly during the financial year are anticipated or deferred in the interim report only if it would be also appropriate to anticipate or defer such costs at the end of the financial year.

5. Related party transactions

The group of Mr.Slib Soongswang, held at 8.49% of share , Mr.Kitti Jivacate, held at 8.09% of share, Mr. Surachet Chaipatamanont, held at 4.22% of share, and Mr. Somprasong Panjalak, held at 14.32% of share is a major shareholder (December 31, 2017, the group of Mr.Slib Soongswang, held at 8.49% of share and Mr.Kitti Jivacate, held at 10.12%) of the share capital of the Company. Transactions related to the principal shareholders or directors are recognized as related parties to the Company.

The transactions with related parties for the three-month and six-months period ended June 30, 2018 and 2017 are as follows:

5.1 Inter-assets and liabilities

	(Unit : Baht)			
	Consolidated		Separate financial statements	
	As at			
	<u>June 30, 2018</u>	<u>December 31, 2017</u>	<u>June 30, 2018</u>	<u>December 31, 2017</u>
Other current receivable				
Hydrotek-Utilities Co., Ltd.	-	-	127.50	-
Hydrotek-Chaisarit Joint Venture	-	-	58,273.13	-
	-	-	58,400.63	-
Other current payables				
Accrued expenses				
Related persons	413,292.83	449,980.78	413,292.83	449,980.78
Accrued interest				
Hydrotek-Chaisarit Joint Venture	-	-	379,163.83	730,474.22
Director	309,084.69	-	309,084.69	-
	309,084.69	-	688,248.52	730,474.22

(Unaudited)

(Unit : Baht)

	Consolidated		Separate financial statements	
	As at			
	<u>June 30, 2018</u>	<u>December 31, 2017</u>	<u>June 30, 2018</u>	<u>December 31, 2017</u>
Payable for purchase of assets				
Hydrotek-Chaisarit Joint Venture	-	-	-	159,537.00
Total other payables	<u>722,377.52</u>	<u>449,980.78</u>	<u>1,101,541.35</u>	<u>1,339,992.00</u>
Short-term loans from director				
Beginning balance	10,000,000.00	-	10,000,000.00	-
Additional in during the period	-	19,510,000.00	-	19,510,000.00
Repayment in during the period	-	(9,510,000.00)	-	(9,510,000.00)
Ending balance	<u>10,000,000.00</u>	<u>10,000,000.00</u>	<u>10,000,000.00</u>	<u>10,000,000.00</u>
Short-term loan from related party				
Hydrotek-Chaisarit Joint Venture				
Beginning balance	-	-	23,600,000.00	16,000,000.00
Additional in during the period	-	-	-	13,000,000.00
Repayment in during the period	-	-	(3,023,948.20)	(5,400,000.00)
Ending balance	<u>-</u>	<u>-</u>	<u>20,576,051.80</u>	<u>23,600,000.00</u>
Total	<u>10,000,000.00</u>	<u>10,000,000.00</u>	<u>30,576,051.80</u>	<u>33,600,000.00</u>

As at June 30, 2018 and December 31, 2017, short-term loans from director in the form of promissory notes, at call, and interest are carried by the rate of 6.25% per annum.

As at June 30, 2018 and December 31, 2017, short-term loans from related party in the form of promissory notes, at call, and interest are carried by the rate of 7.25% per annum

(Unaudited)

5.2 Inter-revenue and expenses

(Unit : Baht)

	Consolidated		Separate financial statements	
	For the three-month periods ended June 30,			
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Other income				
Hydrotek-Chaisarit Joint Venture	-	-	-	2,438,293.00
Interest expense				
Hydrotek-Chaisarit Joint Venture	-	-	379,163.83	516,835.62
Director	155,396.17	216,258.54	155,396.17	216,258.54
	<u>155,396.17</u>	<u>216,258.54</u>	<u>534,560.00</u>	<u>733,094.16</u>

(Unit : Baht)

	Consolidated		Separate financial statements	
	For the six-month periods ended June 30,			
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Other income				
Hydrotek-Chaisarit Joint Venture	-	-	-	3,248,293.00
Interest expense				
Hydrotek-Chaisarit Joint Venture	-	-	792,835.70	913,698.63
Director	309,084.69	226,601.78	309,084.69	226,601.78
	<u>309,084.69</u>	<u>226,601.78</u>	<u>1,101,920.39</u>	<u>1,140,300.41</u>

5.3 Management benefit expenses

(Unit : Baht)

	Consolidated/Separate financial statements	
	For the three-month periods ended June 30,	
	<u>2018</u>	<u>2017</u>
Short-term employee benefits	2,646,600.00	3,395,826.00
Post-employment benefits	99,540.38	154,996.00
Total	<u>2,746,140.38</u>	<u>3,550,822.00</u>

(Unaudited)

(Unit : Baht)

	Consolidated/Separate financial statements	
	For the six-month periods ended June 30,	
	<u>2018</u>	<u>2017</u>
Short-term employee benefits	5,233,780.00	6,799,152.00
Post-employment benefits	199,080.76	309,992.00
Total	<u>5,432,860.76</u>	<u>7,109,144.00</u>

5.4 Pricing policies

<u>Transaction</u>	<u>Pricing Policies</u>
Other income	Based on the agreed price
Purchase of assets	Based on the agreed price
Design fee	At the price as stipulated in the agreement
Interest income	Based on interest rate of financial institutions+ 0.25%
Interest expense	Based on interest rate of a financial institution MLR +1.00%

5.5 Nature of relationship

<u>Name</u>	<u>Relationship</u>
Hydrotek-Chaisarit Joint Venture	Shares held by Company
Hydrotek-Utilities Co., Ltd.	Shares held by Company
Hydrotek Supreme Mandalay Co.,Ltd.	Shares held by Company
UAC Hydrotek Co., Ltd.	Shares held by Company and common management (Until June 2016)
UAC Global Public Co., Ltd.	The majority shareholder
S.P.C. Design Co., Ltd.	Shares held by close relative of director

(Unaudited)

6. Trade and other current receivables - third parties

Outstanding trade receivable-third parties can be aged as follows:

(Unit : Baht)

	Consolidated		Separate financial statements	
	As at			
	<u>June 30, 2018</u>	<u>December 31, 2017</u>	<u>June 30, 2018</u>	<u>December 31, 2017</u>
Trade accounts receivable				
Within credit term	7,249,400.00	2,879,875.79	7,249,400.00	2,879,875.79
Overdue 1 – 3 Months	-	-	-	-
Overdue 3 – 6 Months	-	294,250.00	-	294,250.00
Overdue 6 – 12 Months	-	100,000.00	-	100,000.00
Overdue over 12 Months	7,401,168.00	7,401,168.00	7,401,168.00	7,401,168.00
Total	14,650,568.00	10,675,293.79	14,650,568.00	10,675,293.79
<u>Less</u> Allowance for doubtful debts	(7,401,168.00)	(7,401,168.00)	(7,401,168.00)	(7,401,168.00)
Net	7,249,400.00	3,274,125.79	7,249,400.00	3,274,125.79
Others receivable	9,610,779.33	5,111,556.75	7,610,528.52	3,142,316.62
Deposit for purchase of goods	15,753,489.47	14,901,589.47	15,744,489.47	14,901,589.47
Advances to subcontractors	16,334,522.48	14,954,228.53	15,613,633.39	14,243,909.17
Total	41,698,791.28	34,967,374.75	38,968,651.38	32,287,815.26
<u>Less</u> Allowance for doubtful debts	(9,972,740.38)	(9,963,940.38)	(9,972,740.38)	(9,963,940.38)
Net	31,726,050.90	25,003,434.37	28,995,911.00	22,323,874.88
Total trade and other current receivables	38,975,450.90	28,277,560.16	36,245,311.00	25,598,000.67

The movement of allowance for doubtful debts – trade account receivable - third parties for the six-month period ended June 30, 2018 is as follows:

(Unit : Baht)

	Consolidated
	/Separate financial statements
Beginning balance	(7,401,168.00)
Allowance increased in during the period	-
Collected in during the period	-
Reversal in during the period	-
Ending balance	<u>(7,401,168.00)</u>

(Unaudited)

The movement of allowance for doubtful debts – other current receivable – third parties for the six-month period ended June 30, 2018 is as follows:

	(Unit : Baht)
	Consolidated /Separate financial statements
Beginning balance	(9,963,940.38)
Allowance increased in during the period	(8,800.00)
Collected in during the period	-
Ending balance	<u>(9,972,740.38)</u>

7. Unbilled receivables / construction revenue received in advance

Consisted of:-

	(Unit : Baht)			
	Consolidated		Separate financial statements	
	As at			
	<u>June 30, 2018</u>	<u>December 31, 2017</u>	<u>June 30, 2018</u>	<u>December 31, 2017</u>
Unbilled receivables				
Value of contract	985,551,401.96	1,593,877,245.95	985,551,401.96	1,350,793,133.70
Revenue recognised on percentage of completion basis	692,453,656.79	1,243,636,025.26	692,453,656.79	1,000,551,913.11
<u>Less</u> Value of contract billed	(562,478,207.44)	(1,120,793,294.32)	(562,478,207.44)	(877,709,182.17)
Unbilled receivables	129,975,449.35	122,842,730.94	129,975,449.35	122,842,730.94
<u>Less</u> Allowance for doubtful debts	(25,191,414.26)	(25,191,414.26)	(25,191,414.26)	(25,191,414.26)
Net	<u>104,784,035.09</u>	<u>97,651,316.68</u>	<u>104,784,035.09</u>	<u>97,651,316.68</u>
Construction revenue received in advance				
Value of contract	57,417,850.47	57,417,850.47	57,417,850.47	57,417,850.47
Value of contract billed	13,788,701.09	13,788,701.09	13,788,701.09	13,788,701.09
<u>Less</u> Revenue recognised on percentage of completion basis	(13,668,548.48)	(13,609,470.58)	(13,668,548.48)	(13,609,470.58)
Construction revenue received in advance	<u>120,152.61</u>	<u>179,230.51</u>	<u>120,152.61</u>	<u>179,230.51</u>

(Unaudited)

Additional data of construction are as follows:-

(Unit : Baht)

	Consolidated		Separate financial statements	
	As at			
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
Construction costs incurred plus recognized profits (less recognized losses) to date	706,122,205.27	1,257,245,495.84	706,122,205.27	1,014,161,383.69
<u>Less</u> Value of contract billed	(576,266,908.53)	(1,134,581,995.41)	(576,266,908.53)	(891,497,883.26)
	129,855,296.74	122,663,500.43	129,855,296.74	122,663,500.43
<u>Less</u> Allowance for doubtful debts	(25,191,414.26)	(25,191,414.26)	(25,191,414.26)	(25,191,414.26)
Net	104,663,882.48	97,472,086.17	104,663,882.48	97,472,086.17
Amount of the Company has authority from employer (customer) for construction be regarded as assets/liabilities				
- Unbilled receivables	104,784,035.09	97,651,316.68	104,784,035.09	97,651,316.68
- Construction revenue received in advance	(120,152.61)	(179,230.51)	(120,152.61)	(179,230.51)
	104,663,882.48	97,472,086.17	104,663,882.48	97,472,086.17

8. Deposits at bank pledged as collateral

As at June 30, 2018 and December 31, 2017, deposit at bank in amount of Baht 1.54 million of the Group has pledged to the Electricity Generating Authority of Thailand (EGAT) as the guarantee for the construction work under Idreco S.P.A. Co.,Ltd. and Idreco Asia Corporation Ltd. since 1991. The said amount of bank deposit is not yet cleared of the obligation and the Group has not yet redeemed the said bank deposit since the Electricity Generating Authority of Thailand (EGAT) has sued for the compensation from Idreco S.P.A. Co.,Ltd. At the present, the case is settled and the company is in the process of releasing the guarantee from the bank.

As at June 30, 2018 and December 31, 2017, the Group has additionally pledged the remaining Baht 52.36 million and Baht 52.20 million, respectively, as the collateral against the issuance of the letter of guarantee from a commercial bank for the construction project and guarantee against the short-term loan granted by a commercial bank (notes to financial statements No. 23.3).

(Unaudited)

9. Investment in subsidiaries

The nature and carrying value of investment in subsidiaries can be summarized as follows:-

<u>Company</u>	<u>Paid-up capital('000 Baht)</u>		<u>% of holding</u>		<u>Cost Method</u>		<u>Dividened</u>	
	June 30,	December 31,	June 30,	December 31,	June 30,	December 31,	June 30,	June 30,
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
<u>Subsidiaries don't having non-controlling interests</u>								
Hydrotek-Chaisarit Joint Venture	1,000	1,000	1,000	1,000	1,000	1,000	-	-
Hydrotek Utilities Co., Ltd.	1,000	1,000	1,000	1,000	1,000	1,000	-	-
Total					2,000	2,000	-	-

(Unit : '000 Baht)

	<u>Paid-up capital(USD)</u>		<u>% of holding</u>		<u>Cost Method</u>		<u>Dividened</u>	
	June 30,	December 31,	June 30,	December 31,	June 30,	December 31,	June 30,	June 30,
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
<u>Subsidiaries having immaterial non-controlling interests</u>								
Hydrotek Supreme Mandalay Co.,Ltd.	281,250	281,250	80.00	80.00	15,644	15,644	-	-

(Unit : '000 Baht)

10. Land and equipment

The movement of land and equipment during the six-month period ended June 30, 2018 is as follows:

	<u>(Unit : Baht)</u>	
	<u>Consolidated</u>	<u>Separate financial statement</u>
Opening net book value balance	152,912,056.84	152,912,417.88
Purchase in during the period	52,508.35	52,508.35
Disposal in during the period	(31,261.33)	(31,261.33)
Write-off in during the period	-	-
Depreciation charge for the period	(1,122,133.05)	(1,113,831.16)
Ending net book value balance	151,811,170.81	151,819,833.74

As at June 30, 2018, certain equipment items of the Group have been fully depreciated but are still in use. The original cost, before deducting accumulated depreciation, of those assets amounted to Baht 17.16 million (December 31, 2017 : Baht 15.24 million).

As at June 30, 2018 and December 31, 2017, the Group has pledged the land as collateral for short-term loan from financial institutions as mentioned in the notes to financial statements No. 23.3

(Unaudited)

11. Intangible assets

The movement of intangible assets during the six-month period ended June 30, 2018 is as follows:-

	(Unit : Baht)	
	<u>Consolidated</u>	<u>Separate</u> <u>financial statement</u>
Opening balance	5,171,160.20	619,007.63
Purchase in during the period	-	-
Amortization charge for the period	(203,964.22)	(188,948.11)
Effects of exchange rate	66,347.74	-
Ending balance	<u>5,033,543.72</u>	<u>430,059.52</u>

12. Bank overdrafts

Consisted of:-

	(Unit : Baht)			
	Consolidated		Separate financial statements	
	As at			
	<u>June 30, 2018</u>	<u>December 31, 2017</u>	<u>June 30, 2018</u>	<u>December 31, 2017</u>
Bank overdrafts	19,403,072.68	19,840,536.25	19,403,072.68	19,840,536.25

As at June 30, 2018, the Group has the credit line of bank overdraft amounting of Baht 20.00 million (December 31, 2017 : Baht 20.00 million). Interest rate is MOR per annum (December 31, 2017 : interest rate is MOR per annum).

Such credit line of bank overdrafts are secured by bank deposits described in Note 23.3 to the financial statements, land and buildings described in Note 10 .

(Unaudited)

13. Trade and other current payables – third parties

Consisted of:-

(Unit : Baht)

	Consolidated		Separate financial statements	
	As at			
	<u>June 30, 2018</u>	<u>December 31, 2017</u>	<u>June 30, 2018</u>	<u>December 31, 2017</u>
Trade accounts payable	57,327,535.51	85,291,659.97	55,656,211.07	81,309,894.53
Other payables	13,501,241.94	13,009,223.56	12,838,263.03	12,377,679.09
Retention payables	25,919,475.11	24,381,867.14	21,535,530.44	22,557,127.25
Advances received	10,937,500.00	10,937,500.00	10,937,500.00	10,937,500.00
Accrued interest	25,388,962.15	21,194,794.99	25,388,962.15	21,194,794.99
Total	<u>133,074,714.71</u>	<u>154,815,045.66</u>	<u>126,356,466.69</u>	<u>148,376,995.86</u>

14. Long-term loans due to third party

The movements of long-term loans due to third party for the six-month period ended June 30, 2018 is as follows:-

(Unit : Baht)

	Consolidated
	/Separate financial statements
Opening balance	125,643,886.50
Change in during the period	900.00
Repayment in during the period	-
Ending balance	<u>125,644,786.50</u>

(Unaudited)

Long-term loans from financial institutions – minimum payments:-

	(Unit : Baht)	
	Consolidated	
	/Separate financial statements	
	As at	
	<u>June 30, 2018</u>	<u>December 31, 2017</u>
Within 1 years	-	-
Within 2 year – 5 years	125,644,786.50	125,643,886.50
Total	<u>125,644,786.50</u>	<u>125,643,886.50</u>

As at June 30, 2018 and December 31, 2017, the whole amount was long term loans due to Yunnan Water (Hong Kong) Company Limited, which was incorporated in Hong Kong, in order to construct water treatment project in Chiangmai province. The interest was charged at 6.75% per annum, an annually repayment for 5 years from commercial operation date. Furthermore, such loan agreement granted the option to Yunnan Water (Hong Kong) Company Limited, to convert the loan to investment in 49% of the registered share capital of Hydrotek Utility Co., Ltd., a subsidiary, that will provide water management service when the construction of such project is completed and both parties will jointly control the Subsidiary.

15. Provision for warranty

The movement of provision for warranty for the six-month period ended June 30, 2018 is as follows:-

	(Unit : Baht)	
	<u>Consolidated</u>	<u>Separate</u>
		<u>financial statement</u>
Opening balance	11,009,545.90	9,079,416.80
Increase in during the period	1,000,000.00	1,000,000.00
Utilized in during the period	(476,256.16)	(312,595.33)
Unused amount reversed during the period	(2,050,418.57)	(2,050,418.57)
Ending balance	<u>9,482,871.17</u>	<u>7,716,402.90</u>

(Unaudited)

Long-term provision for warranty – minimum payments:-

(Unit : Baht)

	Consolidated		Separate financial statements	
	As at			
	<u>June 30, 2018</u>	<u>December 31, 2017</u>	<u>June 30, 2018</u>	<u>December 31, 2017</u>
Within 1 years	6,175,945.25	5,618,180.55	4,409,476.98	5,618,180.55
Within 2 year – 5 years	3,306,925.92	5,391,365.35	3,306,925.92	3,461,236.25
Total	<u>9,482,871.17</u>	<u>11,009,545.90</u>	<u>7,716,402.90</u>	<u>9,079,416.80</u>

16. Employee benefit obligation

Changes in the present value of the employee benefit obligation for the six-month period ended June 30, 2018 is as follows:

(Unit : Baht)

	Consolidated
	/Separate financial statements
Opening balance	7,537,454.95
Current service cost	429,019.78
Interest cost	70,119.98
Actuarial loss	3,458,513.03
Benefit obligation paid	<u>(2,794,800.00)</u>
Ending balance	<u>8,700,307.74</u>

17. Share capital

	Number of shares	Amount
	<u>(Unit : Share)</u>	<u>(Unit : Baht)</u>
Registered share capital (Baht 1.00 per share)		
As at January 1, 2017	389,968,760	389,968,760.00
Increment of share capital	200,000,000	200,000,000.00
As at December 31, 2017	<u>589,968,760</u>	<u>589,968,760.00</u>
Increment of share capital	380,314,690	380,314,690.00
As at June 30, 2018	<u>970,283,450</u>	<u>970,283,450.00</u>

(Unaudited)

	Number of shares (Unit : Share)	Amount (Unit : Baht)
Paid-up capital (Baht 1.00 per share)		
As at January 1, 2017	389,968,760	389,968,760.00
Increment of share capital	96,515,312	96,515,312.00
As at December 31, 2017	486,484,072	486,484,072.00
Increment of share capital	103,484,688	103,484,688.00
As at June 30, 2018	589,968,760	589,968,760.00

The Extraordinary General Meeting of Shareholder's No.1/2017 with held on November 21, 2017, has resolved the following details:-

- To approve the increase of the Company registered capital in the amount of Baht 200,000,000.00 from the current registered capital of Baht 389,968,760.00 to be the new registered capital of Baht 589,968,760.00 by issuing 200,000,000 newly ordinary shares at the par value of Baht 1.00 per share.

- To approve the allocation of 200,000,000 newly issued shares at the par value of Baht 1.00 per share as follows:

1) to allocate 100,000,000 newly issued shares with a par value of Baht 1.00 per share to the existing shareholders of the Company in proportion to their shareholdings (Right Offering);

2) to allocate the remaining shares from the offering to existing shareholders (Right Offering) and the allocation of the shares pursuant to which the existing shareholders have subscribed in excess of their shareholding on a private placement basis to Mr. Somprasong Panjalak, at the offering price of Baht 1.00 per share;

3) to allocate 100,000,000 newly issued shares at the offering price of Baht 1.00 per share on a private placement basis to Mr. Somprasong Panjalak in an amount of 81,000,000 shares and Mr. Surachet Chaipatanont in an amount of 19,000,000 shares.

The Company had registered the authorized capital from Baht 389,968,760.00 to Baht 589,968,760.00 with the Department of Business Development, Ministry of Commerce, effective on December 7, 2017.

On December 15 - 21, 2017, the Company allocates 96,515,312 newly issued ordinary shares to the existing shareholders at a par value of Baht 1.00 per share, the offering price of Baht 1.00 per share aggregating to total amount of Baht 96,515,312.00.

The Company had registered the paid-up capital from Baht 389,968,760.00 to Baht 486,484,072.00 with the Department of Business Development, Ministry of Commerce, effective on December 27, 2017.

On December 22 - 29, 2017, the Company allocates 3,484,688 which is the remaining shares from the offering to existing shareholders (Right Offering) and the allocation of the shares pursuant to which the existing shareholders have subscribed in excess of their shareholding on a private placement basis to Mr. Somprasong Panjalak, at a par value of Baht 1.00 per share, the offering price of Baht 1.00 per share aggregating to total amount of Baht 3,484,688.00.

On December 22 - 29, 2017, the Company Allotment of 81,000,000 newly issued ordinary shares to Mr. Somprasong Panjalak and of 19,000,000 newly issued ordinary shares to Mr. Surachet Chaipatamanont at a par value of Baht 1.00 per share, the offering price of Baht 1.00 per share aggregating to total amount of Baht 100,000,000.00.

The Company had registered the paid-up capital from Baht 486,484,072.00 to Baht 589,968,760.00 with the Department of Business Development, Ministry of Commerce, effective on January 5, 2018.

As at December 31, 2017, the Company recorded money received from the incremental of capital in the amount of Baht 103,484,688.00 in the account of advance receivable of shares subscription fee by reflecting as separate transaction under the caption of shareholders equity.

The Company recorded the expenses in respect of shares distribution net of income tax in the amount of Baht 7.22 million in the account of premium on share capital.

The Extraordinary General Meeting of Shareholder' s No. 1/2018 with held on May 10, 2018, has resolved the following details:-

- To approve the increase of the Company registered capital in the amount of Baht 380,314,690, from the current registered capital of Baht 589,968,760.00 to be the new registered capital of Baht 970,283,450.00, by way of issuance 380,314,690 ordinary shares, having a par value of Baht 1.00 (notes to financial statements No. 25).

The Company had registered the authorized capital from Baht 589,968,760.00 to Baht 970,283,450.00 with the Department of Business Development, Ministry of Commerce, effective on June 22, 2018.

(Unaudited)

18. Income tax expense

The income tax expenses recognized in profit or loss for the six-month periods ended June 30, 2018 and 2017 are as follows:-

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	For the six-month periods ended June 30,			
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Current tax expense	93,070.63	-	-	-
Deferred tax expense relating to the origination and reversal of temporary differences	-	52,719.74	-	-
Total income tax expense	93,070.63	52,719.74	-	-

The relationship between income tax expense and accounting loss for the six-month periods ended June 30, 2018 and 2017 are as follows:-

	(Unit : Baht)			
	Consolidated		Separate financial statement	
	For the six-month periods ended June 30,			
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Accounting loss	(31,272,093.05)	(20,292,710.24)	(32,346,688.34)	(20,826,815.34)
Tax rate used	20%	20%	20%	20%
Tax at the applicable tax rate	(6,254,418.61)	(4,058,542.05)	(6,469,337.67)	(4,165,363.07)
Temporary difference not recognized as a deferred tax asset	301,587.95	194,611.79	301,587.95	194,611.79
Previous temporary difference not recognized as a deferred tax asset	(1,268,617.27)	(381,753.35)	(1,233,669.60)	(381,753.35)
Income that are not be taxable	(93,677.48)	(96,039.95)	-	-
Expenses that are not deductible in determining taxation profit	44,733.11	132,773.98	44,733.11	115,378.49
Expenses that are deductible at greater amount in taxation profit	(10,400.00)	(1,083.36)	(10,400.00)	(1,083.36)
Loss from operation for period-subsiidiaries	6,776.72	24,543.18	-	-
Loss from operation for period	7,367,086.21	4,238,209.50	7,367,086.21	4,238,209.50
Income tax expense recognized in profit or loss	93,070.63	52,719.74	-	-

(Unaudited)

The deferred tax assets is not recognized in the statement of financial position consisted of:-

(Unit : Baht)

	Consolidated		Separate financial statement	
	As at			
	<u>June 30, 2018</u>	<u>December 31, 2017</u>	<u>June 30, 2018</u>	<u>December 31, 2017</u>
Unused tax losses				
- Expire in next 1 year	-	-	-	-
- Expire in next 2 – 5 years	81,542,384.18	74,168,521.25	81,506,516.03	74,139,429.82
Temporary differences	15,824,097.57	15,658,227.06	15,470,803.91	15,658,227.06
Total	97,366,481.75	89,826,748.31	96,977,319.94	89,797,656.88

The deferred tax assets and liabilities, which is not recognized in the statement of financial position, arises from undistributed profits associated with investments in subsidiaries and associate; consisted of:-

(Unit : Baht)

	Consolidated	
	<u>June 30, 2018</u>	<u>December 31, 2017</u>
Deferred tax liabilities		
- Subsidiaries	2,825,389.72	2,645,557.98

19. Basic loss per share

Basic loss per share are calculated by dividing the loss for the period attributable to shareholders by the weighted average number of ordinary shares in issue during the period.

20. Supplemental disclosures of cash flow information

20.1 Cash and cash equivalents consisted of :-

(Unit : Baht)

	Consolidated		Separate financial statements	
	For the six-month periods ended June 30,			
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Cash on hand	50,943.61	168,509.91	50,305.14	108,659.83
Cash at bank	91,054,942.16	13,128,029.73	90,083,009.46	11,164,223.62
Total	91,105,885.77	13,296,539.64	90,133,314.60	11,272,883.45

(Unaudited)

20.2 Liabilities arising from financing activities :-

The movements of liabilities arising from financing activities the six-month period ended June 30, 2018 is as follows:-

(Unit : Baht)

	Consolidated statements of financial position					June 30, 2018
	January 1, 2018	Cash flows	New finance leases	Changes in fair values	Other changes	
Bank overdrafts	19,840,536.25	(437,463.57)	-	-	-	19,403,072.68
Short-term loan from person and related party	10,000,000.00	-	-	-	-	10,000,000.00
Long-term loans due to third party	125,643,886.50	-	-	-	900.00	125,644,786.50
Total	155,484,422.75	(437,463.57)	-	-	900.00	155,047,859.18

(Unit : Baht)

	Separate statements of financial position					June 30, 2018
	January 1, 2018	Cash flows	New finance leases	Changes in fair values	Other changes	
Bank overdrafts	19,840,536.25	(437,463.57)	-	-	-	19,403,072.68
Short-term loan from person and related party	33,600,000.00	(3,023,948.20)	-	-	-	30,576,051.80
Long-term loans due to third party	125,643,886.50	-	-	-	900.00	125,644,786.50
Total	179,084,422.75	(3,461,411.77)	-	-	900.00	175,623,910.98

21. Operating segments

The Group identifies the operating segments on the basis of internal reports that are regularly reviewed by the Group's chief operating decision maker in order to allocate resources to the segment and assess its performance and shall disclose the amount reported for each operating segment item to be the measure reported to the Group's chief operating decision maker for the purpose of allocating resources to the segment and assessing its performance.

The Group classifies the operating segment from the category of service. The Group has three operating segments which are consists of the construction service segment, operation and maintenance service segment and water operator of water treatment plant and wastewater treatment plant.

The Group measures the profit or loss for each segment from the gross profit excluding the items of other income, interest revenue, gain or loss on exchange rate, other central expenses, finance cost and shares of profit or loss in associates.

The segment operation for the three-month periods ended June 30, 2018 and 2017 are as follows:

(Unit : Baht)

	Consolidated							
	For the three-month periods ended June 30,							
	Construction		Operation and maintenance service		Water operator of water treatment plant and wastewater recycle plant		Total	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Revenues from external customers	35,573,251.57	64,202,634.05	-	7,800,000.00	-	-	35,573,251.57	72,002,634.05
Gross margin	4,167,928.38	926,380.06	-	4,007,366.10	-	-	4,167,928.38	4,933,746.16
Other income							1,429,489.70	916,290.55
Administrative expenses							(24,976,292.61)	(13,123,410.60)
Finance cost							(2,601,219.29)	(3,478,040.90)
Loss before income tax expense							(21,980,093.82)	(10,751,414.79)

The reconciliations of each segment total assets to the Group's assets and other material items.

(Unit : Baht)

	Consolidated									
	For the three-month periods ended June 30,									
	Construction		Operation and maintenance service		Water operator of water treatment plant and wastewater recycle plant		Central		Total	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Depreciation	50,795.47	103,408.72	-	49,528.12	-	-	484,031.39	512,112.85	534,826.86	665,049.69
Amortization	-	-	-	-	-	-	110,865.86	111,576.31	110,865.86	111,576.31

(Unaudited)

The segment operation for the six-month periods ended June 30, 2018 and 2017 are as follows:

(Unit : Baht)

	Consolidated							
	For the six-month periods ended June 30,							
	Construction		Operation and maintenance service		Water operator of water treatment plant and wastewater recycle plant		Total	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Revenues from external customers	57,202,553.32	147,631,072.39	410,000.00	15,962,460.06	-	-	57,612,553.32	163,593,532.45
Gross margin	8,254,820.98	3,925,218.60	202,895.00	8,216,176.09	-	-	8,457,715.48	12,141,394.69
Other income							4,022,285.21	1,636,441.35
Administrative expenses							(38,562,300.52)	(27,014,424.34)
Finance cost							(5,189,793.72)	(7,056,121.94)
Loss before income tax expense							(31,272,093.05)	(20,292,710.24)

The reconciliations of each segment total assets to the Group's assets and other material items.

(Unit : Baht)

	Consolidated									
	For the six-month periods ended June 30,									
	Construction		Operation and maintenance service		Water operator of water treatment plant and wastewater recycle plant		Central		Total	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Depreciation	102,197.21	232,830.83	-	99,004.68	-	-	915,152.22	1,017,349.43	1,122,133.05	1,349,184.94
Amortization	-	-	-	-	-	-	203,964.22	233,464.13	203,964.22	233,464.13

Information about geographical areas the six-month periods ended June 30, 2018 and 2017 are as follows:

(Unit : Baht)

	Thailand		Consolidated For the six-month periods ended June 30, Myanmar		Total	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
	Revenues from external customers	57,612,553.32	161,748,485.49	-	1,845,046.96	57,612,553.32
Non-current assets (excluding financial instruments and deferred tax assets)	189,686,609.55	191,128,663.86	16,468,629.88	13,871,872.16	206,155,239.43	205,000,536.02

(Unaudited)

(Unaudited)

For the six-month period ended June 30, 2018, the Group has the revenue from sale of goods to 1 major customers in the amount of Baht 54.78 million earned by construction segment. (For the six-month period ended June 30, 2017 : 3 major customers in the amount of Baht 123.37 million earned by construction segment and operation and maintenance segment).

22. Financial instruments

As at June 30, 2018, the management policies on financial risk, interest rate risk and fair value are the same as those for the financial statement for the year ended December 31, 2017 except

22.1 Interest rate risk

Risk from interest rates is derived from fluctuation of market interest rate in the future which affect upon operating result and cash flow of the Group. Risk from interest rates remains due to bank deposit, loans to related parties. Due to the fact that such financial assets and liabilities constitute interest rates which are always closed to market interest rate; as a result, the Group anticipates of non material risk from interest rates.

	Amount (Unit: Baht)		Interest rate (% : per annum)	
	Consolidated			
	As at			
	<u>June 30, 2018</u>	<u>December 31, 2017</u>	<u>June 30, 2018</u>	<u>December 31, 2017</u>
Saving accounts	86,702,298.97	170,309,608.10	0.370 – 1.200	0.370 – 1.200
Fixed deposited pledged as collateral	53,901,788.01	53,738,901.77	0.90 – 1.00	0.90 – 1.00
Bank overdrafts	19,403,072.68	19,840,536.25	7.12	7.12

	Amount (Unit: Baht)		Interest rate (% : per annum)	
	Separate financial statements			
	As at			
	<u>June 30, 2018</u>	<u>December 31, 2017</u>	<u>June 30, 2018</u>	<u>December 31, 2017</u>
Saving accounts	85,833,151.62	169,299,376.44	0.370 – 1.200	0.370 – 1.200
Fixed deposited pledged as collateral	53,901,788.01	53,738,901.77	0.90 – 1.00	0.90 – 1.00
Bank overdrafts	19,403,072.68	19,840,536.25	7.12	7.12

(Unaudited)

22.2 Foreign currency risk

The Group constitutes material risk from exchange rates in oversea currencies which has been trade accounts payable that are foreign currency. The management has managed risk from exchange rates by performing the forward foreign currencies contract dependent on each case.

As at June 30, 2018 and December 31, 2017, the significant outstanding balances of the Group's financial assets and liabilities denominated in foreign currencies are as follows:-

<u>Foreign currency</u>	<u>Consolidated/Separate financial statements</u>			
	<u>June 30, 2018</u>		<u>December 31, 2017</u>	
	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>
USD	80,000.00	-	80,000.00	-

23. Obligation and contingent liabilities

As at June 30, 2018 and December 31, 2017, the Group has obligation and contingent liabilities as follows:-

23.1 The commitment of construction agreements in the project of collection and wastewater treatment system including building and service agreements as follows:-

	<u>(Unit : Baht)</u>			
	<u>Consolidated</u>		<u>Separate financial statements</u>	
	<u>As at</u>			
	<u>June 30, 2018</u>	<u>December 31, 2017</u>	<u>June 30, 2018</u>	<u>December 31, 2017</u>
Total amount of agreement	1,042,969,252.43	1,042,969,252.43	1,042,969,252.43	1,042,969,252.43
Recognized revenues	706,122,205.27	648,919,651.94	706,122,205.27	648,919,651.94
The remaining of non-operating work	336,847,047.16	394,049,600.49	336,847,047.16	394,049,600.49

	<u>(Unit : USD)</u>			
	<u>Consolidated</u>		<u>Separate financial statements</u>	
	<u>As at</u>			
	<u>June 30, 2018</u>	<u>December 31, 2017</u>	<u>June 30, 2018</u>	<u>December 31, 2017</u>
Total amount of agreement	150,000.00	60,000.00	150,000.00	60,000.00
Recognized revenues	-	-	-	-
The remaining of non-operating work	150,000.00	60,000.00	150,000.00	60,000.00

(Unaudited)

23.2 The commitment of the construction subcontracts as follows:-

(Unit : Baht)

	Consolidated		Separate financial statements	
	As at			
	<u>June 30, 2018</u>	<u>December 31, 2017</u>	<u>June 30, 2018</u>	<u>December 31, 2017</u>
Total amount of agreement	555,857,753.78	770,529,089.30	555,857,753.78	649,830,763.83
Recognized cost of construction	227,368,537.63	464,247,252.16	227,368,537.63	343,548,926.69
The remaining of non-operating work	328,489,216.15	306,281,837.14	328,489,216.15	306,281,837.14

23.3 Apart from various liability that reflects in the financial statements, the Group still constitutes obligation commitment contingent liability as follows:-

(Unit : Million Baht)

	Consolidated/Separate financial statements					
	As at					
	June 30, 2018			December 31, 2017		
	<u>Total</u>	<u>Utilized</u>	<u>Available</u>	<u>Total</u>	<u>Utilized</u>	<u>Available</u>
Credit line of letters of guarantee	572.79	(142.41)	430.37	572.79	(168.44)	404.35
Credit line of bank overdraft	20.00	(19.40)	0.60	20.00	(19.80)	0.20
Credit line of letters of credit and trust receipts	28.35	-	28.35	28.35	-	28.35
Credit line of short-term loans	56.46	-	56.46	56.46	-	56.46

The Group pledged the land, as mentioned in the notes to financial statements No. 10 and bank deposit, as mentioned in the notes to financial statements No. 8, as collaterals against the said credit facilities, including transferal of the claimant right to receive the installment payment of project to the bank. The Group's deposit account has been pledged with the bank. When the money is received from the sales of the tap water, the bank would retain the money in the said account at the amount equivalent to the Company's obligation for that particular month.

23.4 As at June 30, 2018, the Group has performed the leased and service agreement while there are the period 1-3 years. The Group comprises obligation repay leased and service fee in amount of Baht 4,500.00 - 132,936.00 per month (December 31, 2017 : Baht : 4,500.00 - 132,936.00 per month).

23.5 As at June 30, 2018, the Group had capital commitments of Bath 0.48 million relating to the construction of assets for water treatment plant and wastewater treatment plant (December 31, 2017 : Baht : 0.48 million).

(Unaudited)

- 23.6 As at June 30, 2018, the Group has a commitments with the employer under a contract in the amounting to Baht 858.00 million on behalf of the joint venture where the Group held 51% of such joint venture' share capital. The Group transferred rights and obligations under the construction contract to the another party
- 23.7 The subsidiary has entered construction contracts with two companies with the total contracts amount of MMK 34,605,526.00 and amount of USD 145,000.00. As at June 30, 2018, the subsidiary has outstanding commitments under the contracts in amount of MMK 6,921,105.20 and the amount of USD 50,715.00, respectively (December 31, 2017 : MMK 6,921,105.20 and USD 50,715.00).
- 23.8 As at June 30, 2018, the Group has entered the consultant contract with a company with the contract amount of Baht 0.80 million. The Company has outstanding commitment under the contract in the amount of Baht 0.40 million.

24. Litigations

In November 2016, the Company has filed a lawsuit to the Administrative Court against a contractual party to claims for Baht 52.57 million of construction service fees to be paid to the Company and a release of the guarantee money in accordance to the bank's letter of guarantee at Baht 10.60 million to the Company. The said contractual party has breached the contract for the construction of waste collection and wastewater treatment systems by notifying the termination of the said contract without any default or defect created by the Company. In March 2017, the said counter party has filed a counterclaim to the Administrative Court demanding compensation of Baht 52.81 million plus interest at 7.50% per annum from the Company alleging that the construction performed by the Company has been delayed so the counter party has terminated the contract and demanded compensation from the Company.

In October 2016, the Company has filed a claim to the Thai Arbitration Institute against a contractual party to claim for a compensation of damages and opportunity lost incurred from theirrational termination of the waste collection and wastewater treatment systems contracts at Baht 15.77 million plus interest at 7.50% per annum and a release of the bank's letter of guarantee at Baht 10.07 million to the Company. In May 2017, the said counter party has filed an objection and counter-claim to the Thai Arbitration Institute demanding the Company to repay Baht 9.87 million of advance payment (shown as a portion of Advances received from customers under construction contracts) plus interest at 7.50% per annum. The reason is the counter-party's exercise of the right to terminate the contract did not consider to be a breach of contract to the Company.

Nevertheless, the said litigations are in the due process of law. The Company believes that eventually these would not incur any damage to the Company; therefore, the Company do not record allowance for the damage that may incurred from the said matters in the financial statements.

25. Business combination

The Extraordinary General Meeting of Shareholder's No. 1/2018 with held on May 10, 2018, has resolved the following details:-

- To approve an acquisition and an entire business transfer, according to an Entire Business Transfer Plan between the Company and a new incorporated limited company, SUTG Holding Company Limited ("SUTGH"), which shall be during the registration process. SUTGH shall have three shareholders, which are Mr.Subbhalerk Na Songkla, Mr.Inthidej Polin, and Miss Nittaya Phudhiwat together as a concert party ("SUTGH shareholders") which will hold 132,000 shares in SUTG or equal to 100 percent of the total issued and paid-up shares of SUTGH. As of the business transfer date, SUTGH will hold shares of SUT Global Company Limited ("SUTG"), in the amount of 132,000 shares, having a par value of Baht 100.00 per shares, or equivalent to 66.00 percent of SUTG's issued and paid-up shares. SUTG is engaging in the business of a construction contractor, provision of service regarding the operation and maintenance, and a consultancy services regarding waste management engineering ("Entire Business Transfer Plan"). Therefore, the Company shall purchase and accept a transfer of SUTGH's entire business, which are all assets and debts, including but not limited to, right, responsibility, obligation, and liability that SUTGH has or shall have at the date of business transfer including 132,000 shares of SUTG which SUTGH held as at the business transfer date, at a par value of Baht 100.00 per share, or equivalent to 66.00 per cent of SUTG's issued and paid-up shares ("Entire Business Transfer Transaction");

- To approve the increase of the Company registered capital in the amount of Baht 380,314,690.00, from the current registered capital of Baht 589,968,760.00 to be the new registered capital of Baht 970,283,450.00, by way of issuance 380,314,690 ordinary shares, having a par value of Baht 1.00;

- To approve the allocation of the Company's newly issued ordinary shares on a Private Placement basis, details of which are as follows:

(1) the allocation of 195,000,000 newly issued ordinary shares, having a par value of Baht 1.00 per share, at the offering price of Baht 1.00 with the total of Baht 195,000,000.00, in order to offer and allocate to the specific investor (Private Placement) which is offering that the Shareholders' Meeting has a resolution clearly specified the offering price; and

(2) the allocation of 185,314,690 newly issued ordinary shares, having a par value of Baht 1 per share, to support exercise of conversion right of Convertible Debenture, with the total value of Baht 265,000,000.00 to the specific investor (Private Placement), which is offering that the Shareholders' Meeting has a resolution clearly specified the conversion price which is equal to Baht 1.43.

This is for the consideration of the Entire Business Transfer Transaction of SUTGH which is 132,000 shares in SUTG which SUTGH hold as at the business transfer date with the par value of Baht 100.00 or equivalent to 66.00 percent of SUTG's issued and paid up shares instead of a cash payment (Payment in Kind) according to the Entire Business Transfer Plan.

- To approve to issue and offer convertible debenture on a private placement basis (Private Placement) to SUTGH, of a value of Baht 265,000,000.00 at the offering price of Baht 1,000.00 per unit which is offering that the Shareholders' Meeting has a resolution clearly specified the conversion price which is equal to Baht 1.43;

- To appoint a one additional director, Mr.Subbhalerk Na Songkla, who is a director as nominated by SUTGH; and

- To approve to authorize either executive committee or the chief of executive committee to or any person assigned by the executive committee or the chief of executive committee to undertake necessary action concerning the Entire Business Transfer and Securities Allocation Transaction, including entering into an agreement or document relating to the Entire Business Transfer and Securities Allocation Transaction, and to undertake any material matters concerning the Entire Business Transfer and Securities Allocation Transaction.

26. Events after the reporting period

26.1 In July, 2018, the Company had purchased and accepted a transfer of SUTGH's entire business which is 132,000 shares in SUTG which SUTGH hold as at the business transfer date with the par value of Baht 100.00 or equivalent to 66.00 percent of SUTG's issued and paid up shares. The Company had allocated 195,000,000 newly issued ordinary shares, having a par value of Baht 1.00 per share, at the offering price of Baht 1 with the total of Baht 195,000,000.00, in order to offer and allocate to the specific investor (Private Placement) which is offering that the Shareholders' Meeting has a resolution clearly specified the offering price, had issued and offered 265,000 units of the convertible debenture on a private placement basis (Private Placement) to SUTGH, of a value of Baht 265,000,000.00 at the offering price of Baht 1,000.00 per unit which is offering that the Shareholders' Meeting has a resolution clearly specified the conversion price which is equal to Baht 1.43 and had also appointed a one additional director, Mr.Subbhalerk Na Songkla, who is a director as nominated by SUTGH. This is for the consideration of the Entire Business Transfer Transaction of SUTGH according to the resolution of The Extraordinary General Meeting of Shareholder's No.1/2018 with held on May 10, 2018.

(Unaudited)

The Company had registered the paid-up capital from Baht 589,968,760.00 to Baht 784,968,760.00 with the Department of Business Development, Ministry of Commerce, effective on July 20, 2018.

26.2 In July 2018, the Company had invested the ordinary share in SUT Hydro Co., Ltd. in amount of 4,000 shares at Baht 100.00 per share, totaling Baht 0.40 million equivalent to proportion of 40.00% of the whole registered capital of such. The company's objective is to enhancement the opportunity in construction service business.

26.3 In May 2018, Sahahydro Joint Venture, (which Hydrotek Public Company Limited held 51.00% and Sahakarn Wisavakorn Company Limited held 49.00% of joint venture's share), has entered the construction contract with Provincial Waterworks Authority to improve and expense of the water supply in the amount of Baht 558.79 million. The contract is to start work in July 2018.

27. Approval of financial statements

These interim consolidated and separated financial statements were authorized for issue by the Company's board of directors on August 10, 2018.
