

Hydrotek Public Company Limited

Report of Reviewed Financial Statements

For the three-month and six-month periods ended June 30, 2023



บริษัท สำนักงาน เอ เอ็ม ซี จำกัด
SAM NAK-NGAN A.M.C. Co., Ltd.



บริษัท สำนักงาน เอ เอ็ม ซี จำกัด
SAM NAK-NGAN A.M.C. Co., Ltd.

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Board of Directors of Hydrotek Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial positions as at June 30, 2023 and the related consolidated and separate statements of comprehensive income for the three-month and six-month periods ended June 30, 2023, changes in shareholders' equity and cash flows for the six-month period then ended and the condensed notes to financial statements of Hydrotek Public Company Limited and its subsidiary companies and also of Hydrotek Public Company Limited. The management of the entity is responsible for the preparation and presentation of this interim financial information in accordance with Accounting Standard No. 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 Standard on Review Engagements Code No. 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards 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 No. 34 Interim Financial Reporting.

Emphasis of matter and event

I draw attention to the note to financial statements as follows :-

1. As mentioned in the note to financial statements No. 3 the Group and the Company faces losses from continued operation over several years. The Group and the Company incurred a net loss for the six-month period ended June 30, 2023 in the consolidated financial statements amount of Baht 29.69 million and in the separate financial statements amount of Baht 28.05 million and as at June 30, 2023, the Group and the Company had current liabilities exceeded current assets by amount of Baht 101.84 million and amount of Baht 97.83 million. These factor along with other matters as set forth in note to financial statement No. 27 indicate the existence of a material uncertainty that may cast significant doubt about the Group and the Company's ability to continue as a going concern.
2. As mentioned in the note to financial statements No. 27.1, explaining the uncertainty over the outcome of the case that the Company has filed against the counterparty to the Central Administrative Court demanding of construction fees to be paid to the Company, the said counterparty has filed a counterclaim to the Central Administrative Court demanding compensation from the Company. Therefore, on July 22, 2021, the Central Administrative Court has ordered the Company pay compensation to the counterparty amount of Baht 23.86 million plus interest rate at 7.50% per annum. However, the Company disagreed with the Administrative Court's judgment, therefore the Company has appealed to the Supreme Administrative Court. The litigation is being considered by the court.

Hereby, my conclusion is not modified in respect of these matters.

SAM NAK-NGAN A.M.C. CO., LTD.



(Mr. Naris Saowalagsakul)

Certified Public Accountant Registration No. 5369

Bangkok,

August 10, 2023

HYDROTEK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

As at June 30, 2023

(Unit : Thousand Baht)

	Notes	Consolidated financial statements		Separate financial statements	
		June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
		Unaudited Limited review only	Audited (Reclassified)	Unaudited Limited review only	Audited
Assets					
Current assets					
Cash and cash equivalents		7,123	20,850	4,946	7,199
Other receivables - related parties	6.1	6,597	4,707	143,507	152,689
Trade and other receivables - other parties	7	98,938	100,779	22,056	21,964
Contractual assets	8	57,802	44,032	3,840	3,840
Suspend input vat		4,080	3,514	804	810
Short-term loan to other party	9	-	-	-	-
Construction materials		33,795	29,113	171	171
Total current assets		208,335	202,995	175,324	186,673
Non-current assets					
Other non-current financial assets	10	4,220	4,203	4,220	4,203
Contractual assets	8	27,658	42,371	-	-
Investment in subsidiaries	11	-	-	3,620	3,620
Investment in joint venture	12	561	521	490	490
Long-term loan to other party	13	-	-	-	-
Investments property	14	2,181	2,181	2,181	2,181
Equipment	15	19,451	21,490	19,173	21,180
Right-of-use assets	16	6,030	6,922	6,030	6,922
Intangible assets	17	108,792	108,825	108,787	108,812
Withholding tax		13,164	14,913	4,977	4,951
Other non-current assets		505	546	505	546
Total non-current assets		182,562	201,972	149,983	152,905
Total assets		390,897	404,967	325,307	339,578

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

HYDROTEK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

As at June 30, 2023

(Unit : Thousand Baht)

	Notes	Consolidated financial statements		Separate financial statements	
		June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
		Unaudited Limited review only	Audited	Unaudited Limited review only	Audited
Liabilities and shareholders' equity					
Current liabilities					
Other payable - related person and parties	6.1	56	-	3,612	3,518
Trade and other payables - other parties	18	134,692	122,268	109,742	100,564
Contractual liabilities	8	40,233	42,243	9,226	9,226
Unbilled output tax		2,520	2,289	2,502	2,272
Short-term loan from related person and parties	6.1	5,000	-	20,396	15,574
Short-term loan from other party	19	-	-	-	-
Current portion - Lease liabilities	20	2,032	2,067	2,032	2,067
Current portion - Long-term loan from other party	21	125,645	125,645	125,645	125,645
Total current liabilities		310,178	294,512	273,155	258,866
Non-current liabilities					
Lease liabilities	20	3,359	4,112	3,359	4,112
Employee benefit obligations	22	2,449	4,067	2,449	4,067
Other non-current liabilities		12,444	11,983	-	-
Total non-current liabilities		18,252	20,162	5,808	8,179
Total liabilities		328,430	314,674	278,963	267,045
Shareholders' equity					
Share capital	23				
Authorized share capital					
499,080,804 ordinary shares @ Baht 1.00		499,081	-	499,081	-
311,925,504 ordinary shares @ Baht 1.00		-	311,926	-	311,926
Issued and paid-up share capital					
311,925,504 ordinary shares @ Baht 1.00		311,926	311,926	311,926	311,926
Deficits - Unappropriated		(249,459)	(221,633)	(265,582)	(239,393)
Total shareholders' equity		62,467	90,293	46,344	72,533
Total liabilities and shareholders' equity		390,897	404,967	325,307	339,578

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

HYDROTEK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

For the three-month period ended June 30, 2023

(Unit : Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
Revenues					
Construction	25	17,265	53,159	-	-
Services	25	618	283	618	283
Other income		443	397	2,017	2,379
Total revenues		18,326	53,839	2,635	2,662
Expenses					
Cost of construction		20,370	51,729	-	-
Cost of services		410	1,099	410	1,099
Administrative expenses		12,296	9,921	15,299	12,810
Total expenses		33,076	62,749	15,709	13,909
Loss from operating		(14,750)	(8,910)	(13,074)	(11,247)
Finance costs		(2,381)	(2,363)	(2,399)	(2,380)
Loss before share of profit on investment in joint venture and income tax		(17,131)	(11,273)	(15,473)	(13,627)
Share of loss on investment in joint venture		(10)	-	-	-
Loss before income tax expenses		(17,141)	(11,273)	(15,473)	(13,627)
Income tax revenues (expenses)	1	(382)	-	-	-
Loss for the period		(17,140)	(11,655)	(15,473)	(13,627)
Other comprehensive income					
Transactions that be classified into profit or loss in the future					
Difference of exchange rate from conversion the financial statements		-	101	-	-
Item that will not be reclassified to profit or loss					
Acturial profit arising from defined benefit plan		1,866	-	1,866	-
Other comprehensive income for the period		1,866	101	1,866	-
Total comprehensive income for the period		(15,274)	(11,554)	(13,607)	(13,627)
Loss attributable to					
Equity holders of the Company		(17,140)	(11,654)		
Non-controlling interests		-	(1)		
		(17,140)	(11,655)		
Total comprehensive income attributable to					
Equity holders of the Company		(15,274)	(11,573)		
Non-controlling interests		-	19		
		(15,274)	(11,554)		
Basic loss per share (Unit : Baht)					
		(0.055)	(0.019)	(0.050)	(0.022)
Weighted average of ordinary shares (Unit : Share)					
		311,926	623,851	311,926	623,851

Unaudited

Limited review only

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

HYDROTEK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

For the six-month period ended June 30, 2023

(Unit : Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Revenues					
Construction	25	33,863	111,074	-	-
Services	25	618	588	618	588
Other income		1,410	1,422	4,553	5,238
Total revenues		35,891	113,084	5,171	5,826
Expenses					
Cost of construction		36,341	107,195	-	-
Cost of services		410	1,921	410	1,921
Administrative expenses		24,174	20,663	28,081	23,074
Total expenses		60,925	129,779	28,491	24,995
Loss from operating		(25,034)	(16,695)	(23,320)	(19,169)
Finance costs		(4,698)	(4,756)	(4,735)	(4,788)
Loss before share of profit on investment in joint venture and income tax		(29,732)	(21,451)	(28,055)	(23,957)
Share of profit on investment in joint venture		40	-	-	-
Loss before income tax expenses		(29,692)	(21,451)	(28,055)	(23,957)
Income tax expenses		-	(400)	-	-
Loss for the period		(29,692)	(21,851)	(28,055)	(23,957)
Other comprehensive income					
Transactions that be classified into profit or loss in the future					
Difference exchange rate from conversion of financial statements		-	95	-	-
Item that will not be reclassified to profit or loss					
Actuarial profit (loss) arising from defined benefit plan		1,866	(62)	1,866	(62)
Other comprehensive income for the period		1,866	33	1,866	(62)
Total comprehensive income for the period		(27,826)	(21,818)	(26,189)	(24,019)
Loss attributable to					
Equity holders of the Company		(29,692)	(21,846)		
Non-controlling interests		-	(5)		
		(29,692)	(21,851)		
Total comprehensive income attributable to					
Equity holders of the Company		(27,826)	(21,832)		
Non-controlling interests		-	14		
		(27,826)	(21,818)		
Basic loss per share (Unit : Baht)		(0.095)	(0.035)	(0.090)	(0.038)
Weighted average of ordinary shares (Unit : Share)		311,926	623,851	311,926	623,851

Unaudited
Limited review only

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

HYDROTEK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the six-month period ended June 30, 2023

(Unit : Thousand Baht)

	Equity attributable to the owners of the Company							Non-controlling Interests	Total
	Issued and paid-up share capital	Premium on ordinary share	Discount on ordinary share	Deficits		Other components of shareholders' equity			
				Appropriated- legal reserve	Unappropriated	Difference exchange rate from conversion of financial statements	Equity attributable to the owners of the Company		
Balance as at January 1, 2022	2,304,683	141,376	(1,276,585)	9,620	(1,055,699)	(1,857)	121,538	303	121,841
Loss for the period	-	-	-	-	(21,846)	-	(21,846)	(5)	(21,851)
Other comprehensive income for the period	-	-	-	-	(62)	76	14	19	33
Total comprehensive income for the period	-	-	-	-	(21,908)	76	(21,832)	14	(21,818)
Decrease share capital to eliminate deficit	(1,728,512)	(141,376)	1,276,585	(9,620)	602,923	-	-	-	-
Increase share capital	47,680	-	-	-	-	-	47,680	-	47,680
Balance as at June 30, 2022	623,851	-	-	-	(474,684)	(1,781)	147,386	317	147,703
Balance as at January 1, 2023	311,926	-	-	-	(221,633)	-	90,293	-	90,293
Loss for the period	-	-	-	-	(29,692)	-	(29,692)	-	(29,692)
Other comprehensive income for the period	-	-	-	-	1,866	-	1,866	-	1,866
Total comprehensive income for the period	-	-	-	-	(27,826)	-	(27,826)	-	(27,826)
Balance as at June 30, 2023	311,926	-	-	-	(249,459)	-	62,467	-	62,467

Unaudited
Limited review only

HYDROTEK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
SEPARATE STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

For the six-month period ended June 30, 2023

(Unit : Thousand Baht)

	Issued and paid-up share capital	Premium on ordinary share	Discount on ordinary share	Deficits		Total
				Appropriated- legal reserve	Unappropriated	
Balance as at January 1, 2022	2,304,683	141,376	(1,276,585)	9,620	(1,072,994)	106,100
Loss for the period	-	-	-	-	(23,957)	(23,957)
Other comprehensive income for the period	-	-	-	-	(62)	(62)
Total comprehensive income for the period	-	-	-	-	(24,019)	(24,019)
Decrease share capital to eliminate deficit	(1,728,512)	(141,376)	1,276,585	(9,620)	602,923	-
Increase share capital	47,680	-	-	-	-	47,680
Balance as at June 30, 2022	623,851	-	-	-	(494,090)	129,761
Balance as at January 1, 2023	311,926	-	-	-	(239,393)	72,533
Loss for the period	-	-	-	-	(28,055)	(28,055)
Other comprehensive income for the period	-	-	-	-	1,866	1,866
Total comprehensive income for the period	-	-	-	-	(26,189)	(26,189)
Balance as at June 30, 2023	311,926	-	-	-	(265,582)	46,344

Unaudited

Limited review only

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

HYDROTEK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOW

For the six-month period ended June 30, 2023

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flow from operating activities				
Loss for the period	(29,692)	(21,851)	(28,055)	(23,957)
Adjustments to reconcile loss for the period for cash received (paid) from operations				
Allowance for expected credit loss-other receivables - other party (reversal)	(150)	-	(150)	-
Depreciation - equipment	882	1,084	850	1,054
Depreciation - right of use assets	1,050	1,749	1,050	1,288
Amortization of intangible assets	33	34	25	25
Loss from disposal of equipment	828	-	828	-
Share of profit on investment in joint venture	(40)	-	-	-
Provisions for employee benefits	220	402	220	402
Interest income	(19)	(15)	(9)	(188)
Interest expenses	4,545	4,511	4,582	4,583
Interest paid on lease liabilities	153	245	153	205
Interest expenses of employee benefits	28	-	28	-
Income tax expense	-	400	-	-
Loss from operation before changes in operating assets and liabilities	(22,162)	(13,441)	(20,478)	(16,588)
Changes in operating assets and liabilities				
Other receivables - related parties	(1,890)	37	9,182	(58,266)
Trade and other receivables - other parties	1,741	1,966	58	8,590
Contractual assets	943	(39,993)	-	1,276
Suspend input vat	(566)	862	6	63
Construction materials	(4,682)	(2,445)	-	-
Other non-current assets	41	(5)	41	(5)
Other payables - related person and parties	56	(477)	-	(1,242)
Trade and other payables - other parties	7,935	(14,015)	4,690	1,184
Contractual liabilities	(2,010)	(11,794)	-	(88)
Unbilled output tax	231	239	230	238
Provision for warranty	-	(580)	-	(580)
Other non-current liabilities	461	(1,015)	-	(37)
Cash paid from operating	(19,902)	(80,661)	(6,271)	(65,455)
Cash received (paid) for income tax	1,749	(1,771)	(26)	(80)
Net cash used in operating activities	(18,153)	(82,432)	(6,297)	(65,535)

Unaudited

Limited review only

HYDROTEK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOW

For the six-month period ended June 30, 2023

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flow from investing activities				
Decrease (increase) in other non-current financial assets	(17)	12,784	(17)	12,784
Cash paid for purchase of equipment	(71)	(1,634)	(71)	(1,634)
Cash received from disposal of equipment	400	-	400	-
Cash received from right-of-use assets	30	29	30	29
Cash received from interest	19	37	9	37
Net cash received from investing activities	361	11,216	351	11,216
Cash flow from financing activities				
Cash received from short-term loan from related person	5,000	-	5,000	-
Cash received from short-term loan from other party	250	-	-	-
Cash paid for short-term loan from related person and parties	-	-	(178)	(1,083)
Cash paid for lease liabilities	(1,129)	(2,045)	(1,129)	(1,529)
Cash payment in interest expenses	(56)	(21)	-	(54)
Cash received from increment of capital from warrants exercised	-	47,680	-	47,680
Net cash received from financing activities	4,065	45,614	3,693	45,014
Effects of exchange rate change on the balance of cash and cash equivalents	-	95	-	-
Cash and cash equivalent items decrease - net	(13,727)	(25,507)	(2,253)	(9,305)
Cash and cash equivalent at the beginning of the period	20,850	67,683	7,199	49,224
Cash and cash equivalent at the end of the period	7,123	42,176	4,946	39,919

Additional disclosure :

Items not affecting cash flow are as follows :-

- Right-of-use assets increased from lease liabilities	188	-	188	-
- Short-term loan from other party decreased from offsetting with other-receivables	250	-	-	-

Unaudited

Limited review only

HYDROTEK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**NOTES TO FINANCIAL STATEMENTS****For the six-month period ended June 30, 2023****(UNAUDITED/LIMITED REVIEW ONLY)**

1. General information

Hydrotek Public Company Limited (“the Company”) is a public limited 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 construction and management of water treatment and wastewater treatment system, waste management system and selling of related supplies.

2. Basis of preparation of interim financial statements

- 2.1 These interim financial statements are prepared in the condensed format and in accordance with the Thai Accounting Standard No. 34 on “Interim Financial Reporting” including interpretations and guidance promulgated by the Federation of Accounting Professions, related regulations and announcements of the Securities and Exchanges Commission. However, the Group has presented items in the statements of financial position, statements of comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.
- 2.2 These interim financial statements are prepared to provide an update on the financial statements for the year ended December 31, 2022. 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, 2022.
- 2.3 These interim 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.
- 2.4 The interim financial statements are presented in Thai Baht, rounded to the nearest thousand Baht unless otherwise stated.

2.5 The Reclassified

Some items in the consolidated statements of financial positions as at December 31, 2022 have been reclassified in line with the presentation of the financial statements as at June 30, 2023 following.

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		
	<u>Before</u> <u>reclassified</u>	<u>Reclassified</u> <u>increase (decrease)</u>	<u>After</u> <u>reclassified</u>
<u>Consolidated statements of financial positions as at December 31, 2022</u>			
Current assets			
Contractual assets	86,403	(42,371)	44,032
Non-current assets			
Contractual assets	-	42,371	42,371

3. Going concern

The Group and the Company faces losses from continued operation over several years. The Group and the Company incurred a net loss for the six-month period ended June 30, 2023 in the consolidated financial statements amount of Baht 29.69 million and in the separate financial statements amount of Baht 28.05 million. (For the year ended December 31, 2022, the Group and the Company incurred a net loss in the consolidated financial statements amount of Baht 80.72 million and in the separate financial statements amount of Baht 81.19 million) respectively and as at June 30, 2023 the Group and the Company has current liabilities exceeded current assets by amount of Baht 101.84 million and amount of Baht 97.83 million. (As at December 31, 2022, the Group and the Company has current liabilities exceeded current assets by amount of Baht 91.52 million and amount of Baht 72.19 million) These conditions, along with litigations matters as set forth as mentioned in the note to financial statements No.27 indicate the existence of a material uncertainty that may cast significant doubt about the Group and the Company's ability to continue as a going concern and therefore the Group and the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. However, the Group's management is in the process of improving its operating. Including, the Group considers to bid for various projects to make a profit, allocation of capital increase shares. Including requesting credit facilities from financial institutions and other source of funds. The management believes that it will be able to rectify situation and leads the Company has ability to continue as a going concern. Therefore, the financial statements have been prepared on the going concern basis. Accordingly, such financial statements do not include any adjustments to present assets at their realisable values and liabilities at their settlement amounts, and to make the reclassifications that may be required in the event that the Group and the Company is unable to continue its operations as a going concern.

4. Basis of preparation of the interim consolidated financial statements

The interim consolidated financial statements for the six-month period ended June 30, 2023 has been prepared by including the financial statements of Hydrotek Public Company Limited and its subsidiaries and used the same criteria as the consolidated financial statements for the year ended December 31, 2022. The details of investments in subsidiaries in the current period as mentioned in the note to financial statements No. 11.

5. Significant 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, 2022.

Costs that incur unevenly during the financial period 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 period.

6. Related parties transaction

The Company has business transactions with subsidiary and related entities, which have the same group of shareholders or mutual directors. Such transaction which have been concluded on commercial terms and based agreed up on between the Company and related parties and are in ordinary course of business which can be summarized as follow :-

6.1 Inter-assets and liabilities

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>June 30, 2023</u>	<u>December 31, 2022</u>	<u>June 30, 2023</u>	<u>December 31, 2022</u>
Other receivables				
Accrued interest receivable				
Subsidiary	-	-	903	903
Other receivables				
Subsidiaries	-	-	182,637	191,309
Joint venture	6,554	4,667	6,554	4,667
Related company	43	40	43	40
Total	6,597	4,707	189,234	196,016
Less Allowance for expected credit loss	-	-	(46,630)	(44,230)
Net	6,597	4,707	142,604	151,786
Total other receivables	6,597	4,707	143,507	152,689

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>June 30, 2023</u>	<u>December 31, 2022</u>	<u>June 30, 2023</u>	<u>December 31, 2022</u>
Short-term loan to				
Subsidiary				
Beginning balance	-	-	-	5,000
Repayment in during the period	-	-	-	(5,000)
Ending balance	-	-	-	-
Other payables				
Other payables				
Subsidiary	-	-	103	103
Accrued expenses				
Subsidiary	-	-	1	1
Accrued interest				
Subsidiary	-	-	3,452	3,414
Director	56	-	56	-
Total other payables	56	-	3,612	3,518
Short-term loan from				
Director				
Beginning balance	-	-	-	-
Additional in during the period	5,000	-	5,000	-
Ending balance	5,000	-	5,000	-
Subsidiary				
Beginning balance	-	-	15,574	16,897
Repayment in during the period	-	-	(178)	(1,323)
Ending balance	-	-	15,396	15,574
Total	5,000	-	20,396	15,574

As at June 30, 2023, the whole amount of short-term loan from director is loan in due within 2023, and interest are carried by the rate of 4.00% per annum.

As at June 30, 2023 and December 31, 2022, short-term loans from subsidiary is loan in form of promissory notes, at call and interest are carried by the rate of 0.50% per annum for both period.

6.2 Inter-revenues and expenses

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>For the three-month period ended June 30,</u>			
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Other income				
Subsidiaries	-	-	1,610	1,961
Joint venture	274	-	274	-
Related company	126	-	126	120
Total	400	-	2,010	2,081
Interest income				
Subsidiary	-	-	-	87
Interest expense				
Subsidiary	-	-	19	20
Director	50	-	50	-
Total	50	-	69	20

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>For the six-month period ended June 30,</u>			
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Other income				
Subsidiaries	-	-	3,254	3,981
Joint venture	1,028	-	1,028	-
Related company	246	74	246	194
Total	1,274	74	4,528	4,175
Interest income				
Subsidiary	-	-	-	173
Interest expense				
Subsidiary	-	-	38	40
Director	56	-	56	-
Total	56	-	94	40

6.3 Management's benefits

(Unit : Thousand Baht)

	<u>Consolidated /Separate financial statements</u>			
	<u>For the three-month period</u>		<u>For the six-month period</u>	
	<u>ended June 30,</u>		<u>ended June 30,</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term employee benefits	1,205	1,784	2,370	3,585
Post-employment benefits	15	54	31	108
Total	1,220	1,838	2,401	3,693

6.4 Pricing policies

<u>Transaction</u>	<u>Pricing Policies</u>
Other income	Based on the agreed price
Interest income	Interest rate of 6.97% per annum (2022 : 6.97% per annum)
Interest expense	Interest rate of 0.50 - 4.00% per annum (2022 : 0.50% per annum)

6.5 Nature of relationship

<u>Name</u>	<u>Relationship</u>
Hydrotek-Chaisarit Joint Venture	Subsidiary
Hydrotek-Utilities Co., Ltd.	Subsidiary
Hydrotek Supreme Mandalay Co.,Ltd.	Subsidiary (End of being a subsidiary company on December 28, 2022.)
Sahahydro Joint Venture	Subsidiary
Hydro-Rinrat Joint Venture	Subsidiary
Sahahydro Pathumthani 2 Joint Venture	Subsidiary
Prime-Hydrotek Construction Joint Venture	Joint Venture
Prime Road Power Public Co., Ltd.	Related company with common directors

7. Trade and other receivables-other parties

Outstanding trade and other receivables-other parties can be aged as follows :-

	(Unit : Thousand Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>June 30, 2023</u>	<u>December 31, 2022</u>	<u>June 30, 2023</u>	<u>December 31, 2022</u>
Trade accounts receivable and post dated cheque				
Within credit term	-	-	-	-
Not more than 3 months	-	-	-	-
Overdue over 12 months	7,289	7,289	7,289	7,289
Total	7,289	7,289	7,289	7,289
<u>Less</u> Allowance for expected credit loss	(7,289)	(7,289)	(7,289)	(7,289)
Net	-	-	-	-
Other receivables	43,273	41,133	30,673	30,731
Deposit for purchase of goods	77,588	82,728	14,902	14,902
Advances to subcontractors	15,732	14,723	5,041	5,041
Total	136,593	138,584	50,616	50,674
<u>Less</u> Allowance for expected credit loss	(37,655)	(37,805)	(28,560)	(28,710)
Net	98,938	100,779	22,056	21,964
Total trade and other receivables	98,938	100,779	22,056	21,964

For the six-month period ended June 30, 2023 and 2022, no movement of allowance for expected credit loss-trade receivable.

The movement of allowance for expected credit loss-other receivables-other parties for the six-month period ended June 30, 2023 and 2022 as follow :-

	(Unit : Thousand Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Beginning balance	(37,805)	(37,805)	(28,710)	(28,710)
Reversal in during the period	150	-	150	-
Ending balance	(37,655)	(37,805)	(28,560)	(28,710)

8. Contractual assets / Contractual liabilities8.1 Contractual balances

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>June 30, 2023</u>	<u>December 31, 2022</u>	<u>June 30, 2023</u>	<u>December 31, 2022</u>
Contractual assets				
Unbilled receivables	83,407	64,526	32,198	32,198
Retention receivables	30,411	50,235	-	-
Total contractual assets	113,818	114,761	32,198	32,198
<u>Less</u> Allowance for expected credit loss	(28,358)	(28,358)	(28,358)	(28,358)
Total contractual assets - net	85,460	86,403	3,840	3,840
Contractual liabilities				
Advance received from employers	40,233	42,243	9,226	9,226
Total contractual liabilities	40,233	42,243	9,226	9,226

As at June 30, 2023 and December 31, 2022, retention receivables consisted of :-

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>June 30, 2023</u>	<u>December 31, 2022</u>	<u>June 30, 2023</u>	<u>December 31, 2022</u>
Current assets	2,753	7,864	-	-
Non-current assets	27,658	42,371	-	-
Total	30,411	50,235	-	-

8.2 Revenue recognised in relation to contract balances

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>June 30, 2023</u>	<u>December 31, 2022</u>	<u>June 30, 2023</u>	<u>December 31, 2022</u>
Revenue recognised that was included in contract liabilities at the beginning of the period	2,010	20,663	-	89
Revenue recognised from changes in variable considerations of performance obligations satisfied in previous years	-	-	-	-

8.3 Revenue to be recognised for the remaining performance obligations

As at June 30, 2023, the Group revenue is expected to be recognised in the future in respect of performance obligations under contracts with customers that are unsatisfied or partially unsatisfied totalling amount of Baht 144.12 million (As at December 31, 2022, the Group revenue is expected to be recognised in the future in respect of performance obligations under contracts with customers that are unsatisfied or partially unsatisfied totalling amount of Baht 173.41 million) The Group expects to satisfy these performance obligations within 1 year.

8.4 Contract assets - unbilled receivables

As at June 30, 2023, For the consolidated financial statements the balances of unbilled receivables which net of allowance for expected credit loss amount of Baht 55.05 million is expected to bill with customers within 1 year (As at December 31, 2022, amount of Baht 36.17 million is expected to bill with customers within 1 year).

As at June 30, 2023, For the separate financial statements the balances of unbilled receivables which net of allowance for expected credit loss amount of Baht 3.84 million (As at December 31, 2022, amount of Baht 3.84 million) was an receivable that the company has a lawsuit against them. Such counterparty was creditor of the Company with higher than the contractual asset value as mentioned in note to financial statements No. 27.2.

9. Short-term loan to other party

(Unit : Thousand Baht)

	<u>Consolidated/Separate financial statements</u>	
	<u>June 30, 2023</u>	<u>December 31, 2022</u>
Loan to other party	500	500
<u>Less</u> Allowance for expected credit loss	(500)	(500)
Ending balance	-	-

As at June 30, 2023 and December 31, 2022, Short-term loans to other party (Subcontractor) is loan in from of agreement, which has interest rate of 5.47% per annum for both period. The Group has recognized an allowance for expected credit losses for the whole amount and ceased revenue recognition for interest income.

10. Other non-current financial assets

As at June 30, 2023 other non-current financial assets deposit at bank in amount of Baht 1.59 million (As at December 31, 2022 : Baht 1.59 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. Now the lawsuit is ended, the Company is in the process of detach the guarantee from the bank. As at June 30, 2023 the Group has additionally pledged the remaining amount of Baht 2.63 million (As at December 31, 2022 : Baht 2.61 million) 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 as mentioned in note to financial statements No. 26.2.

11. Investment in subsidiaries

The composition of the Group in the consolidated financial statements and the carrying value of investment in subsidiaries in the separate financial statement can be summarized as follows :-

Name of Company	Paid-up capital		% of holding		Cost Method		(Unit : Thousand Baht)	
							Dividend	
							For the six-month period	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022	ended June 30, 2023	2022
Subsidiaries don't having non-controlling interests								
Hydrotek-Chaisarit Joint Venture	1,000	1,000	100.00	100.00	1,000	1,000	-	-
Hydrotek Utilities Co., Ltd.	1,000	1,000	100.00	100.00	1,000	1,000	-	-
Sahahydro Joint Venture	1,000	1,000	100.00	100.00	1,000	1,000	-	-
Sahahydro Pathumthani 2 Joint Venture	1,000	1,000	100.00	100.00	1,000	1,000	-	-
Hydro-Rinrat Joint Venture	1,000	1,000	100.00	100.00	1,000	1,000	-	-
Total					5,000	5,000	-	-
Less Allowance for impairment					(1,380)	(1,380)	-	-
Net					3,620	3,620	-	-

12. Investment in joint venture

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

(Unit : Thousand Baht)										
Name of Company	Nature of business	Country of incorporation	Joint venture capital		% of holding		Equity Method		Cost Method	
			June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Prime-Hydrotek Construction Joint Venture.	Construction of a high-speed train station building	Thailand	1,000	1,000	49.00	49.00	561	521	490	490
Net							561	521	490	490

The financial information of the joint venture can be summarized as follows :-

	(Unit : Thousand Baht)
	<u>For the six-month period</u> <u>ended June 30, 2023</u>
Revenues	2,722
Profit from continuous operation	82
Other comprehensive income	-
Total comprehensive income	82
	<u>June 30, 2023</u>
Current assets	13,695
Non-current assets	163
Current liabilities	(12,713)
Net Assets	1,145

The reconciliations of each financial information with book value that record by equity method in consolidated financial statements as follows :-

	(Unit : Thousand Baht)
	<u>June 30, 2023</u>
Net assets of the joint venture	1,145
Shareholding of the company (%)	49
Book value for equity method	561

13. Long-term loan to other party

	(Unit : Thousand Baht)	
	<u>Consolidated/Separate financial statements</u>	
	<u>June 30, 2023</u>	<u>December 31, 2022</u>
Long-term loan from other party	13,528	13,528
<u>Less</u> Allowance for expected credit loss	(13,528)	(13,528)
Net	-	-

As at June 30, 2023 and December 31, 2022, long-term loans is loans to SUT Global Co.,Ltd, which former was a subsidiary of the Company and the Company sold its investment in such company on September 27, 2019. The loans is loans agreement with repayment period in 10 years and the interest rate of 8.50% per annum. The repayment must be paid interest and principle every 3 months. The principal paid the first installment in March 2025 and the last installment in December 2029. The Company has recognized an allowance for expected credit losses for the whole amount.

14. Investments property

For the six-month period ended June 30, 2023, no movement of investments property.

15. Equipment

The movement of equipment during the six-month period ended June 30, 2023 are as follows :-

	(Unit : Thousand Baht)	
	<u>Consolidated financial statements</u>	<u>Separate financial statements</u>
Beginning book value	21,490	21,180
Purchase in during the period	71	71
Disposal assets	(4,559)	(4,559)
Depreciation for portion shown in profit or loss	(882)	(850)
Accumulated depreciation in disposal assets	3,331	3,331
Ending book value	19,451	19,173

As at June 30, 2023, certain equipment of the Group and the Company have been fully depreciated but are still in use. The original cost, before deducting accumulated depreciation, of those assets amounted to Baht 12.97 million and amount of Baht 12.76 million respectively (As at December 31, 2022, certain equipment of the Group and the Company have been fully depreciated but are still in use. The original cost, before deducting accumulated depreciation, of those assets amounted to Baht 17.53 million and amount of Baht 17.32 million).

16. Right-of-use assets

The movement of right-of-use assets for the six-month period ended June 30, 2023 are as follows :-

	(Unit : Thousand Baht)
	<u>Consolidated/ Separate financial statements</u>
Beginning book value	6,922
Increase contract during the period	188
Received from deposit during the period	(30)
Depreciation for the period	(1,050)
Ending book value	6,030

17. Intangible assets

The movement of intangible assets during for the six-month period ended June 30, 2023 are as follows :-

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>	<u>Separate financial statements</u>
Beginning balance	108,825	108,812
Amortization for the period	(33)	(25)
Ending balance	108,792	108,787

As at June 30, 2023 and December 31, 2022 an intangible assets amount of Baht 108.60 million was rights under the concession agreement which the Company entered into an agreement in 2015 with a Tambon government sector for the construction of the water treatment plant and distribution of the tap water to water consumers in municipal area for the period of 9 years. Subsequently, in January 2019, the Ministry of Natural Resources and Environment entered into the concession agreement for water distribution. It awarded an agreement to Hydrotek Public Company Limited with the commitment to construct the water treatment plant within 24 months from the date the permission has been granted by the Ministry of Natural Resources and Environment, and distribute the tap water to the water consumers in the concession area, which the water tariffs can be charged at the rate stipulated in the said concession agreement, for the period of 25 years. Furthermore, the said concession agreement included the additional conditions for the government sectors to have the option to purchase the entire water supply business from the Company when the concession term expired. The Company recognized the compensation that received from the construction of the water treatment plant under the said concession agreement as intangible asset in the financial statements. Currently, the project has been delayed due to the consideration of permission to installation of the water pipeline system from relevant government department.

18. Trade and other payables-other parties

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>June 30, 2023</u>	<u>December 31, 2022</u>	<u>June 30, 2023</u>	<u>December 31, 2022</u>
Trade accounts payable	28,577	26,212	10,547	10,755
Other payables and other provision liabilities	20,713	13,152	16,100	11,202
Retention payables	13,455	13,546	11,148	11,148
Post dated cheques payable	-	1,899	-	-
Accrued interest	71,947	67,459	71,947	67,459
Total	134,692	122,268	109,742	100,564

19. Short-term loan from other party

Changes in short-term loan from other party for the six-month period ended June 30, 2023 are as follows :-

	(Unit : Thousand Baht)	
	<u>Consolidated</u>	<u>Separate</u>
	<u>financial statements</u>	<u>financial statements</u>
Beginning balance	-	-
Addition during the period	250	-
Decrease from offsetting with other-receivables during the period	(250)	-
Ending balance	-	-

As at June 30, 2023, a subsidiary has short-term loan from other party in the form of promissory notes, at call and interest are carried by the rate of 7.00% per annum.

20. Lease liabilities

	(Unit : Thousand Baht)	
	<u>Consolidated/Separate financial statements</u>	
	<u>June 30, 2023</u>	<u>December 31, 2022</u>
Lease liabilities	5,391	6,179
<u>Less</u> Current portion of lease liabilities	(2,032)	(2,067)
Net	3,359	4,112

Changes in the lease liabilities for the six-month period ended June 30, 2023 are as follows :-

	(Unit : Thousand Baht)
	<u>Consolidated/</u>
	<u>Separate financial statements</u>
Lease liabilities at the beginning of period	6,179
Increase contract during the period	188
Decrease during the period	(976)
Lease liabilities at the end of period	5,391

21. Long-term loan from other party

(Unit : Thousand Baht)

	<u>Consolidated/Separate financial statements</u>	
	<u>June 30, 2023</u>	<u>December 31, 2022</u>
Long-term loan	125,645	125,645
Less Current portion	(125,645)	(125,645)
Net	-	-

As at June 30, 2023 and December 31, 2022, 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.

On March 25, 2022, Yunnan Water (Hong kong) Company Limited has sent a notice that requesting the Company to repay the whole amount of principal plus interest within 30 days due to the Company is unable to comply with some requirement as specified in the contract. Therefore, long-term loans from other party are classified to current liabilities in whole amount. Currently, the Company's management is in process of negotiating with the counterparties.

22. Employee benefit obligations

Changes in the present value of the employee benefit obligation for the six-month period ended June 30, 2023 are as follows :-

(Unit : Thousand Baht)

	<u>Consolidated/ Separate financial statements</u>
Employee benefit obligations at the beginning of the period	4,067
Current service cost	220
Interest cost	28
Actuarial profit arising from defined benefit plan	(1,866)
Employee benefit obligations at the ending of the period	2,449

23. Share capital

	Consolidated/Separate financial statements				
	June 30, 2023			December 31, 2022	
	Per Value (Baht)	Number of shares (Unit : Thousand Shares)	Amount (Unit : Thousand Baht)	Number of shares (Unit : Thousand Shares)	Amount (Unit : Thousand Baht)
Registered share capital					
Ordinary shares at beginning of the period	1.00	311,926	311,926	2,402,799	2,402,799
Less Reduction of capital	1.00	-	-	(2,090,873)	(2,090,873)
Add Increment of capital	1.00	187,155	187,155	-	-
Ordinary shares at end of the period	1.00	499,081	499,081	311,926	311,926
Issue and paid-up share capital					
Ordinary shares at beginning of the period	1.00	311,926	311,926	2,304,683	2,304,683
Less Reduction of capital	1.00	-	-	(2,040,437)	(2,040,437)
Add Increment of capital	1.00	-	-	47,680	47,680
Ordinary shares at end of the period		311,926	311,926	311,926	311,926

In accordance with the Company's minute of the Annual General Meeting of Shareholders for the year 2023 held on April 25, 2023 has significant resolution as follows :-

- 23.1 Resolved to approve increase of the Company's registered capital general mandate in amount of Baht 187,155,300.00 from the existing registered capital in amount of Baht 311,925,504.00 to the new registered capital in amount of Baht 499,080,804.00 by issuing not exceeding, 187,155,300 shares, newly issued ordinary shares with the par value of Baht 1.00 per share and amendment of the Memorandum Company's of Association to comply with the increase of the Company's registered capital. Which the Company has registered the amendment to the Department of Business Development, Ministry of Commerce on May 26, 2023.
- 23.2 Resolved to approve the allocation of newly issued ordinary shares under a general mandate not exceeding, 187,155,300 shares, with the par value of Baht 1.00 per share as follows :-
- 23.2.1 Allocation of newly issued ordinary shares in the amount not exceeding 93,577,650 shares, representing 30% of the paid-up capital, to offer to shareholders in proportion to their shareholding (RO).
- 23.2.2 Allocation of newly issued ordinary shares in the amount not exceeding 62,385,100 shares, representing 20% of the paid-up capital, for sale to the general public (PO).
- 23.2.3 Allocation of newly issued ordinary shares in the amount not exceeding 31,192,550 shares, representing 10% of the paid-up capital, for sale to a private placement (PP).

Therefore, allocation of newly issued ordinary shares under a general mandate be offered for sale at a price not less than Baht 0.50 per share.

24. 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 1) construction segment 2) service segment that consist of operation and maintenance service, design and procure equipment and 3) segment of water operator 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 period ended June 30, 2023 and 2022 are as follows :-

(Unit : Thousand Baht)

	Consolidated financial statements					
	For the three-month period ended June 30,					
	Construction		Services		Water operator plant and wastewater recycle plant	
	2023	2022	2023	2022	2023	2022
Revenues from external customers	17,265	53,159	618	283	-	17,883
Gross profit (loss)	(3,105)	1,430	208	(816)	-	614
Other income					443	397
Administrative expenses					(12,296)	(9,921)
Finance cost					(2,381)	(2,363)
Share of loss on investment in joint venture					(10)	-
Loss before income tax expense					(17,141)	(11,273)

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

(Unit : Thousand Baht)

	Consolidated financial statements					
	For the three-month period ended June 30,					
	Construction		Services		Water operator plant and wastewater recycle plant	
	2023	2022	2023	2022	2023	2022
Depreciation	17	242	-	-	945	996
Amortization	4	5	-	-	12	12
					16	17

The segment operation for the six-month period ended June 30, 2023 and 2022 are as follows :-

	<u>Consolidated financial statements</u>						(Unit : Thousand Baht)
	<u>For the six-month period ended June 30,</u>						
	<u>Construction</u>		<u>Services</u>		<u>Water operator plant and wastewater recycle plant</u>		<u>Total</u>
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
Revenues from external customers	33,863	111,074	618	588	-	-	34,481 111,662
Gross profit (loss)	(2,478)	3,879	208	(1,333)	-	-	(2,270) 2,546
Other income							1,410 1,422
Administrative expenses							(24,174) (20,663)
Finance cost							(4,698) (4,756)
Share of profit on investment in joint venture							40 -
Loss before income tax expense							(29,692) (21,451)

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

<u>Consolidated financial statements</u>								(Unit : Thousand Baht)		
<u>For the six-month period ended June 30,</u>										
<u>Construction</u>		<u>Services</u>		<u>Water operator plant and wastewater recycle plant</u>		<u>Central</u>			<u>Total</u>	
<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>			
Depreciation	32	491	-	-	-	-	1,900	2,342	1,932	2,833
Amortization	8	9	-	-	-	-	25	25	33	34

For the three-month period ended June 30, 2023, the Group has the revenue from service to 1 major customer in the amount of Baht 17.26 million earned by construction segment. (For the three-month period ended June 30, 2022 : 2 major customers in the amount of Baht 53.61 million earned by construction segment).

For the six-month period ended June 30, 2023, the Group has the revenue from service to 1 major customer in the amount of Baht 33.86 million earned by construction segment. (For the six-month period ended June 30, 2022 : 2 major customers in the amount of Baht 111.07 million earned by construction segment).

25. Revenue

The relationship between the revenue information disclosed for each reportable segment for the three-month and the six-month periods ended on June 30, 2023 and 2022, are as follows :-

(Unit: Million Baht)

<u>Consolidated financial statements</u>						
<u>For the three-month period ended on June 30,</u>						
<u>Segment operation</u>						
	<u>Construction</u>		<u>Services</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenue from external customers	17.26	53.16	0.62	0.28	17.88	53.44
Revenue about geographic areas						
- Thailand	17.26	53.16	0.62	0.28	17.88	53.44
- Abroad	-	-	-	-	-	-
Total	17.26	53.16	0.62	0.28	17.88	53.44
Revenue recognized when a performance obligation						
- satisfied at a point in time	-	-	-	-	-	-
- satisfied over time	17.26	53.16	0.62	0.28	17.88	53.44
Total	17.26	53.16	0.62	0.28	17.88	53.44

(Unit: Million Baht)

<u>Consolidated financial statements</u>						
<u>For the six-month period ended on June 30,</u>						
<u>Segment operation</u>						
	<u>Construction</u>		<u>Services</u>		<u>Total</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenue from external customers	33.86	111.07	0.62	0.59	34.48	111.66
Revenue about geographic areas						
- Thailand	33.86	111.07	0.62	0.59	34.48	111.66
- Abroad	-	-	-	-	-	-
Total	33.86	111.07	0.62	0.59	34.48	111.66
Revenue recognized when a performance obligation						
- satisfied at a point in time	-	-	-	-	-	-
- satisfied over time	33.86	111.07	0.62	0.59	34.48	111.66
Total	33.86	111.07	0.62	0.59	34.48	111.66

26. Obligation and contingent liabilities

26.1 The commitment of the construction subcontracts and the commitment of the services agreement are as follows :-

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>June 30, 2023</u>	<u>December 31, 2022</u>	<u>June 30, 2023</u>	<u>December 31, 2022</u>
Total amount of agreement	590,482	548,422	11,749	9,683
Total recognized cost	446,471	406,864	8,297	4,131
The remaining of non-operating work	144,011	141,558	3,452	5,552

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

(Unit : Million Baht)

	<u>Consolidated/Separate financial statements</u>					
	<u>June 30, 2023</u>			<u>December 31, 2022</u>		
	<u>Total</u>	<u>Utilized</u>	<u>Available</u>	<u>Total</u>	<u>Utilized</u>	<u>Available</u>
Credit line of letters of guarantee	40.20	10.39	29.81	40.20	10.39	29.81

The Group pledged bank deposit 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.

- 26.3 As at June 30, 2023, the Company has entered into the consultant contract with person and two companies with the total contract amount of Baht 3.44 million. The Company has outstanding commitment under the contract in the amount of Baht 1.25 million (As at December 31, 2022 : the total contract amount of Baht 3.39 million. The Company has outstanding commitment under the contract in the amount of Baht 2.71 million).

27. Litigations

- 27.1 In November 2016, the Company has filed a lawsuit to the Central 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 Central 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.

On July 22, 2021, the Central Administrative Court has ordered the counterparty partial repayment of the construction service fee to the Company and that the Company pay compensation to the counterparty for the breach of contract with the net result that the Company must repay the counterparty in amount of Baht 23.86 million plus interest rate at 7.50% per annum.

However, the Company disagreed with the Central Administrative Court's judgement on both in terms of facts and legal regulation. The Company appeal to the Supreme Administrative Court.

The lawsuit is being considered by the court. the management believe that the outcome of the appeal will be favorable to the Company. Therefore, the Company has not recorded provision for the losses that may occur in the financial statements.

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

Subsequently, in October 2019, the Arbitration Institute has judged an order the counter party paid construction fee to the Company in amount of Baht 3.84 million and the Company to repayment an advance received to the counter party in amount of Baht 9.87 million plus interest rate at 7.50% per annum since the date of filing the lawsuit.

However, the Company disagreed with the Arbitration Institute. The Company appeal to the Central Administrative Court. The lawsuit is being considered by the Central Administrative Court.

- 27.3 During the year 2021 the Company was sued in the case of breach of contract of consultation for project acquired in amounting to Baht 2.62 million plus interest at 7.50% per annum. Subsequently, on November 7, 2022, the Civil Court ordered the Company to pay to the counterparty amount of Baht 0.42 million plus interest.

However, the Company disagreed with the Civil Court's judgement in terms of facts by the plaintiff. The Company appeal to the Administrative Court.

The management believe that the outcome of the appeal will be favorable to the Company. Therefore, the Company has not recorded provision for the losses that may occur in the financial statements.

- 27.4 During the year 2023, the Company and former directors was sued as a co-defendant to be jointly liable with the government officer for supporting the officer offense against the officer position under the Criminal Code to the Criminal Court for corruption cases. The said lawsuit was caused by the company entered into a contract to purchase and sale tap water with the Chedi Mae Krua Subdistrict, Nong Harn Subdistrict, Nong Yang Subdistrict, San Sai District, Chiang Mai Province in 2012. The management and legal advisor have an opinion that the Company has no intention to supporting the officer to breaking the criminal laws. Entering into a water purchase and sale contract is a common practice in commercial business. The lawsuit is being investigated the witness. However, the management believe that the outcome of the investigation will be favorable to the Company. Therefore, the Company has not recorded provision for the losses that may occur in the financial statements.

28. 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, 2023.
