

Eureka Design Public Company Limited

The Financial Statements

For the year ended December 31, 2022



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



AUDITOR'S REPORT

To the Shareholders and the Board of Directors of Eureka Design Public Company Limited

Opinion

I have audited the accompanying consolidated and separate financial statements of Eureka Design Public Company Limited and its subsidiary companies ("The Group") and also Eureka Design Public Company Limited only ("The Company"), respectively, which comprise the consolidated and separate statements of financial positions as at December 31, 2022, and the related consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements and a summary of significant accounting policies.

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the consolidated and separate financial position of Eureka Design Public Company Limited and its subsidiary companies and also Eureka Design Public Company Limited only, respectively, as at December 31, 2022, and of their consolidated and separate financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for professional Accountants including Independence Standards issued by the Federation of Accounting Profession (Code of Ethics for Professional Accountants) that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter and event

As mentioned to the notes to financial statements No. 14, during the year 2022, the Group has completely determined the fair value of the net assets acquired at the acquisition date. The fair value of net assets acquired is amount of Baht 110.90 million, which higher than the consideration transferred. The Group has recognized the difference as "Goodwill" in amount of Baht 271.60 million and the Group has restated the consolidated financial statement.

Gumpamm

Key audit matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Goodwill

I have focused my audit on the consideration of the impairment of goodwill, as discussed in notes to financial statements No. 14, because the assessment of impairment of goodwill is a significant accounting estimate requiring management to exercise a high degree of judgement in identifying the cash generating units, estimating the cash inflows that are expected to be generated from that group of assets in the future, and setting an appropriate discount rate and long-term growth rate. There are thus risks with respect to the amount of goodwill. I therefore gave significant attention to the amount of goodwill of the Group.

How my audit addressed the key audit matter

I assessed the identification of cash generating units and the financial models selected by management by gaining an understanding of management's decision-making process and assessing whether the decisions made were consistent with how assets are utilised. In addition, I tested the significant assumptions applied by management in preparing estimates of the cash flows expected to be realised from the assets, by comparing those assumptions with information from both internal and external sources and comparing past cash flow projections to actual operating results in order to evaluate the exercise of management judgement in estimating the cash flow projections. I also evaluated the discount rate applied by management through analysis of the moving average finance costs of the Group and of the industry, tested the calculation of the realisable values of the assets using the selected financial model.

Other matters

The accompanying consolidated and separate statements of financial positions as at December 31, 2021 of Eureka Design Public Company Limited and its subsidiary companies and also Eureka Design Public Company Limited which presented for comparative information purposes, were audited by another auditor, who expressed an unqualified opinion on those financial statement in her report date February 28, 2022.



Other information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

Gurjamm.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also :-

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

Surayamm.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is

SAM NAK-NGAN A.M.C. Co., Ltd.



(Ms. Gunyanun Punyaviwat)

Certified Public Accountant Registration No. 12733

Bangkok

February 28, 2023

EUREKA DESIGN PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

(Unit : Baht)

	Notes	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
			(Restated)		(Reclassified)
Assets					
Current assets					
Cash and cash equivalents	7	75,934,325	131,479,029	17,990,719	93,241,070
Trade and other receivables	6.1 and 8	54,263,219	72,083,953	8,592,853	15,076,867
Current contractual assets	9	-	-	-	-
Short-term loans to related parties	6.1	-	-	399,365,970	120,915,000
Short-term loans to other parties	10	14,836,348	14,836,348	14,836,348	14,836,348
Inventories	11	5,205,803	13,513,866	-	5,426,605
Other current assets		33,930,939	25,091,508	8,850,063	1,447,405
Total current assets		184,170,634	257,004,704	449,635,953	250,943,295
Non-current assets					
Other non-current financial assets	12	1,055,853	1,054,333	1,055,853	1,054,333
Investments in associates	13	-	9,799,000	-	9,799,000
Investments in subsidiaries	14	-	-	709,559,800	504,549,800
Investment property	15	-	39,367,578	1,380,719	39,367,578
Non-operating assets	16	19,305,751	2,048,293	19,305,751	2,048,293
Property, plant and equipment	17	1,191,044,054	420,448,144	174,091,070	58,313,420
Right of use assets	18	2,496,874	61,040,898	2,496,874	-
Intangible assets	19	282,586	398,623	278,189	392,340
Goodwill	14	271,597,312	271,597,312	-	-
Deferred tax assets	20	8,788,472	9,588,578	-	-
Other non-current assets		13,106,316	23,934,568	10,441,603	21,761,568
Total non-current assets		1,507,677,218	839,277,327	918,609,859	637,286,332
Total assets		1,691,847,852	1,096,282,031	1,368,245,812	888,229,627

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

EUREKA DESIGN PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

(Unit : Baht)

	Notes	Consolidated financial statements		Separate financial statements	
		2022	2021 (Restated)	2022	2021 (Reclassified)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	21	-	98,621,074	-	48,621,074
Trade and other payables	22	76,914,752	114,157,822	81,688,943	21,172,945
Contractual liabilities	9	-	736,775	-	736,775
Short-term loans from related person	6.1	-	6,500,000	-	5,500,000
Short-term loans from other person and parties	23	-	13,120,000	-	-
Current portion of long-term liabilities					
Long-term loans from financial institutions	24	35,076,180	7,993,214	3,916,372	2,951,200
Lease liabilities	25	496,734	6,064,400	496,734	-
Accrued income tax		135,671	614,315	-	-
Other current liabilities		1,100,038	3,614,150	1,044,631	1,235,444
Total current liabilities		113,723,375	251,421,750	87,146,680	80,217,438
Non-current liabilities					
Long-term loans from financial institutions	24	216,018,443	13,231,811	6,016,777	9,199,979
Lease liabilities	25	1,973,527	56,969,992	1,973,527	-
Convertible debentures	26	16,447,390	-	16,447,390	-
Convertible options	26	2,560,829	-	2,560,829	-
Deferred tax liabilities	20	7,074,995	7,374,526	2,805,607	3,045,137
Employee benefit obligations	27	4,296,730	2,928,588	3,518,892	2,814,739
Other non-current liabilities		1,424,061	1,424,061	751,230	751,230
Total non-current liabilities		249,795,975	81,928,978	34,074,252	15,811,085
Total liabilities		363,519,350	333,350,728	121,220,932	96,028,523
Shareholders' equity					
Share capital	28				
Authorized share capital					
2,137,786,087 ordinary shares @ Baht 0.25		534,446,522	-	534,446,522	-
1,635,137,106 ordinary shares @ Baht 0.25		-	408,784,277	-	408,784,277
Issued and paid-up share capital					
1,765,538,805 ordinary shares @ Baht 0.25		441,384,701	-	441,384,701	-
1,341,401,580 ordinary shares @ Baht 0.25		-	335,350,395	-	335,350,395
Premiums on ordinary shares	28 and 30	866,904,178	436,068,247	866,904,178	436,068,247
Advance received for ordinary shares		-	42,352,537	-	42,352,537
Legal reserve	30	4,660,000	4,660,000	4,660,000	4,660,000
Retained earnings (deficit)		8,546,415	(63,782,096)	(72,570,394)	(32,876,470)
Other components of shareholders' equity		4,749,819	4,749,819	6,646,395	6,646,395
Total shareholders' equity of company		1,326,245,113	759,398,902	1,247,024,880	792,201,104
Non-controlling interests		2,083,389	3,532,401	-	-
Total shareholders' equity		1,328,328,502	762,931,303	1,247,024,880	792,201,104
Total liabilities and shareholder's equity		1,691,847,852	1,096,282,031	1,368,245,812	888,229,627

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

EUREKA DESIGN PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2022

(Unit : Baht)

	Notes	Consolidated financial statements		Separate financial statements	
		2022	2021 (Restated)	2022	2021 (Reclassified)
Revenue from sale and services		257,219,483	96,031,397	15,397,232	50,906,595
Cost of sales and services		(119,983,792)	(63,624,078)	(9,842,551)	(17,434,139)
Gross profit		137,235,691	32,407,319	5,554,681	33,472,456
Other income		41,275,630	13,970,669	25,776,085	17,618,191
Profit on bargain purchase		-	49,093,358	-	22,200,875
Selling and distribution expenses		(8,202,568)	(785,427)	(342,387)	(472,275)
Administrative expenses		(57,689,006)	(70,116,408)	(42,727,096)	(44,008,789)
(Increase) reversal expected credit loss		(2,105,626)	6,053,394	(1,683,476)	6,053,394
Reversal loss from impairment on investments in subsidiary		-	-	-	13,455,716
Loss from impairment on investments in associates		(41,958)	-	(41,958)	-
Profit (loss) from operating activities		110,472,163	30,622,905	(13,464,151)	48,319,568
Finance costs		(38,049,758)	(10,496,544)	(26,469,303)	(3,848,211)
Profit (loss) before income tax		72,422,405	20,126,361	(39,933,454)	44,471,357
Income tax revenues (expenses)	32	(1,542,806)	(332,219)	239,530	147,234
Profit (loss) for the year		70,879,599	19,794,142	(39,693,924)	44,618,591
Other comprehensive income					
Item that will not be reclassified to profit or loss	27				
Actuarial gain arising from defined benefit plan		-	65,920	-	-
Other comprehensive income for the year-net of tax		-	65,920	-	-
Total comprehensive income for the year		70,879,599	19,860,062	(39,693,924)	44,618,591
Profit (loss) attributable to:					
Shareholders of the Company		72,463,342	21,216,574	(39,693,924)	44,618,591
Non-controlling interests		(1,583,743)	(1,422,432)	-	-
Profit (loss) for the year		70,879,599	19,794,142	(39,693,924)	44,618,591
Total comprehensive income attributable to:					
Shareholders of the Company		72,463,342	21,282,494	(39,693,924)	44,618,591
Non-controlling interests		(1,583,743)	(1,422,432)	-	-
Total comprehensive income for the year		70,879,599	19,860,062	(39,693,924)	44,618,591
Basic earnings (loss) per share (Baht/share)	33	0.053	0.022	(0.029)	0.047
Diluted earning (loss) per share (Baht/share)	33	0.049	0.020	(0.027)	0.043

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

EUREKA DESIGN PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2022

Consolidated financial statements

(Unit : Baht)

	Notes	Issued and paid-up share capital	Premiums on ordinary shares	Advance received for ordinary shares	Legal reserve	Retained earnings (Deficit)	Differences arising from common control transactions	Other components of equity			Total equity attributable to owners of the parent	Non-controlling interests	Total equity
								Revaluation of asset	Change in ownership interests in subsidiary	Total other components of equity			
Balance as at January 1, 2021		222,438,945	164,833,897	-	4,660,000	(85,064,590)	(1,387,210)	6,646,395	(509,366)	4,749,819	311,618,071	9,173,109	320,791,180
Increase ordinary shares	28	112,911,450	271,234,350	-	-	-	-	-	-	-	384,145,800	-	384,145,800
Advance received for ordinary shares		-	-	42,352,537	-	-	-	-	-	-	42,352,537	-	42,352,537
Change in ownership interests in subsidiary		-	-	-	-	-	-	-	-	-	-	(4,218,276)	(4,218,276)
Profit for the year (previously reported)		-	-	-	-	20,986,886	-	-	-	-	20,986,886	(1,422,432)	19,564,454
The effect of correction of errors	3	-	-	-	-	229,688	-	-	-	-	229,688	-	229,688
Profit (loss) for the year (restated)		-	-	-	-	21,216,574	-	-	-	-	21,216,574	(1,422,432)	19,794,142
Other comprehensive income for the year		-	-	-	-	65,920	-	-	-	-	65,920	-	65,920
Total comprehensive income for the year		-	-	-	-	21,282,494	-	-	-	-	21,282,494	(1,422,432)	19,860,062
Balance as at December 31, 2021 (restated)		335,350,395	436,068,247	42,352,537	4,660,000	(63,782,096)	(1,387,210)	6,646,395	(509,366)	4,749,819	759,398,902	3,532,401	762,931,303
Increase ordinary shares	28	106,034,306	430,835,931	(61,870,237)	-	-	-	-	-	-	475,000,000	-	475,000,000
Advance received for ordinary shares		-	-	19,517,700	-	-	-	-	-	-	19,517,700	-	19,517,700
Change in ownership interests in subsidiary		-	-	-	-	(134,691)	-	-	-	-	(134,691)	134,591	(100)
Profit (loss) for the year		-	-	-	-	72,463,342	-	-	-	-	72,463,342	(1,583,743)	70,879,599
Other comprehensive income for the year		-	-	-	-	(140)	-	-	-	-	(140)	140	-
Total comprehensive income for the year		-	-	-	-	72,328,511	-	-	-	-	72,328,511	(1,449,012)	70,879,499
Balance as at December 31, 2022		441,384,701	866,904,178	-	4,660,000	8,546,415	(1,387,210)	6,646,395	(509,366)	4,749,819	1,326,245,113	2,083,389	1,328,328,502

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

EUREKA DESIGN PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2022

Separate financial statements

	Notes	Issued and paid-up share capital	Premiums on ordinary shares	Advance received for ordinary shares	Legal reserve	Retained earnings (Deficit)	Revaluation of asset	Other components of equity		Total equity
								Revaluation of asset	Total other components of equity	
Balance as at January 1, 2021		222,438,945	164,833,897	-	4,660,000	(77,495,061)	6,646,395	6,646,395		321,084,176
Increase ordinary shares	28	112,911,450	271,234,350	-	-	-	-	-	-	384,145,800
Advance received for ordinary shares		-	-	42,352,537	-	-	-	-	-	42,352,537
Profit for the year		-	-	-	-	44,618,591	-	-	-	44,618,591
Total comprehensive income for the year		-	-	-	-	44,618,591	-	-	-	44,618,591
Balance as at December 31, 2021		335,350,395	436,068,247	42,352,537	4,660,000	(32,876,470)	6,646,395	6,646,395		792,201,104
Increase ordinary shares	28	106,034,306	430,835,931	(61,870,237)	-	-	-	-	-	475,000,000
Advance received for ordinary shares		-	-	19,517,700	-	-	-	-	-	19,517,700
Loss for the year		-	-	-	-	(39,693,924)	-	-	-	(39,693,924)
Total comprehensive income for the year		-	-	-	-	(39,693,924)	-	-	-	(39,693,924)
Balance as at December 31, 2022		441,384,701	866,904,178	-	4,660,000	(72,570,394)	6,646,395	6,646,395		1,247,024,880

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

EUREKA DESIGN PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2022

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
		(Restated)		
Cash flow from operating activities				
Profit (loss) for the year	70,879,599	19,794,142	(39,693,924)	44,618,591
Adjustments to reconcile profit (loss) for the year for cash received (paid) from operations				
Depreciation	16,369,814	17,776,817	6,157,188	7,069,116
Depreciation of right of use assets	1,977,712	7,113,642	223,663	-
Amortization of intangible assets	194,037	3,962,073	192,151	3,269,551
Allowance for expected credit loss-trade and other receivables (reversal)	1,754,647	(6,053,394)	1,683,476	(6,053,394)
Allowance for expected credit loss-other current assets	350,979	-	-	-
Reversal loss on declining value of inventories	(2,151,923)	(8,762,968)	(2,151,923)	(8,762,968)
Unrealized (gain) loss on exchange rate	1,525,802	(494,504)	(247,845)	(380,038)
Impairment loss on investment in associates	41,958	-	41,958	-
Impairment gain on investment in subsidiaries	-	-	-	(13,455,716)
Gain from disposed and written-off assets	(6,174,991)	(6,477)	(1,002,801)	(6,477)
Gain from decrease in terminating lease contract	(3,747,543)	-	-	-
Reversal impairment loss on assets	-	(32,860)	-	(32,860)
Profit on bargain purchase	-	(49,093,358)	-	(22,200,875)
Employee benefits expenses	1,368,142	898,587	704,153	677,404
Interest income	(1,122,676)	(14,717)	(10,141,786)	(313,972)
Interest expenses	14,243,284	10,496,545	2,662,829	3,848,211
Interest expenses of lease liabilities	48,255	-	48,255	-
Direct expenses in issuing convertible debentures	23,758,219	-	23,758,219	-
Income tax expenses (revenues)	1,542,806	332,219	(239,530)	(147,234)
Profit (loss) from operation before changes in operating assets and liabilities	120,858,121	(4,084,253)	(18,005,917)	8,129,339

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

EUREKA DESIGN PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2022

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
		(Restated)		
Change in operating assets and liabilities				
Trade and other receivables	15,551,126	(44,739,492)	10,355,118	1,702,062
Current contractual assets	-	3,683,875	-	3,683,875
Inventories	10,459,986	24,254,285	7,578,528	23,781,705
Other current assets	(9,766,086)	-	(8,049,715)	-
Other non-current assets	13,472,113	(269,880)	12,952,647	73,200
Trade and other payables	(35,407,935)	(4,258,764)	13,572,781	955,356
Contractual liabilities	(736,775)	(1,743,879)	(736,775)	(1,743,879)
Provision for other payables	-	(982,800)	-	(982,800)
Other current liabilities	(2,514,112)	1,074,940	(190,813)	-
Other non-current liabilities	-	1,424,061	-	751,230
Cash received (paid) from operation	111,916,438	(25,641,907)	17,475,854	36,350,088
Cash paid for income tax	(3,589,061)	(1,531,200)	(985,625)	(1,582,987)
Net cash received (paid) from operating activities	108,327,377	(27,173,107)	16,490,229	34,767,101
Cash flow from investing activities				
(Increase) decrease in other non-current financial assets	(1,520)	295,562	(1,520)	295,562
Cash received from short-term loans to related parties	-	-	101,349,030	1,590,000
Cash paid for short-term loans to related parties	-	-	(379,800,000)	(54,965,000)
Cash paid for investment in subsidiaries	-	-	(205,000,100)	-
Cash received from disposed of investments in subsidiaries	-	80,000,000	-	80,000,000
Cash paid for purchase of property, plant and equipment	(762,394,702)	(597,110)	(50,405,652)	(163,655)
Cash received from disposed of property, plant and equipment	7,254,757	104,100	2,005,607	104,100
Cash paid for purchase of right of use assets	(49,756)	-	(49,756)	-
Cash paid for purchase of intangible assets	(78,000)	(13,200)	(78,000)	(6,700)
Cash paid for capital increase in associated	-	(5,000,000)	-	(5,000,000)
Cash received from cancellation of investment in associates	4,958,042	-	4,958,042	-
Cash received from interest income	111,835	8,701	4,835,051	334,521
Net cash received from (used in) investing activities	(750,199,344)	74,798,053	(522,187,298)	22,188,828

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

EUREKA DESIGN PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2022

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021 (Restated)	2022	2021
Cash flow from financing activities				
Decrease in short-term loans from financial institutions	(98,621,074)	(10,264,044)	(48,621,074)	(10,190,557)
Cash received from short-term loans from person and related parties	-	13,000,000	-	12,000,000
Cash paid for short-term loans from person and related parties	(6,500,000)	(21,500,000)	(5,500,000)	(6,500,000)
Cash received from short-term loans from other person	100,000,000	35,120,000	100,000,000	-
Cash paid for short-term loans from other person	(113,120,000)	(22,000,000)	(100,000,000)	-
Cash received from short-term loans from financial institutions	-	185,000,000	-	185,000,000
Cash paid for short-term loans from financial institutions	-	(185,000,000)	-	(185,000,000)
Cash received from long-term loans from financial institutions	250,000,000	34,244	-	-
Cash paid for long-term loans from financial institutions	(20,130,402)	(857,783)	(2,218,030)	(38,583)
Cash paid for liabilities under lease agreement	(248,775)	(194,695)	(248,775)	-
Cash received from convertible bonds	495,000,000	-	495,000,000	-
Cash paid for issuing convertible bonds expenses	(24,750,000)	-	(24,750,000)	-
Advance received for ordinary shares	19,517,700	42,352,537	19,517,700	42,352,537
Cash received from increase of share capital	-	1,645,800	-	1,645,800
Cash paid for interest expenses	(14,820,086)	(4,737,647)	(2,733,103)	(3,782,325)
Capital increase paid for non-controlling interests of the subsidiaries	-	47,123,929	-	-
Decrease in cash from the loss of control in subsidiaries	(100)	(22,625)	-	-
Net cash used in financing activities	586,327,263	79,699,716	430,446,718	35,486,872
Cash and cash equivalent items increase(decrease)-net	(55,544,704)	127,324,662	(75,250,351)	92,442,801
Cash and cash equivalent items at the beginning of the year	131,479,029	4,154,367	93,241,070	798,269
Cash and cash equivalent items at the end of the year	75,934,325	131,479,029	17,990,719	93,241,070

Additional disclosure :

Items not affecting cash flow are as follows :-

- Purchases of assets which had not yet been paid	42,029,723	-	51,802,591	-
- Transfer of investment property to property, plant and equipment	38,181,441	-	38,181,441	-
- Transfer of non-operating assets to property, plant and equipment	3,602	-	3,602	-
- Transfer of property, plant and equipment to investment property	-	-	1,541,719	-
- Transfer of property, plant and equipment to non-operating asset	18,283,322	-	18,283,322	-
- Property, plant and equipment decreased due to the reduction of construction costs	38,489,056	-	-	-
- Acquisition of rights of assets under lease agreements	2,670,781	-	2,670,781	-
- Investment in subsidiary which had not yet been paid	-	-	9,900	-
- Creditors decreased due to cancellation of investment in associates	4,799,000	-	4,799,000	-

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

EUREKA DESIGN PUBLIC COMPANY LIMITED AND SUBSIDIARIES COMPANIES
NOTES TO FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2022

1. General information

Eureka Design Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 19 Moo 11, Tambon Ladsawai, Amphoe Lamlukka, Pathumthani. And the Company was listed on the Stock Exchange of Thailand in February 2013.

The Company main business activity is engaged in the distributor electronic component and Closed-circuit television (CCTV).

Its subsidiary companies which operate business according in the note to financial statements No. 4.1.

2. Basis of financial statements preparation and accounting policies

2.1 The financial statements are issued for reporting purposes to be used in Thailand 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.

2.2 The consolidated and the separate financial statements were prepared in accordance with the generally accepted accounting principles under the Accounting Act B.E. 2543, which include the already announced accounting standards, financial reporting standards and their interpretation including accounting guidance issued by the Federation of Accounting Professionals (“TFAC”) established under the Accounting Professions Act B.E. 2547 and regulations in accordance with the determination of the Office of the Securities and Exchange Commission on the subject of preparation and presentation of the financial reports.

The presentation of financial statements is in accordance with the determination stated in the Notification of the Department of Business Development dated December 26, 2019, issued under the Accounting Act, B.E. 2543

These financial statements were prepared by using historical cost basis except those disclosed otherwise in the accounting policies.

2.3 Preparation of the financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and underlying assumptions are resulted from experience and other factors that the management has reasonably assurance under such circumstance. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised and in any future periods affected the significant estimates and assumptions are as follows:-

Right-of-use assets and lease liabilities

In estimating the right-of-use assets and lease liabilities, the management needs to make judgement and estimated of the purchase option or renewal option exercised including review estimate useful lives and residual values of underlying asset if any change occurs.

In addition, the management is required to review right-of-use assets for impairment on a periodical basis and record impairment losses in period when it is determined that their recoverable amount is lower then the carrying amount. This requires judgments regarding forecast of future revenues and expanses relating to the assets subject to the review.

Lease

Lease-where the Group is the lessor, in determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding significant risk and rewards of ownership of the leased assets have been transferred, taking into consideration terms and conditions of the arrangements.

Expected credit loss

In determining the expected credit loss, the management needs to use judgment in estimating the expected loss and forecasts for the future about economic factors affecting credit risk of financial assets.

Allowance for decline in value of inventories

In determining an allowance for decline in value of inventories, the management uses the discretion in estimating the net realizable value of inventories. The sum of money expected to receive from inventories is considered from the change in sale price or cost directly related to the events occurring after of report period.

Allowances for decline in value of dilapidated inventories and non-movement inventories

Allowances for decline in value of dilapidated inventories and non-movement inventories are estimated from inventories which are subject to dilapidation and non-movement.

Investment property, property, plant and equipment and depreciation

In determining depreciation of investment property, property, plant and equipment, the management is required to make estimates of the useful lives and residual values of the investment property, property, plant and equipment and to review estimate useful lives and residual values if any change occurs.

In addition, the management is required to review investment property, property, plant and equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

Deferred tax assets

Deferred tax assets are recognized for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimate future taxable profits.

Estimating costs of rectification in the period of guarantee work

Management applies judgement in estimating the costs of rectification in the period of guarantee work which they expect to be realised on each construction project, based on estimates of anticipated costs, with reference to past experience.

Estimate on employee benefit obligations

The obligation under the post-employment benefit is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate and staff turnover rate.

Goodwill

The initial recognition and measurement of goodwill and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and choose a suitable discount rate in order to calculate the present value of those cash flows.

Litigation

The Group has contingent liabilities as a result of the litigation. The management has used judgment to assess of the results of the litigation and estimated contingent damage.

Other estimates are disclosed under related caption in these notes to financial statements.

3. Restated the consolidated financial statements and reclassified

During the year 2022, the Group has completely determined the fair value of the net assets acquired at the acquisition date. Such determination, the Group has to restated the consolidated financial statements which consists of the consolidated statements of financial positions as at December 31, 2021, the consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year ended December 31, 2021. Moreover, some items in the consolidated and separate statements of financial positions, the consolidated and separate statements of comprehensive income have been reclassified to correspond with the presentation of the financial statements as at December 31, 2022. The Company has restated the comparative financial statements which shows the following effects:

(Unit : Thousand Baht)

	Consolidated financial statements			
	Before readjustment	Effects of restated the consolidated financial statements	Reclassified increase (decrease)	After readjustment
Statement of financial position as at December 31, 2021				
Trade and other receivables	96,527	-	(24,443)	72,084
Current tax assets	649	-	(649)	-
Other current assets	-	-	25,092	25,092
Property, plant and equipment	421,642	(1,194)	-	420,448
Goodwill	270,414	1,183	-	271,597
Deferred tax assets	6,129	3,460	-	9,589
Trade and other payables	115,071	-	(913)	114,158
Deferred tax liabilities	2,701	-	913	3,614
Other non-current liabilities	4,155	3,219	-	7,374
Unappropriated deficit	64,012	(229)	-	63,783
Statements of comprehensive income for the year ended December 31, 2021				
Interest income	15	-	(15)	-
Gain from exchange rate net	1,500	-	(1,500)	-
Other income	12,456	-	1,515	13,971
Cost of sales and services	72,673	(286)	(8,763)	63,624
Distribution cost	785	-	(785)	-
Reversal allowance for decline in value of inventories	8,763	-	(8,763)	-
Selling and distribution expenses	-	-	785	785
Income tax expenses	276	56	-	332

(Unit : Thousand Baht)

	Separate financial statements		
	Before reclassified	Reclassified increase (decrease)	After reclassified
Statement of financial position as at December 31, 2021			
Trade and other receivables	15,877	(800)	15,077
Other current assets	647	800	1,447
Trade and other payables	22,408	(1,235)	21,173
Other current liabilities	-	1,235	1,235
Statements of comprehensive income for the year ended December 31, 2021			
Interest income	314	(314)	-
Gain from exchange rate net	1,379	(1,379)	-
Other income	15,925	1,693	17,618
Cost of sales and services	26,197	(8,763)	17,434
Cost of distribution	472	(472)	-
Reversal allowance for decline in value of inventories	8,763	(8,763)	-
Selling and distribution expenses	-	472	472

4. Basis of the consolidated financial statements preparation

4.1 The consolidated financial statements have been prepared by consolidating the financial statements of the Company and of three subsidiary companies ("the Group") The detail of structure and shareholding ratio of the Group is as follows:-

Company's name	Percentage of shareholding		Incorporation	Type of business
	2022	2021		
Modern Synergy Co.,Ltd.	99.79	99.42	Thailand	Manufacture and sell water and raw water
Eureka Energy Co.,Ltd.	55.00	55.00	Thailand	Manufacture energy
A.P.W. International Co.,Ltd.	100.00	100.00	Thailand	Manufacture and sell plastic

4.2 Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

4.3 The consolidated financial statements have been prepared using the same accounting policy for the same accounting items and other events in the similar situation.

4.4 The accounting periods of subsidiary companies ended the same date as that of EUREKA DESIGN PUBLIC COMPANY LIMITED.

4.5 The consolidated financial statements combine the accounts of the Company and subsidiary companies after eliminating inter-company transaction items. The balances between the Company and subsidiary companies, significant intra-group transactions, investments in subsidiary companies and share capital of subsidiary companies have already been eliminated from the consolidated financial statements.

5. Summary of significant accounting policies

5.1 Cash and cash equivalent

Cash and cash equivalent items includes cash, savings account deposits, current account deposits and not exceeding three months fixed deposits and all highly liquid investments with an original maturity of three months or less from the date of acquisition and not subject to withdrawal restrictions.

5.2 Trade and other receivables

Trade and other receivables are stated at the net realisable value and recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at its present value of the consideration. However, the consideration of the impairment of trade and other receivables has shown in Note 5.3.

5.3 Financial instruments

Classification and measurement of financial assets

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs.

Financial assets - debt securities are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income (FOVCI) or fair value through profit or loss (FVTPL). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets - equity investments, , the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVTPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVTPL.

Financial assets at amortised cost

Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired

Financial assets designated at FVOCI

Debt investments measured at FVOCI are subsequently measured at fair value. Interest income, calculated using the effective interest method and expected credit loss are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments measured at FVOCI are subsequently measured at fair value. Dividend income is recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial assets at FVTPL

Financial assets measured at FVTPL are subsequently measured at fair value with net changes in fair value recognised in profit or loss.

Dividends on investments are recognised as other income in profit or loss.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group’s financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

For trade and other receivables, the Group applies a simplified approach in calculating an allowance for expected credit losses (“ECLs”). Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative

Derivative classifies and measured at fair value through profit and loss unless hedge accounting is applied to the derivative contracts.

5.4 Inventories

Inventory are stated at cost or net realizable value, whichever is the lower. Cost is determined by the first-in, first-out method.

Cost comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

5.5 Investments

Investments in subsidiaries

According to the separate financial statements, investments in subsidiaries are recorded at cost method deducted by allowance for impairment loss.

Investments in associates

According to the separate financial statements, investments in associates are recorded at cost method deducted by allowance for impairment loss and according to the consolidated financial statements are recorded at equity method.

5.6 Investment property

Investment properties is defined as land or a building or part of a building, or both, held to earn rental or for capital appreciation or both, rather than for use in the production or supply of goods and services, for administrative purposes, or for making sales in the ordinary course of business.

Investment properties of the Group are measured initially at cost. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

The depreciation of the investment property is calculated by reference to their costs on the straight-line basis over the estimated useful life as follows: -

Building and improvement	5 - 20 years
Vehicles	5 years

The depreciation of the investment property is included in the calculation for the operating result. No depreciation is calculated for investment property in case of land and construction in progress.

The Group recognizes the difference between the assets' net realizable value and book value in the profit or loss for the period the investment property are derecognized from the account.

Transfers investment property to property and plant is stated at carrying amount of the investment property transferred at the date of the change in use and measured in accordance with accounting policy of property and plant.

5.7 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and allowance for impairment losses (if any).

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bring the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalized borrowing costs.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs, the cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows :-

Building and improvements	10 - 20 years
Machinery and equipment	5 - 10 years
Office equipment	3 - 10 years
Vehicles	5 years

No depreciation is provided on land and assets under installation and construction in progress.

Gains or losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income or other expense in profit or loss.

Transferred from owner-occupied property to investment property is stated at carrying amount of the property transferred at the date of the change in use.

5.8 Intangible assets

Intangible assets are shown at cost less by accumulated amortized expense and allowance for impairment (if any) of that asset. Amortization is calculated over the cost of the asset less its residual value. Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives are as follows: -

Software	2 - 5 years
License	3 - 5 years

5.9 Leases

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group is the lessee

The Group applies a single accounting method for the recognition and measurement of all lease contracts. Except for short-term leases and leases where the underlying asset is of low value at the commencement date of the lease. Right-of-use assets representing the right to use the underlying asset and lease liabilities are recorded as lease payments.

Right-of-use assets

Right-of-use assets are measured at cost less accumulated depreciation. Accumulated impairment loss and adjusted with a new measurement of the lease liability. The cost of a right-of-use asset comprises the amount of the lease liability on initial recognition. Initial direct costs incurred The amount paid under the lease agreement on or before the effective date of the lease and deducted by the lease incentive received.

Depreciation of right-of-use assets are calculated by reference to their costs on a straight-line basis over the lease period, as follows:-

Land	10 years
Vehicles	5 years

If ownership of an underlying asset is transferred to the Group at the end of the lease term or its cost includes the exercise of a purchase option. Depreciation is calculated based on the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments made over the lease term. The lease payments consist of fixed rent less lease incentives, variable rent based on index or rate, the amount expected to be paid under the residual value guarantee including the exercise price of the option, which is reasonably certain that the Group will exercise the option and payment of fines for the termination of the lease if the terms of a lease demonstrate that the Group exercises its right to terminate the lease. The Group recognizes variable rents that are not independent of an index or rate as an expense in the period in which the event or condition relating to the payment occurs.

The Group discounts the present value of the lease payments at the interest rate implied by the lease or the Group's incremental borrowing rate. After the effective date of the lease agreement, the book value of the lease liabilities will increase from the interest on the lease liabilities and decrease from the payment of the lease liabilities. In addition, the carrying amount of the lease liabilities is remeasured whenever there is a change in the lease term, changes in lease payments, or changes in the assessment of options to purchase the underlying assets.

Short-term leases and leases of low-value assets

Leases with a lease term of 12 months or less from the effective date of the lease or leases on which the underlying asset is low value, it will be recorded as expenses on a straight-line basis over the lease term.

The Group is the lessor

Operating lease

Leases which do not transfer substantially all the risks and rewards incidental to ownership are classified as operating leases. The Group recognizes the amount received under operating leases as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred on an acquisition of an operating lease are included in the carrying amount of the underlying asset and recognized as an expense over the lease term on a basis consistent with the lease income.

Finance lease

Leases that transfer to the lessee all or most of the risks and rewards of ownership of an underlying asset are finance leases. The Group recognizes finance lease receivables by the net investment amount of the lease. It comprises the present value of the lease and its unguaranteed residual value, discounted at the interest rate implied by the lease. Interest income on finance leases is allocated each accounting period to reflect the Group's fixed periodic rate of return on the remaining net investment in the lease.

5.10 Cost of borrowing

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

5.11 Goodwill

The Group uses the acquisition method to account for business combinations. The Group (the acquirer) measures the acquisition cost as the sum of the consideration transferred, which is measured at its fair value at the acquisition date.

The Group accounted acquisition-related costs as expenses in the period in which the costs are incurred and when the services are received.

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in income statement.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of cash-generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Group estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in income statement. Impairment losses relating to goodwill cannot be reversed in future periods.

5.12 Impairment - non financial assets

The carrying amounts of assets are assessed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated of asset or its cash-generating unit to which the asset is included in. An impairment loss is recognized when the recoverable amount less than the carrying amount of the asset or its cash generating unit.

Other intangible assets with indefinite useful lives, and intangible assets not yet available for use, are tested for impairment annually, even though there is no indicator of impairment are identified.

The recoverable amount is the asset's fair value less costs to sell and its value in use in assessing the value in use of assets. The Group estimates the future cash flows expected to be generated by the asset and is discounted to their present value using a before tax discount rate that reflects current market assessments of the time value of cash and cash flows. The risks that are characteristic of the asset under consideration to determine fair value less costs to sell. The Group uses the best valuation model that is appropriate for the assets. It reflects the amount that the entity can obtain from the disposal of the asset less the cost of disposal by selling, buyers and sellers are knowledgeable and willing to exchange and can freely negotiate prices as those who are not related to each other.

The Group recognizes impairment losses in profit or loss.

In the assessment of asset impairment (except for goodwill), if there is any indication that previously recognized impairment losses may no longer exist or may have decreased, the Group estimates the assets recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the assets recoverable amount since the last impairment loss was recognized. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss.

5.13 Employee benefits

Short-term employee benefits

The Group is recognized salary, wage, bonus, and social security fund are expenses on date when the transactions occur.

Post-employment benefits (Defined benefit plans)

The Group has obligations in respect of the severance payments then must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The Group calculated its obligations from post employment benefits by using projected unit credit method. The independent expert has actuarially estimated such obligations, where the principle of such estimation requires various assumptions, including future salary increase rate, turnover rate, death rate, and inflation rate.

Actuarial gains or losses arising from post-employment benefits are recognized in other comprehensive income in the period in which they arise.

Past service costs are recognized in profit or loss on the earlier of the date of the plan amendment or curtailment.

5.14 Provision of liabilities

The Group are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made where the Group expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

5.15 Recognition of revenues

5.15.1 Revenue from sales and services are recognized at the point in time when control of the goods and services are transferred to the customer, generally on delivery of the goods and services. Revenue from sales and services are measured at the amount of consideration received or expect to be received for delivered goods and services after deduction of discounts, excluding value added tax.

5.15.2 Revenue from construction services comprises the initial amount of revenue as agreed in the contract and income from the additional work as agreed in the quotation, which is recognized based on the percentage of completion method. The percentage of completed is determined by surveying the percentage of completed physical construction work compared to all construction work in accordance with the contract by the construction supervisor engineer. In the event that there is a certain possibility that the total cost of the project exceeds the contract revenue value The Group will recognize such loss immediately in profit or loss. The recognized revenues per the percentage of completion method which have not yet been due have been shown under the caption of "Contractual assets" Unrecognized income based on per percentage of completion method but payment under the contract have been show under the caption of "Contractual liabilities" in the statement of financial position. When the progress of completion cannot be estimated reliably, revenue from rendering of project construction service is recognized only to the extent of contract costs incurred that are likely to be recoverable.

5.15.3 Rental income recognized on a straight line basis over the term of the lease.

5.15.4 Interest is recognized on an accrual basis based on the effective interest rate.

5.15.5 Revenue from tax return is recorded to other income when tax return is received.

5.15.6 Dividend are recognized when the right to receive the dividends is established

5.15.7 Other income are recognized on an accrual basis.

5.16 Recognition of expenses

5.16.1 Costs of construction contracts related to satisfying performance obligations under the contracts is recognized in the profit and loss when the cost incurred and when it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized as an expense in profit and loss immediately.

5.16.2 Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss using the effective interest method.

5.16.3 Other expenses are recognized on an accrual basis.

5.17 Income tax

Income tax comprises current tax and deferred tax. Income tax expense is recognized in profit or loss except to the extent that related to items recognized in other comprehensive income or recognized directly in equity which will recognize in other comprehensive income or recognized directly in equity as same as that items.

Current income tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred tax is provided on temporary differences between the tax bases on assets and liabilities and their carrying amounts at the end of each reporting period by using the tax rates enacted at the end of the reporting period.

The Group recognizes deferred tax liabilities for all taxable temporary differences while they recognizes deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilized.

At each reporting date, the Group reviews and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

5.18 Basic earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing net profit (loss) (excluding other comprehensive income) with weighted average number of issued and paid-up shares during the year.

Diluted earnings (loss) per share are calculated by net income for the years attributable to ordinary shareholders of the Company, by the weighted average number of ordinary shares outstanding during the years after adjusting for the effects of all dilutive potential ordinary shares.

5.19 Foreign currencies

Foreign currency transactions are translated into Baht at the rates ruling on the occurrence dates. Assets and liabilities in foreign currency outstanding on the year-end date are translated into Baht at the rates ruling on that date. Exchange gains or losses are included as incomes or expenses in profit or loss.

5.20 The related persons or related companies

The related persons or related companies with the Group meant individuals or enterprises which have the controlling power over the Group or are controlled by the Group either directly or indirectly, or under the same control with the Group. Furthermore, the related persons or related companies also meant the associated companies and the persons whose holding the shares with voting rights, either directly or indirectly, and have significant influence to the Group, important management, directors or the employees of the Group who have the power to plan and control the operations of the Group including the family members close to the said persons which could persuade or power to persuade to act in compliance with the said persons and business that the said persons have control power or significant influence, either directly or indirectly.

5.21 Segment reporting

The sectoral business operation is disclosed under the separate business sectors of the Group by the business sector that source products or provide services which have different risks and return from the risks and return of the products or services provide by other business sectors.

5.22 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy into three levels based on categorize of input to be used in fair value measurement as follows: -

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities.
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly.
- Level 3 - Use of unobservable inputs such as estimates of future cash flows.

At the end of each reporting period, the Company and its subsidiaries determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

6. Inter-transaction with related companies

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>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Trade receivables				
Subsidiaries	-	-	-	414
Other receivables				
Subsidiaries	-	-	2,057	4,124
Accrued interest				
Subsidiaries	-	-	4,296	4
Short-term loans to related parties				
Subsidiary				
Beginning balance	-	-	120,915	75,000
Increase	-	-	379,800	54,965
Decrease	-	-	(101,349)	(9,050)
Ending balance	-	-	399,366	120,915

During the year 2021 short-term loans to a subsidiary company decreased by Baht 7.46 million due to the disposal of investment in subsidiary.

As at December 31, 2022 and 2021, the short-term loans to related parties is in form of promissory notes with with maturity within 6-12 months and interest rates at 5.89% - 7.40% per annum for the both years.

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Other payables				
Subsidiaries	-	-	20,676	4,923
Interest payable				
Related person	-	70	-	70
Short-term loans from related person				
Related person				
Beginning balance	6,500	15,000	5,500	-
Increase during the period	-	13,000	-	12,000
Decrease during the period	(6,500)	(21,500)	(5,500)	(6,500)
Ending balance	-	6,500	-	5,500

As at December 31, 2021, the consolidated and separate financial statements, short-term loans to related parties for the whole amount are loans from the Company's directors in form of promissory notes with maturity within 6 months and interest rates at 6.84% per annum.

6.2 Inter-revenues and expenses

(Unit : Thousand Baht)

	<u>Pricing policy</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>For the year ended December 31,</u>			
		<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Inter-transaction with subsidiaries					
(Eliminated from consolidated financial statements)					
Revenue from sales	Agreed upon agreements	-	-	-	387
Rental and service income	Contract price	-	-	2,256	5,046
Interest income	Agreed upon agreements	-	-	6	-
Revenue from sales	Annual interest rate at 5.89%-7.40%	-	-	9,060	306
Purchase asset	Agreed upon agreements	-	-	21,000	-
Inter-transaction with related persons and parties					
Interest income	Annual interest rate at 6.84%	13	1,018	6	-

6.3 Directors and management's benefits

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>For the year ended December 31,</u>			
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Short-term benefits	6,252	7,761	4,329	5,965
Post-employment benefits	-	277	-	277
Total	6,252	8,038	4,329	6,242

Director and Management benefit expenses represent the benefits paid to the Company's management and directors such as salaries, related benefit and directors' remuneration including the benefit paid by other means. The Company's management are the persons who are defined under the Securities and Exchange Act.

6.4 Relationship of related companies

<u>Company's name</u>	<u>Relationship</u>
Modern Synergy Co.,Ltd.	Subsidiary company by shareholding and common management
Eureka Energy Co.,Ltd.	Subsidiary company by shareholding and common management
A.P.W. International Co.,Ltd.	Subsidiary company by shareholding and common management
Related person	Director and shareholder of Eureka Design Public Company Limited.

7. Cash and cash equivalent items

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>For the year ended December 31,</u>			
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cash	20	1,586	9	32
Saving deposit	75,515	1,693	17,797	93,155
Current deposit	399	128,200	185	54
Total	75,934	131,479	17,991	93,241

8. Trade and other receivables

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Trade receivables-related parties	-	-	-	414
Trade receivables-other parties	49,399	71,776	7,195	12,165
Total trade receivables	49,399	71,776	7,195	12,579
<u>Less</u> Allowance for expected credit loss	(7,195)	(5,511)	(7,195)	(5,511)
Trade receivables-net	42,204	66,265	-	7,068
Other receivables-related parties	-	-	2,057	4,124
Other receivables-other parties	249	3,668	18	1,406
Accrued income	-	1,838	-	1,857
Accrued interest-related parties	-	-	4,296	4
Accrued interest-other parties	1,021	-	1,021	6
Prepaid expenses	9,618	297	559	612
Deposit	47	16	47	-
Others	1,195	-	595	-
Total other receivables	12,130	5,819	8,593	8,009
<u>Less</u> Allowance for expected credit loss	(71)	-	-	-
Total other receivables - net	12,059	5,819	8,593	8,009
Total trade and other receivables	54,263	72,084	8,593	15,077

Aging analyses for trade receivables were as follows :-

8.1 Trade receivable-related parties

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Trade receivables				
Within credit term	-	-	-	-
Over due				
- Not over 3 months	-	-	-	38
- 3 months but not over 6 months	-	-	-	376
Total	-	-	-	414

The normal credit term granted by the Group ranges from 30 days to 180 days.

8.2 Trade receivable-other parties

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Trade receivables				
Within credit term	42,204	35,996	-	-
Over due				
- Not over 3 months	-	16,027	-	-
- 3 months but not over 6 months	-	12,343	-	4,756
- 6 months but not over 12 months	-	1,471	-	1,470
- 12 months	7,195	5,939	7,195	5,939
Total	49,399	71,776	7,195	12,165
<u>Less</u> Allowance for expected credit loss	(7,195)	(5,511)	(7,195)	(5,511)
Net	42,204	66,265	-	6,654

The normal credit term granted by the Group ranges from 15 days to 90 days.

The movement of allowance for expected credit losses-trade and other receivable for the years ended December 31, 2022 and 2021, were as follows: -

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Beginning balance	(5,511)	(11,565)	(5,511)	(11,565)
Increase during the year	(1,825)	(1,344)	(1,753)	(1,344)
Collect during the year	69	7,398	69	7,398
Ending balance	(7,266)	(5,511)	(7,195)	(5,511)

9. Contract assets/Contract liabilities

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Contractual assets				
Trade receivables unbilled	4,482	4,482	4,482	4,482
<u>Less</u> Allowance for expected credit loss	(4,482)	(4,482)	(4,482)	(4,482)
Net	-	-	-	-
Contractual liabilities				
Unbilled work costs	-	737	-	737

10. Short-term loans to other parties

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Beginning balance	14,836	-	14,836	-
Increased during the year	-	14,836	-	14,836
Ending balance	14,836	14,836	14,836	14,836

As at December 31, 2022 and 2021, the Company combined all promissory notes, including liability obligations with a former subsidiary and issued the new promissory notes bearing with interest rate based on the average interest rate of prior promissory notes. The borrower shall pay the interest by monthly. This promissory note has matured within 1 year for the both years.

11. Inventories

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Finished goods	4,938	10,811	-	2,924
Work in progress	-	592	-	592
Raw materials	267	4,263	-	4,063
Total	5,205	15,666	-	7,579
<u>Less</u> Allowance for declining in value of inventories	-	(2,152)	-	(2,152)
Net	5,205	13,514	-	5,427

For the year ended December 31, 2022 and 2021, movements of allowance for declining in value of inventories are as follow:-

	(Unit : Thousand Baht)			
	<u>Consolidated financial</u>		<u>Separate financial</u>	
	<u>statements</u>		<u>statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
- Allowance for declining in value of inventories beginning balance	(2,152)	(10,915)	(2,152)	(10,915)
- Increase during the year	-	(292)	-	(292)
- Reversal during the year	2,152	9,055	2,152	9,055
- Allowance for declining in value of inventories ending balance	-	(2,152)	-	(2,152)

	(Unit : Thousand Baht)			
	<u>Consolidated financial</u>		<u>Separate financial</u>	
	<u>statements</u>		<u>statements</u>	
	<u>For the year ended December 31,</u>			
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cost of inventories recognized as an expense and is included				
in cost of goods sold account				
- Cost of goods sold	122,136	72,387	11,995	26,197
- Reversal loss on declining value of inventories	(2,152)	(8,763)	(2,152)	(8,763)
Net	119,984	63,624	9,843	17,434

12. Other non-current financial assets

	(Unit : Thousand Baht)	
	<u>Consolidated/Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>
Non - marketable equity securities	280	280
The restricted deposits at financial institutions	776	774
Total	1,056	1,054

As at December 31, 2022 and 2021, the Company has the restricted deposits at financial institutions used to guarantee the bank to issue letters of guarantee as mentioned in the notes to financial statements No. 38.1.

13. Investments in associates

As at December 31, 2021, the Company's investments in associates were as follows :-

(Unit : Thousand Baht)

Company's name	Type of business	Percentage of		Consolidated/Separate financial statements			
		investments		Paid-up share capital		Cost method	
		2022	2021	2022	2021	2022	2021
Suwan Bio Farm Co.,Ltd.	Research and development of planting, extraction, distribution and development of herbal medical products from plants for and commercial	-	49.00	-	20,000	-	9,799

According to the minute of the Board of Director's Meeting No. 6/2021 held on September 3, 2021, it is resolved for approval of investment with the associates company NCL International Logistics Public Company Limited for establish a company limited which share capital register for amounting Baht 20,000,000.00. The Company shall hold 49.00% of registered share capital. representing Baht 9,800,000.00 of investment for the objective of co-research and development of Kanchong products. On October 4, 2021, has been registered and established "Suwan Bio Farm Company Limited." And fully paid.

Subsequently, on May 16, 2022, the Company had a resolution to withdraw its capital. Due to the closure of Suwan Bio Farm Co., Ltd. Currently, the Company has received full investment back after deduction of related operating expenses.

14. Investments in subsidiary companies

As at December 31, 2022 and 2021, the Company had investments in subsidiaries were as follows :-

(Unit : Thousand Baht)

Name of company	Paid-up share capital		Percentage of		Separate financial statements			
	(Unit : Thousand Baht)		investments		Cost method		Dividend	
	2022	2021	2022	2021	2022	2021	2022	2021
Modern Synergy Co.,Ltd.	325,000	120,000	99.79	99.42	324,310	119,300	-	--
Eureka Energy Co.,Ltd.	5,000	5,000	55.00	55.00	2,750	2,750	-	-
A.P.W. International Co.,Ltd.	130,000	130,000	100.00	100.00	382,500	382,500	-	-
Total					709,560	504,550	-	-

The movement of investments in a subsidiary company for the year ended December 31, 2022 was as follows: -

	(Unit : Thousand Baht)
	<u>Separate financial</u> <u>statement</u>
Beginning balance	504,550
Invested in Modern Synergy Co., Ltd.	205,010
Ending balance	709,560

Increased of investments

According to the resolution of the Annual General Meeting of Shareholders No. 4/2022 of the subsidiary “ Modern Synergy Co.,Ltd.” held on June 24, 2022. Approval of increasing the registered capital of the company in the amount of Baht 140.00 million by issuing new ordinary shares in the amount of not more than 1,400,000 shares par value of 100.00 baht per share. The objective is to use as working capital and support business expansion business development or assets acquisition. The subsidiary has registered the capital increase with the Ministry of Commerce on June 29, 2022 and already received the capital increase payment.

Board of Directors Meeting No. 1/2022 of the Company held on January 26, 2022, has resolved to approve the capital increase in Modern Synergy Co.,Ltd. “subsidiary” the objective is to use as working capital and support business expansion. In the amount of Baht 65 million the subsidiary received the capital increase payment on January 27, 2022 and has registered the capital increase with the Ministry of Commerce on January 31, 2022.

Acquisitions of investments

During the year 2021, the Company has entered into an agreement to buy and sell shares of A.P.W.International Co.,Ltd. from Pacific Global Co.,Ltd. in amount of Baht 382.50 million. The Company will pay compensation for the entire business transfer transaction to Pacific Global Co.,Ltd. with newly issued ordinary shares of the Company in amount of 450.00 million shares at par value of Baht 0.25 per share accounted for 33.59% of the total number of issued and paid-up shares of the Company after the capital increase by determining the offering price of newly issued ordinary shares at Baht 0.85 per share amounting to Baht 382.50 million, by offering a specific sale to a specific person (Private Placement) give to Pacific Global Co.,Ltd. as compensation instead of cash payment.

During the year 2022, the Group has completely determined the fair value of the net assets acquired at the acquisition date which was done in accordance with the measurement period of a business combination followed to the Thai Financial Reporting Standard No. 3, Business Combinations. The fair value of the net identifiable assets acquired mainly consists of property, plant and equipment. Such fair value measurements affect assets acquired and liabilities assumed at the acquisition date as follows: -

	(Unit : Thousand Baht)
Cash and cash equivalents	47,124
Trade and other receivables	22,023
Current contractual assets	7,519
Property, plant and equipment	99,024
Deferred tax assets	9,247
Other non-current assets	60
Short-term loans from financial institutions	(50,000)
Trade and other payable	(9,774)
Long-term loans from financial institutions	(9,885)
Deferred tax liabilities	(4,269)
Other non-current liabilities	(166)
Total identifiable net assets	<u>110,903</u>
<u>Less Non-controlling interests</u>	<u>-</u>
Fair value of net assets acquired in proportion of investment	110,903
Goodwill	271,597
Purchase consideration transferred	<u>382,500</u>
Net cash acquired with the subsidiary	47,124
Cash paid	-
Net cash flows	<u>47,124</u>

Subsidiary with material non-controlling interests

(Unit : Thousand Baht)

Name	<u>Proportion of ownership</u> <u>interests held by the</u> <u>non-controlling interests</u> <u>as at December 31,</u>		<u>Total comprehensive</u> <u>income allocated to</u> <u>non-controlling interests</u> <u>for the year ended December 31,</u>		<u>Accumulated</u> <u>non-controlling</u> <u>interests</u> <u>as at December 31,</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	Eureka Energy Co.,Ltd.	45.00%	45.00%	(1,644)	1,026	1,415

Summarized financial information for Eureka Energy Co.,Ltd. before eliminations is as follow: -

(Unit : Thousand Baht)

	<u>2022</u>	<u>2021</u>
Current assets	5,863	43,742
Non-current assets	-	-
Total assets	5,863	43,742
Current liabilities	(1,996)	(36,270)
Non-current liabilities	(722)	(673)
Total liabilities	(2,718)	(36,943)
Net assets	3,145	6,799
Non-controlling interests	1,415	3,060

(Unit : Thousand Baht)

	<u>For the year ended December 31,</u>	
	<u>2022</u>	<u>2021</u>
Revenues	30	35,177
Profit (loss) for the year attributable to the Company's shareholders	(2,010)	1,254
Profit (loss) for the year attributable to non-controlling interests	(1,644)	1,026
Profit (loss) for the year	(3,654)	2,280
Other comprehensive income for the year	-	-
Total comprehensive income attributable to the Company's shareholders	(2,010)	1,254
Total comprehensive income attributable to non-controlling interests	(1,644)	1,026
Total comprehensive income for the year	(3,654)	2,280

(Unit : Thousand Baht)

	For the year ended December 31,	
	2022	2021
Net cash used in operating activities	(835)	(4,309)
Net cash received from investing activities	930	2,497
Net cash received from financing activities	65	226
Cash and cash equivalent items increase(decrease)-net	160	(1,586)

15. Investment property

(Unit : Thousand Baht)

	Consolidated financial statements		
	Land	Buildings and improvements	Total
Cost:-			
As at January 1, 2021	21,273	50,157	71,430
As at December 31, 2021	21,273	50,157	71,430
Transfer out	(21,273)	(50,157)	(71,430)
As at December 31, 2022	-	-	-
Accumulated depreciation:-			
As at January 1, 2021	-	(30,024)	(30,024)
Depreciation for the year	-	(20,038)	(20,038)
As at December 31, 2021	-	(32,062)	(32,062)
Depreciation for the year	-	(1,186)	(1,186)
Transfer out	-	33,248	33,248
As at December 31, 2022	-	-	-
Book value:-			
As at December 31, 2021	21,273	18,095	39,368
As at December 31, 2022	-	-	-
Depreciation was shown in profit or loss			
For the year ended December 31, 2021			20,038
For the year ended December 31, 2022			1,186

(Unit : Thousand Baht)

	Separate financial statements			
	Land	Building and improvements	Vehicles	Total
Cost:-				
As at January 1, 2021	21,273	50,157	-	71,430
As at December 31, 2021	21,273	50,157	-	71,430
Transfer in	-	-	2,597	2,597
Transfer out	(21,273)	(50,157)	-	(71,430)
As at December 31, 2022	-	-	2,597	2,597
Accumulated depreciation :-				
As at January 1, 2021	-	(30,024)	-	(30,024)
Depreciation for the year	-	(2,038)	-	(2,038)
As at December 31, 2021	-	(32,062)	-	(32,062)
Depreciation for the year	-	(1,186)	(161)	(1,347)
Transfer in	-	-	(1,055)	(1,055)
Transfer out	-	33,248	-	33,248
As at December 31, 2022	-	-	(1,216)	(1,216)
Book value:-				
As at December 31, 2021	21,273	18,095	-	39,368
As at December 31, 2022	-	-	1,381	1,381
Depreciation was shown in profit or loss				
For the year ended December 31, 2021				2,038
For the year ended December 31, 2022				1,347

As at December 31, 2022 and 2021, the fair value of investment property is in accordance to the valuation report amount of Baht 113.15 million for both years. The fair value of investment property is determined by an independent appraiser who has been approved by the Office of the Securities and Exchange Commission (Thailand) by using Market Approach for the land valuation and Cost Approach for buildings valuation. The fair value of investment property is hierarchical level 3.

As at December 31, 2022 and 2021, the Company had the assets which had not the depreciation but they still used. The cost price was Baht 1.45 million and Baht 9.42 million, respectively.

16. Non-operating asset

(Unit : Thousand Baht)

	<u>Consolidated/Separate financial statements</u>			
	Building and improvement	Machine and equipment	Furniture and office-equipment	Total
Cost :-				
As at January 1, 2021	-	20,119	-	20,119
Disposal/write off	-	(292)	-	(292)
As at December 31, 2021	-	19,827	-	19,827
Transfer in	47,256	15,621	8,843	71,720
Transfer out	-	(44)	-	(44)
As at December 31, 2022	47,256	35,404	8,843	91,503
Accumulated depreciation :-				
As at January 1, 2021	-	(15,648)	-	(15,648)
Depreciation for the year	-	(1,685)	-	(1,685)
Disposal/write off	-	196	-	196
As at December 31, 2021	-	(17,137)	-	(17,137)
Depreciation for the year	-	(1,022)	-	(1,022)
Transfer in	(31,397)	(13,220)	(8,819)	(53,436)
Transfer out	-	40	-	40
As at December 31, 2022	(31,397)	(31,339)	(8,819)	(71,555)
Allowance for impairment of assets:-				
As at December 31, 2021	-	(642)	-	(642)
As at December 31, 2022	-	(642)	-	(642)
Book value:-				
As at December 31, 2021	-	2,048	-	2,048
As at December 31, 2022	15,859	3,423	24	19,306

Depreciation was shown in profit or loss

For the year ended December 31, 2021	1,685
For the year ended December 31, 2022	1,022

As of December 31, 2022 and 2021, the Company has assessed the impairment of assets and recorded an allowance for impairment of machinery in amount of Baht 0.62 million for both years.

As of December 31, 2022, the Company had the assets which had not the depreciation Baht 42.80 million.

17. Property, plant and equipment

(Unit : Thousand Baht)

	Consolidated financial statements						Total
	Land and land improvement	Building and improvement	Machine and equipment	Furniture and office-equipment	Vehicles	Construction in progress	
Cost:-							
As at January 1, 2021	86,093	95,198	35,288	13,460	13,053	196,815	439,907
Purchase	-	22	7,484	198	-	1,419	9,123
acquired through a business combination	45,248	53,482	32,016	2,354	7,539	30,772	171,411
Transfer in	-	7,036	181,542	16	-	-	188,594
Transfer out	-	-	(32)	-	-	(188,562)	(188,594)
Disposal/write off	-	-	(24)	(3)	-	-	(27)
Write off through disposal investment	(5,057)	(51,588)	(12,931)	(458)	(999)	-	(71,033)
As at December 31, 2021	126,284	104,150	243,343	15,567	19,593	40,444	549,381
Purchase	658,972	981	847	426	-	143,199	804,425
Transfer in	21,273	47,816	44	2,457	-	-	71,590
Transfer out	-	(47,256)	(15,621)	(8,843)	-	(116)	(71,836)
Decrease from reduction of construction wages	-	-	(30,078)	-	-	(8,411)	(38,489)
Disposal/write off	-	-	(10,440)	(2,233)	(6,039)	-	(18,712)
As at December 31, 2022	806,529	105,691	188,095	7,374	13,554	175,116	1,296,359
Accumulated depreciation:-							
As at January 1, 2021	-	(17,157)	(21,848)	(12,173)	(6,189)	-	(57,367)
Depreciation for the year	-	(5,260)	(7,883)	(447)	(464)	-	(14,054)
acquired through a business combination	-	(37,821)	(25,162)	(2,311)	(7,091)	-	(72,385)
Transfer in	-	-	(2)	-	-	-	(2)
Transfer out	-	-	-	2	-	-	2
Write off through disposal investment	-	7,777	6,559	278	240	-	14,854
Disposal/write off	-	-	15	4	-	-	19
As at December 31, 2021	-	(52,461)	(48,321)	(14,647)	(13,504)	-	(128,933)
Depreciation for the year	-	(5,083)	(10,114)	(419)	(548)	-	(16,164)
Transfer in	-	(30,791)	(40)	(2,457)	-	-	(33,288)
Transfer out	-	31,397	13,220	8,819	-	-	53,436
Decrease from reduction of construction wages	-	-	2,002	-	-	-	2,002
Disposal/write off	-	-	9,367	2,226	6,039	-	17,632
As at December 31, 2022	-	(56,938)	(33,886)	(6,478)	(8,013)	-	(105,315)
Book value:-							
As at December 31, 2021	126,284	51,689	195,022	920	6,089	40,444	420,448
As at December 31, 2022	806,529	48,753	154,209	896	5,541	175,116	1,191,044
Depreciation was shown in profit or loss							
For the year ended December 31, 2021							14,054
For the year ended December 31, 2022							14,162

(Unit : Thousand Baht)

	งบการเงินเฉพาะกิจการ						Total
	Land and land improvement	Building and improvement	Machine and equipment	Furniture and office-equipment	Vehicles	Construction in progress	
Cost:-							
As at January 1, 2021	21,327	40,631	22,357	12,720	12,054	-	109,089
Purchase	-	-	-	163	-	-	163
Transfer in	-	-	-	32	-	-	32
Transfer out	-	-	(32)	-	-	-	(32)
Disposal/write off	-	-	(4)	(3)	-	-	(7)
As at December 31, 2021	21,327	40,631	22,321	12,912	12,054	-	109,245
Purchase	-	955	-	409	-	100,844	102,208
Transfer in	21,273	47,700	44	2,457	-	-	71,474
Transfer out	-	(47,256)	(15,621)	(8,843)	(2,597)	-	(74,317)
Disposal/write off	-	-	(6,680)	(14)	-	-	(6,694)
As at December 31, 2022	42,600	42,030	64	6,921	9,457	100,844	201,916
Accumulated depreciation:-							
As at January 1, 2021	-	(11,968)	(17,585)	(11,965)	(6,074)	-	(47,592)
Depreciation for the year	-	(1,970)	(828)	(292)	(255)	-	(3,345)
Disposal/write off	-	-	2	3	-	-	5
As at December 31, 2021	-	(13,938)	(18,411)	(12,254)	(6,329)	-	(50,932)
Depreciation for the year	-	(2,931)	(506)	(320)	(31)	-	(3,788)
Transfer in	-	(30,791)	(40)	(2,457)	-	-	(33,288)
Transfer out	-	31,397	13,220	8,819	1,055	-	54,491
Disposal/write off	-	-	5,680	12	-	-	5,692
As at December 31, 2022	-	(16,263)	(57)	(6,200)	(5,305)	-	(27,825)
Book value:-							
As at December 31, 2021	21,327	26,693	3,910	658	5,725	-	58,313
As at December 31, 2022	42,600	25,767	7	721	4,152	100,844	174,091

Depreciation was shown in profit or loss

For the year ended December 31, 2021	3,345
For the year ended December 31, 2022	3,788

According to the resolution of the Directors' meeting No. 3/2022 held on November 11, 2022 has resolved to approve subsidiary acquisition land. On November 15, 2022, the subsidiary entered into a land sale and purchase agreement with an unrelated person. The total agreement value was Baht 334.13 million. The subsidiary and the seller agreed to make payment and transfer the ownership at one time to complete. On December 9, 2022, the subsidiary received the transfer of ownership of the land and paid for the land already (Land appraisal price by an independent appraiser in amount of Baht 334.13 million).

According to the resolution of the Executive Committee meeting No. 1/2022 held on June 22, 2022 has resolved to approve subsidiary acquisition land. On April 8, 2022, the subsidiary entered into a land sale and purchase agreement with an unrelated person. The total agreement value was Baht 149.24 million. The subsidiary and the seller agreed to make payment and transfer the ownership at one time to complete within July 30, 2022. On June 30, 2022, the subsidiary received the transfer of ownership of the land and paid for the land already (Land appraisal price by an independent appraiser in amount of Baht 132.00 million).

According to the resolution of the Extraordinary General Meeting of Shareholders of a subsidiary No. 2/2022 held on February 4, 2022 resolved to ratify and approve the entering into a contract for the purchase and sale of prefabricated pipe line designand water supply pipes from the subsidiary's water supply station. According to the contract dated February 3, 2022, the contract value is Baht 36.28 million. The subsidiary has made payment under the contract in full. And has already received the work in the water supply pipe section on February 4 , 2022, at present, such work in the process of testing the system.

As at December 31, 2022 and 2021, the consolidated financial statements, the Group had land, property, plant and machinery in the cost price was amount of Baht 409.68 million and amount of Baht 216.83 million respectively and to be acquired in the future pledged for collateral against credit line to commercial banks, financial institutions and other parties in the notes to financial statements No. 21 and 38.1.

As at December 31, 2022 and 2021, the separate financial statements, the Company had land in the cost price was amount of Baht 30.00 million and Baht 109.11 million respectively and to be acquired in the future pledged for collateral against credit line to commercial banks, financial institutions and other parties in the notes to financial statements No. 21 and 38.1.

As at December 31, 2022 and 2021, the consolidated financial statements, the Group had the assets which had not the depreciation but they still used. The cost price was Baht 34.24 million and Baht 65.15 million respectively.

As at December 31, 2022 and 2021, the separate financial statements, the Company had the assets which had not the depreciation but they still used. The cost price was Baht 16.94 million and Baht 36.59 million respectively.

18. Right of use asset

(Unit : Thousand Baht)

	Consolidated financial statements		
	Land	Vehicles	Total
Cost:-			
As at January 1, 2021	71,137	-	71,137
As at December 31, 2021	71,137	-	71,137
Purchase	-	2,721	2,721
Adjustment from terminated of lease contract	(71,137)	-	(71,137)
As at December 31, 2022	-	2,721	2,721
Accumulated depreciation :-			
As at January 1, 2021	(2,982)	-	(2,982)
Depreciation for the year	(7,114)	-	(7,114)
As at December 31, 2021	(10,096)	-	(10,096)
Depreciation for the year	(1,754)	(224)	(1,978)
Adjustment from terminated of lease contract	(11,850)	-	(11,850)
As at December 31, 2022	-	(224)	(224)
Book value:-			
As at December 31, 2021	61,041	-	61,041
As at December 31, 2022	-	2,497	2,497
Depreciation was shown in profit or loss			
For the year ended December 31, 2021			7,114
For the year ended December 31, 2022			1,978

	(Unit : Thousand Baht)
	Separate financial statement
	Vehicles
Cost:-	
As at January 1, 2021	-
As at December 31, 2021	-
Purchase	2,721
As at December 31, 2022	2,721
Accumulated depreciation :-	
As at January 1, 2021	-
Depreciation for the year	-
As at December 31, 2021	-
Depreciation for the year	(224)
As at December 31, 2022	(224)
Book value:-	
As at December 31, 2021	-
As at December 31, 2022	2,497
Depreciation was shown in profit or loss	
For the year ended December 31, 2021	-
For the year ended December 31, 2022	224

On March 11, 2022, the subsidiary received a letter of exemption from rent from the lessor. (According to the lease agreement dated June 10, 2020) by the lessor exempting from collecting all the previous rent amounting to Baht 15.00 million And on the same day, the lessor received Baht 20.00 million. As collateral for the lease under the new ten-years lease agreement and will start collecting rent from April 2022 onwards.

According to the resolution of the Executive Committee meeting No. 1/2022 held on June 22, 2022 has resolved to approve subsidiary acquisition land. On June 5, 2022, the subsidiary entered into a land sale and purchase agreement that leased with the lessor and agreed to cancel the lease agreement with the rent. And the agreement security deposit for the lease of land to be converted into a deposit under this land sale and purchase agreement.

19. Intangible assets

(Unit : Thousand Baht)

	Consolidated financial statements		
	Computer software	Patents	Total
Cost:-			
As at January 1, 2021	15,314	15,281	30,595
Purchase	13	-	13
Acquired through a business combination	41	-	41
Disposal/write off	-	(8,923)	(8,923)
Write off through disposal investment	(172)	(6,358)	(6,530)
As at December 31, 2021	15,196	-	15,196
Purchase	78	-	78
As at December 31, 2022	15,274	-	15,274
Accumulated amortization:-			
As at January 1, 2021	(12,356)	(9,465)	(21,821)
Amortization expenses	(2,474)	(1,487)	(3,961)
Acquired through a business combination	(40)	-	(40)
Disposal/write off	-	8,923	8,923
Write off through disposal investment	73	2,029	2,102
As at December 31, 2021	(14,797)	-	(14,797)
Amortization expenses	(194)	-	(194)
As at December 31, 2022	(14,991)	-	(14,991)
Book value:-			
As at December 31, 2021	399	-	399
As at December 31, 2022	283	-	283
Depreciation was shown in profit or loss			
For the year ended December 31, 2021			3,961
For the year ended December 31, 2022			194

(Unit : Thousand Baht)

	Separate financial statement		
	Computer software	Patents	Total
Cost:-			
As at January 1, 2021	15,142	8,923	24,065
Purchase	6	-	6
Disposal/write off	-	(8,923)	(8,923)
As at December 31, 2021	15,148	-	15,148
Purchase	78	-	78
As at December 31, 2022	15,226	-	15,226
Accumulated amortization:-			
As at January 1, 2021	(12,317)	(8,093)	(20,410)
Amortization expenses	(2,439)	(830)	(3,269)
Disposal/write off	-	8,923	8,923
As at December 31, 2021	(14,756)	-	(14,756)
Disposal/write off	(192)	-	(192)
As at December 31, 2022	(14,948)	-	(14,948)
Book value:-			
As at December 31, 2021	392	-	392
As at December 31, 2022	278	-	278
Depreciation was shown in profit or loss			
For the year ended December 31, 2021			3,269
For the year ended December 31, 2022			192

20. Deferred tax assets (liabilities)

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Deferred tax assets	8,789	9,589	-	-
Deferred tax liabilities	(7,074)	(7,374)	(2,806)	(3,045)
Net	1,715	2,215	(2,806)	(3,045)

Movements in deferred tax assets and liabilities for the year ended December 31, 2022 and 2021, were as follows :-

(Unit : Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	January 1, 2022	(Charged)/ credited to profit or loss (Note 32)	December 31, 2022	January 1, 2022	(Charged)/ credited to profit or loss (Note 32)	December 31, 2022
Deferred tax assets						
Property, plant and equipment	9,191	(402)	8,789	-	-	-
Lease liabilities	398	(398)	-	-	-	-
Total	9,589	(800)	8,789	-	-	-
Deferred tax liabilities						
Property, plant and equipment	(5,931)	61	(5,870)	(1,662)	-	(1,662)
Right-of-use asset	-	(499)	(499)	-	(499)	(499)
Financial leases	(1,443)	738	(705)	(1,383)	738	(645)
Total	(7,374)	300	(7,074)	(3,045)	239	(2,806)
Net	2,215	(500)	1,715	(3,045)	239	(2,806)

(Unit : Thousand Baht)

	Consolidated financial statements				Separate financial statements		
	January 1, 2021	(Charged)/ credited to profit or loss (Note 32)	Business combination	Write off through disposal investment	December 31, 2021	January 1, 2021	(Charged)/ credited to profit or loss (Note 32)
Deferred tax liabilities							
Property, plant and equipment	-	(56)	9,247	-	9,191	-	-
Lease liabilities	-	100	298	-	398	-	-
Total	-	44	9,545	-	9,589	-	-
Deferred tax liabilities							
Property, plant and equipment	(2,087)	42	(4,269)	383	(5,931)	(1,662)	-
Right-of-use asset	-	70	-	(70)	-	-	-
Financial leases	(1,577)	134	-	-	(1,443)	(1,530)	147
Total	(3,664)	246	(4,269)	313	(7,374)	(3,192)	147
Net	(3,664)	290	5,276	313	2,215	(3,192)	147

The Group had temporary difference mainly arising from the unutilized tax losses, as at December 31, 2022 and 2021, in amount of Baht 30.16 million and Baht 35.46 million respectively, which have not been recognized as deferred tax assets in the statements of financial position (because it is not probable that it will be able to utilize the tax benefit in the foreseeable future).

21. Bank overdraft and short-term loans from financial institutions

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Bank overdraft	-	3,621	-	3,621
Short-term loans from financial institutions	-	95,000	-	45,000
Total	-	98,621	-	48,621

As at December 31, 2021, in the consolidated and separate financial statement, the Group held bank overdrafts and promissory note facilities from several financial institutions as mentioned in the notes to financial statements No. 38.1 which bearing the interest rates at MOR-1% per annum for both years.

22. Trade and other payables

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Trade payables-other parties	12,307	40,871	6,302	8,504
Other payables-related parties	-	-	20,676	4,923
Other payables-other parties	45,945	50,912	39,919	4,947
Post dated cheque	12,671	2	12,637	1
Accrued interest-related person	-	70	-	70
Accrued expenses-other parties	4,412	18,535	864	1,521
Advance received	373	-	84	-
Other	1,207	3,768	1,207	1,207
Total	76,915	114,158	81,689	21,173

23. Short-term loans from other person and parties

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Beginning balance	13,120	-	-	-
Increase during the year	100,000	35,120	100,000	-
Repaid during the year	(113,120)	(22,000)	(100,000)	-
Ending balance	-	13,120	-	-

In year 2022, the Company has entered into a short-term loan agreement with the non-related person amount of Baht 100.00 million with interest rate of 3.00% per annum by agreeing to pay the principle and interest together in one time within a specified period, not later than June 24, 2023. If the Company default the contract, the Company agree to files a legal execution immediately with interest rate of 15.00% of the principle.

As at December 31, 2021, a subsidiary company has entered into a short-term loan agreement with the non-related parties amount of Baht 33.60 million with interest rate of 7.50% per annum, first installment payment on September 22, 2021. And guaranteed by mortgage of three water production machineries according to the factory business license of the Ministry of Industry.

As at December 31, 2021, a subsidiary company has entered into a short-term loan agreement with the non-related parties amount of Baht 1.10 million with interest rate of 6.84% per annum to pay interest at the end of month. The first installment payment on November 30, 2021.

24. Long-term loans from financial institutions

	(Unit : Thousand Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Long-term loans from financial institutions	251,095	21,225	9,933	12,151
<u>Less</u> Current portion of long-term loans	(35,076)	(7,993)	(3,916)	(2,951)
Net	216,019	13,232	6,017	9,200

Movement in loans for the year ended December 31, 2022 and 2021, are as follows :-

	(Unit : Thousand Baht)	
	<u>Consolidated financial</u>	<u>Separate financial</u>
	<u>statements</u>	<u>statements</u>
Beginning balance	21,225	12,151
Acquisitions during the year	250,000	-
Repaid during the year	(20,130)	(2,218)
Ending balance	251,095	9,933

Long-term loans of the Group are bearing the floating interest rate of MLR per annum. As at December 31, 2022 and 2021, the interest rates are 5.25%-5.97% per annum and 4.87%-5.47% per annum respectively. The interest is payable monthly after the first withdrawal date of the loan. The significant detail of long-term loans credit facilities are as follows: -

No.	Credit facility		Period	Interest rate	Repayment of principal
	2022	2021			
	(Unit : Million Baht)				
1.	23.00	23.00	April 2018 to March 2023	MLR per annum	- Repayment of principal and interest, Baht 330,000.00 per installment, total of 60 installments, the first installment in April 2018 and payment of all rest for the 5 years period. Loans are guaranteed by land and machinery of a subsidiary.
2.	10.00	10.00	April 2018 to March 2023	MLR per annum	- Repayment of principal and interest, Baht 128,300.00 per installment, total of 60 installments, the first installment in April 2018 and payment of all rest for the 5 years period. Loans are guaranteed by land and machinery of a subsidiary.
3.	12.00	12.00	June 2020 to May 2025	MLR per annum	- Repayment of principal and interest, Baht 362,900.00 per installment, total of 60 installments, the first installment in June 2022 and payment of all rest for the 5 years period. Loans are guaranteed by SMEs.
4.	0.21	0.21	June 2020 to May 2025	MLR per annum	- Repayment of principal and interest, Baht 4,000.00 per installment, total of 60 installments, the first installment in June 2020 and payment of all rest for the 5 years period. Loans are guaranteed by SMEs.
5.	250.00	-	July 2022 to May 2030	MLR per annum	- Repayment of principal and interest, Baht 3,300,000.00 per installment, total of 96 installments, and payment of all rest for the 8 years period. Loans are guaranteed by the parent company and the land of a subsidiary.

25. Lease liabilities

Movement in lease liabilities for the years ended December 31, 2022 and 2021 are as follows :-

(Unit : Thousand Baht)

	<u>Consolidated financial statement</u>		<u>Separate financial statement</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Beginning lease liabilities	63,034	73,214	-	-
Increased during the year	2,671	-	2,671	-
Adjustment from terminated of lease contract	(63,034)	-	-	-
Adjustment to trade and other payables	-	(10,180)	-	-
Repaid during the period	(201)	-	(201)	-
Ending lease liabilities	2,470	63,034	2,470	-

A maturity analysis of lease payment, are as follows :-

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		
	<u>2022</u>		
	<u>Lease liabilities</u>	<u>Deferred interest expenses</u>	<u>Net</u>
With in 1 year	597	(100)	497
Over 1 year but not over 5 years	2,139	(166)	1,973
Total	2,736	(266)	2,470

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		
	<u>2021</u>		
	<u>Lease liabilities</u>	<u>Deferred interest expenses</u>	<u>Net</u>
With in 1 year	9,000	(2,936)	6,064
Over 1 year but not over 5 years	45,000	(9,835)	35,165
More than 5 years	23,250	(1,445)	21,805
Total	77,250	(14,216)	63,034

(Unit : Thousand Baht)

	<u>Separate financial statements</u>		
	<u>2022</u>		
	<u>Lease liabilities</u>	<u>Deferred interest expenses</u>	<u>Net</u>
With in 1 year	597	(100)	497
Over 1 year but not over 5 years	2,139	(166)	1,973
Total	2,736	(266)	2,470

For the year ended December 31, 2022 and 2021, transactions related to lease are as follows :-

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>For the year ended December 31,</u>			
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Finance cost relating to leases	48	3,223	48	-
Cash outflow for leases	249	-	249	-

26. Convertible Debentures

On April 7, 2022, the General Shareholder's Meeting in 2565 of the Company passed a resolution to approve on issuance which total offering amount of not exceeding Baht 1,000 million and offering of the convertible debentures on a private placement basis to Advance Opportunities Fund ("AO Fund") and Advance Opportunities Fund I ("AO Fund 1"), which is not related persons with the Company with terms and conditions below:

Type of convertible debentures	-Senior Unsecured Convertible Debentures ("Convertible Debentures")
Currency	-THB
Total principal amount	-Not exceeding Baht 1,000 million as it can be broken down to 3 Tranche as below; <ol style="list-style-type: none"> (1) Tranche 1 not exceeding Baht 300 million which is divided in to 20 sets and Baht 15 million per set. (2) Tranche 2 not exceeding Baht 300 million which is divided in to 20 sets and Baht 15 million per set (3) Tranche 3 not exceeding Baht 400 million which is divided in to 20 sets and Baht 20 million per set.

Conditions for issuing convertible debentures	<p>-The Company will gradually issue the convertible debentures following by Tranche according to the demand for spending money of the Company. The issuance of convertible debentures is subject to the completion of condition precedent which is approval of The Securities and Exchange Commission and other related regulator.</p> <p>However, the timeframe of the issuance of convertible debentures is within 3 year after shareholder's meeting approved the issuance. In case the convertible debentures are not completely issued within 3 year, the Company may request approval from shareholder meeting to issue the remaining convertible debenture</p>
Interest rate	0.50 percent per annum, interest payment on a 6 month basis (June and December).
Maturity period	3 years after the issuance of each Tranche
Principal repayment condition	<p>Repay in lump sum after each due of specific Tranche according to the terms and conditions of each convertible debenture Tranche. Convertible debentures are valid for 3 years after the issuance of each Tranche.</p>
The right to redeem the convertible debentures before due date	<p>-The holders of the convertible debentures may or may not have the rights to redeem the convertible debentures before due date and/or the Company may or may not have the rights to redeem the convertible debentures before due date either. The redemption of the convertible debentures has to be in accordance with the terms and conditions of the convertible debentures to be issued each time by following the law, regulations or related announcements including requesting permission from any relevant government agency</p>
Conversion ratio	-Principle amount of the convertible debentures divided by the conversion price.
Conversion price	<p>-Not lower than 90 percent of market price which does not in the case the price is lower than the offering price offered pursuant to the Notification No. Tor Chor. 72/2558 The market price shall be calculated based on the weighted average price of the Company's shares trading on the Stock Exchange of Thailand. Not less than 7 consecutive business days but not more than 15 consecutive business days (Floating Conversion Price) However, if the conversion price calculated above is lower than the par value of the Company's shares. The company must issue additional compensation shares for the calculation of all shares issued at par value is based on the conversion price.</p>
Conversion period	<p>-The holder of each convertible debentures Tranche may exercise their rights of conversion of the convertible debentures every day after the issuance of convertible debentures until the close of business on the date falling 1 week prior to the maturity date of the Convertible Debentures.</p>

Number of ordinary shares reserved for conversion	<p><u>-In the case of exercising the right to convert the whole amount of the warrants</u> 363,363,801 shares representing 18.18 percent of the total issued shares of the Company after registering the paid - up capital which are based on the assumption that the convertible debentures shall be entirely exercisedand fully exercise of warrant</p> <p><u>-In the case of not exercising the right to convert the whole amount of the warrants</u> 363,363,801 shares representing 18.18 percent of the total issued shares of the Company after registering the paid-up capital which are based on the assumption that the convertible debentures shall be entirely exercisedand fully exercise of warrant.</p> <p><u>-Note</u> The number of shares allocated to support the convertible bonds offered for sale at this time is 363,363,801 shares, and the number of shares allocated to support the warrants is 251,382,989 shares, sum of shares allocated to support the convertible bonds and warrants. totaling 614,746,790 shares, representing 44.43 percent of the total issued shares of the Company at present or prior registering the paid-up capital of the Company's paid-up capital which are based on the assumption that the convertible debentures shall be entirely exercisedand fully exercise of warrant.</p>
Secondary market for ordinary shares issued after conversion	-The Company shall arrange to list the ordinary shares issued after the conversion of the Convertible Debentures on the Stock Exchange of Thailand (SET) or other stock exchange where the shares of the Company is a listed security at that time.
Other Information	-The details stated above are a summary of the terms and conditions of the preliminary convertible debentures. This is subject to change, further details will be stated in the terms and conditions for the convertible bonds.

Presentation and disclosure of Financial Instruments is determined at the date of initial recognised. The entity classifies financial instrument or components of financial instrument based on substance and definitions of financial liability and equity instrument.

Such convertible debentures have floating conversion price and the number of shares arising from the conversion depends on the future market price (Fixed - for - variable convertible debentures). Consequently, the convertible options are classified as a financial liability.

The convertible debentures are presented at amortised cost until the conversion or maturity of the debentures. The convertible options are presented at fair value through profit or loss until there is an exercise of conversion right to ordinary shares. Expenses for issuance debentures were deducted from convertible debentures and amortised over the life of the convertible debentures.

Movements of convertible debentures and convertible options for the year ended December 31, 2022 are summarised below :

(Unit : Thousand Baht)

	<u>Consolidated/Separate financial statements</u>	
	<u>Convertible debentures</u>	<u>Options</u>
Beginning balance	-	-
Issuing during the year	411,439	58,811
<u>Add</u> Amortization cost	23,758	-
<u>Less</u> Exercise of conversion rights	(418,750)	(56,250)
Ending balance	<u>16,447</u>	<u>2,561</u>

As at December 31, 2022, the Company issued convertible debentures in amount of Baht 495.00 million net of issued convertible debentures fee of Baht 24.75 million, remaining net amount of Baht 470.25 million.

In year 2022, the convertible debentures exercise has convert into ordinary shares in amount of 362.27 million shares with a convertible share value of Baht 0.25, representing a total of Baht 90.57 million. The Company has registered the capital increase with the Department of Business Development.

27. Employee benefit obligations

Movement in the employee benefit obligations are as follows :-

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Beginning present value of the obligation	2,929	2,600	2,815	2,137
Current service cost	1,311	847	647	634
Interest cost	57	52	57	44
Actuarial gain arising from defined benefit plan	-	(66)	-	-
Transfer out from disposed investments in subsidiary	-	(504)	-	-
Ending employee benefit obligations	<u>4,297</u>	<u>2,929</u>	<u>3,519</u>	<u>2,815</u>

Expenses recognized in statements of comprehensive income are shown collectively for the years ended December 31, 2022 and 2021, were as follows :-

(Units : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>For the year ended December 31,</u>			
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Recognized in profit or loss				
Cost of sales and services	480	72	65	63
Selling and administrative expenses	888	827	639	615
Total	1,368	899	704	678
Recognized in other comprehensive income				
Actuarial gain arising from defined benefit plan	-	(66)	-	-

For the year ended December 31, 2022 and 2021, the principal actuarial assumptions are as follows :-

Discount rate	1.82%-2.04%
Average salary increase rate	5.00%-6.00%
Employee turnover rate	Age band
Retirement age	60 years old

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(Units : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	Discount increase rate (1.00% movement)	(515)	(428)	(490)
Discount decrease rate (1.00% movement)	622	521	593	507
Future salary growth increase (1.00% movement)	625	490	594	477
Future salary growth decrease (1.00% movement)	(517)	(406)	(491)	(395)
Employee turnover increase rate (1.00% movement)	(187)	(53)	(131)	(37)
Employee turnover decrease rate (1.00% movement)	153	59	157	38

28. Share capital

	Consolidated/Separate financial statements				
	Value per share (Baht)	2022		2021	
		Number of shares (thousand shares)	Value (thousand Baht)	Number of shares (thousand shares)	Value (thousand Baht)
Authorized share capital					
Beginning balance	0.25	1,635,137	408,784	1,186,341	296,585
Add Increase capital during the year	0.25	502,649	125,662	450,000	112,500
Less Reduction capital during the year	0.25	-	-	(1,204)	(301)
Ending balance		2,137,786	534,446	1,635,137	408,784
Issued and paid-up shares					
Beginning balance	0.25	1,341,402	335,350	889,756	222,439
Add Increase capital during the year	0.25	424,137	106,034	451,646	112,911
Ending balance		1,765,539	441,384	1,341,402	335,350
Premium on shares					
Beginning balance	0.33	1,027,602	436,068	575,956	164,834
Add Increase capital during the year	1.02	424,137	430,836	451,646	271,234
Ending balance		1,451,739	866,904	1,027,602	436,068

According to the resolution of the Annual General Meeting of Shareholders No. 2/2022 held on April 7, 2022 approved the following matters

- Approve the issuance and offer for sale of newly issued convertible debentures of the Company with total offering value. Not more than Baht 1,000 million for specific investors, including Advance Opportunities Fund (“AO Fund”) and Advance Opportunities Fund 1 (“AO Fund 1”) which such person is not a person related to the Company.
- Approval of increasing the registered capital of the company in the amount of Baht 90.84 million. from the original registered capital of Baht 408.78 million is a new registered capital of Baht 499.63 million by issuing new ordinary shares in the amount of not more than 363.36 million shares at par value of Baht 0.25 per share to support the exercise of convertible debentures.

Accordance with the minutes of extraordinary shareholders’ meeting No. 1/2022 of the Company held on October 10, 2022, it has resolution to increase the share capital in amount of Baht 34.82 million from Baht 499.63 million to a new share capital in amount of Baht 534.45 million by issuing ordinary shares of not more than 139.29 million shares at par value of Baht 0.25 per share to support the option of convertible bonds.

The Extraordinary General Meeting of Shareholders No. 1/2021, held on October 27, 2021, approved the following matters:

- Approved to decrease of the registered capital of the Company from Baht 296.59 million to Baht 296.28 million by cancelling 1.20 million shares unissued ordinary shares at par value of Baht 0.25 per share, and approve the amendment of the Company's Memorandum of Association to be in line with the decrease of registered capital of the Company.
- Approve to increase of the registered capital of the Company by Baht 296.28 million to Baht 408.78 million and approval of the amendment of the Memorandum of Association in accordance with the increase of registered capital.
- Approved the allocation of the Company's newly issued ordinary shares to specific investors (Private Placement). As a result of increasing the registered capital of the Company in amount of 112.50 million shares from the original registered capital Baht 296.28 million to registered capital of Baht 408.78 million by issuing 450.00 million shares newly issued ordinary shares with a par value of Baht 0.25 per share. It is the payment of remuneration for the investment instead of paying compensation in cash.

Capital management

The primary objectives of the Group's capital management is to maintain their ability to continue as a going concern, to maintain an appropriate capital structure, and to maintain ratio of debt to equity to not exceeding the compliance with the loan agreements.

As at December 31, 2022 and 2021, in the consolidated financial statements, the debt to equity ratio is 0.27 : 1 and 0.44 : 1 respectively, and separate financial statements debt to equity ratio is 0.10 : 1 and 0.12 : 1 respectively.

29. Warrants

Warrants UREKA W2

Type of warrants	: Warrants to purchase ordinary shares of the Company No. 2 (UREKA W2) allocated to the existing shareholders of the Company
Number of warrants	: 295,381,326 shares
Term of warrants	: 3 years commencing from the issued date (June 30, 2020)
Exercise Price	: At Baht 1.00 per share (par value at Baht 0.25)
First exercise Period	: September 30, 2020
Last exercise Period	: September 30, 2023

In year 2022, the Company received proceeds from the increasing in share capital from the exercise of warrants UREKA W2 for 19,517,700 shares of Baht 1.00 each. As a result, issued share capital increasing Baht 4.88 million and premium on share capital increasing Baht 14.64 million.

30. Premium on ordinary shares and legal reserve

Premium on ordinary shares

Premium on ordinary shares is stated in accordance with Section 51 of the Public Limited Company Act B.E. 2535, in the event the Company offers the ordinary shares for sale at the price exceeding the registered share price, the Company shall appropriate this surplus as reserve (“Premium on ordinary shares”). This premium on ordinary shares cannot be paid out as dividend.

Legal reserve

Section 116 of the Public Limited Company Act B.E. 2535 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorized capital. The legal reserve is not available for dividend distribution.

31. Expenses by nature

(Units : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>For the year ended December 31,</u>			
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Changes in inventories of finished goods and work in process	6,465	23,026	3,516	23,782
Raw materials and consumables used	3,996	39,526	4,063	2,422
Employee benefit expenses	1,368	28,644	704	17,851
Depreciation expenses	20,350	42,891	6,381	7,068
Amortization expenses	194	3,961	192	3,269
Financial advisor fee	15,843	3,126	15,843	3,126
Allowance for expected credit loss	2,106	-	1,653	-
Reversal allowance for declining in value of inventories	(2,152)	(8,763)	(2,152)	(8,763)
Reversal loss from impairment on investments in subsidiary	-	-	-	(13,456)
Loss from impairment on investments in associates	42	-	42	-
Finance costs	38,049	10,497	26,469	3,848

32. Income tax (revenues) expenses

(Units : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>For the year ended December 31,</u>			
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Current income tax expenses	1,043	622	-	-
Deferred tax expenses (Note 20)				
Movements in temporary differences	500	(290)	(239)	(147)
Income tax (revenues) expenses	<u>1,543</u>	<u>332</u>	<u>(239)</u>	<u>(147)</u>

Reconciliation between income tax expenses and the results of accounting profit multiplied by the applicable tax rates for the years ended December 31, 2022 and 2021 as follows :-

(Units : Thousand Baht)

	<u>Consolidated financial statements</u>			
	<u>2565</u>		<u>Total</u>	<u>2564</u>
Accounting profit before tax	(3,215)	75,637	72,422	20,126
Applicable tax rate	20%	0%		20%
Accounting profit before tax multiplied by applicable tax rate	(643)	-	(643)	4,025
Tax effect of income and expenses that are not considered as income tax expenses as follows:-				
Non-deductible expenses	1,099	-	1,099	2,954
Additional taxable income	-		-	(3,501)
Loss carry forward	623	-	623	(223)
Others	(36)	-	(36)	(2,633)
Total	<u>1,043</u>	<u>-</u>	<u>1,043</u>	<u>622</u>
Movements in temporary differences	500	-	500	(290)
Income tax expenses reported in income statement	<u>1,543</u>	<u>-</u>	<u>1,543</u>	<u>332</u>

(Units : Thousand Baht)

	<u>Separate financial statement</u>	
	<u>2022</u>	<u>2021</u>
Accounting profit before tax	(39,933)	44,471
Applicable tax rate	20%	20%
Accounting profit before tax multiplied by applicable tax rate	(7,986)	8,894
Tax effect of income and expenses that are not considered as income tax expenses as follows:-		
Non-deductible expenses	605	2,815
Additional taxable income	-	(3,501)
Loss carry forward	7,417	(8,208)
Others	(36)	-
Total	-	-
Movements in temporary differences	(239)	(147)
Income tax expenses reported in income statement	(239)	(147)

33. Basic profit (loss) per share

Basic profit (loss) per share is calculated by dividing profit (loss) for the period attributable to equity holders of the Company (excluding other comprehensive income) by the number of issued and paid-up ordinary shares during the period.

Profit (loss) per share is calculated by dividing profit (loss) for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of common shares in issue during the period plus the weighted average number of common shares which would need to be issued to convert all dilutive potential common shares into common shares. The calculation assumes that such conversion took place either at beginning of the year or on the date the potential common shares were issued.

Profit (loss) per share for the year ended December 31, 2022 and 2021 are calculated as follows:-

	Consolidated financial statements					
	For the year ended December 31,					
	Profit (loss) for the year (Unit : Thousand Baht)		Weighted average number of common shares (Unit : Thousand Baht)		Profit (loss) per share (Baht)	
	2022	2021	2022	2021	2022	2021
Basic profit (loss) per share						
Profit (loss) attributable to equity holders						
the Company	72,463	21,216	1,374,684	951,530	0.053	0.022
Effect of dilutive potential common shares	-	-	99,277	98,210		
Diluted earnings (loss) per share						
Profit (loss) of common shareholders assuming						
the conversion of dilutive potential	72,463	21,216	1,473,961	1,049,740	0.049	0.020
	Separate financial statements					
	For the year ended December 31,					
	Profit (loss) for the period (Unit : Thousand Baht)		Weighted average number of common shares (Unit : Thousand Baht)		Profit (loss) per share (Baht)	
	2022	2021	2022	2021	2022	2021
Basic profit (loss) per share						
Profit (loss) attributable to equity holders						
the Company	(39,694)	44,619	1,374,684	951,530	(0.029)	0.047
Effect of dilutive potential common shares	-	-	99,277	98,210		
Diluted earnings (loss) per share						
Profit (loss) of common shareholders assuming						
the conversion of dilutive potential	(39,694)	44,619	1,473,961	1,049,740	(0.027)	0.043

34. Segment information

The Group has presentation and disclosure of segment information as six reportable segments. Previously, the Group segment information just presented only three reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different products and services and are managed separately because they require different technology and marketing strategies. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments.

- Segment 1 Sale installation and maintenance of machine
- Segment 2 Distributor electronic component and closed-circuit television (CCTV)
- Segment 3 Manufacture and sell water, raw water
- Segment 4 Construction contractor network system
- Segment 5 Production and distribution of plastic pellets
- Segment 6 Others

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Details of the sectoral business operations in the consolidated financial statements for the year ended December 31, 2022 and 2021, are as follows :-

(Units : Thousand Baht)

Consolidated financial statements													
For the year ended December 31													
	Sell & install and machine maintenance		Selling products		Produce and sell drinking & raw water		Construction contractor network system		Produce and sell plastic pellets		Other		Total
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	
Local revenues from sales and services	-	37,175	13,187	5,977	81,218	1,838	-	33,642	6,225	-	2,210	6,755	85,387
Export revenues from sales and services	-	2,146	-	-	-	-	-	-	154,379	8,498	-	-	154,379
Total	39,321	39,321	13,187	5,977	81,218	1,838	-	33,642	160,604	8,498	2,210	6,755	96,031
Cost of sales and services	-	(13,419)	(9,843)	(3,628)	(42,777)	(15,246)	-	(29,503)	(67,364)	(1,828)	-	-	(63,624)
Gross profit (loss) by segment	-	25,902	3,344	21,349	38,441	(13,408)	-	4,139	93,240	6,670	2,210	6,755	32,407
Other incomes													
Profit on bargain purchase													41,276
Non-allocation expenses													-
Profit from operating activities													49,093
Finance costs													(68,039)
Profit before tax													110,472
Income tax expenses													(38,050)
Profit for the year													72,422
													(1,543)
													70,879
													19,794
As at December 31,													
Fixed assets of business sector													1,191,044
Other assets													500,803
Total assets													1,691,847
													1,096,282

For the year ended December 31, 2022 and 2021, the Group has major customer whose sale amount higher than 10% of the revenues from sale of 2 customers for both years, amount of total sales of Baht 139.88 million and Baht 73.56 million respectively.

35. Financial instruments

Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other receivables, short-term loans, long-term loans, trade and other payables, other financial assets and liabilities. The Group's financial risks associated with these financial instruments and how the Company managed is described below.

35.1 Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable, loans, deposits with banks and other financial instruments. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

- Trade and other receivables, contract assets and loans

The Group manages the credit risk relates to trade receivables, contract assets and loans by most of the Group's construction contracts are with government agencies and large private companies that are creditworthy and have low credit risk. The Group considers other receivables and loans to related companies to be transactions with companies that have low credit risk and the ability to service debt. In addition, the Group regularly monitors their debt service capability; therefore, the Group does not expect to incur any significant losses in respect of these allowance for expected credit losses.

An impairment analysis is performed at each reporting date to measure expected credit losses for groups of receivables with similar credit risk characteristics, with the rate of provision for expected credit losses used in the calculation based on age of the outstanding receivables for each group. The calculation reflects the reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade and other receivables are written-off in accordance with the Company's policy, when appropriate.

- Deposits and other financial instruments with financial institutions

The Group manages the credit risks regarding deposits and other financial instruments with financial institutions by controlling in place to create an acceptable balance between the cost of risks and the cost of risk management. The credit risk on deposits and financial instrument with financial institutions are limited because the counterparties are banks with high credit-ratings.

35.2 Foreign currency risk

The Group is exposed to foreign currency risk mainly in respect of purchase and sales of goods, which are denominated in foreign currencies. The Group will consider to enter into forward exchange contracts to manage the risk as appropriate.

As at December 31, 2022 and 2021, the balances of financial assets and liabilities denominated in foreign currencies are as follows :-

<u>Foreign currency</u>	<u>Consolidated financial statements</u>					
	<u>Financial assets</u>		<u>Financial liabilities</u>		<u>Average exchange rate</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht : 1 foreign currency unit)	
USD	916	22,190	-	-	34.3913	33.2469
EURO	124	4,630	-	-	36.3344	37.4022
VND	1	1	-	-	0.1456	0.1457

<u>Foreign currency</u>	<u>Separate financial statement</u>					
	<u>Financial assets</u>		<u>Financial liabilities</u>		<u>Average exchange rate</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht : 1 foreign currency unit)	
EURO	124	4,630	-	-	36.3344	37.4022
VND	1	1	-	-	0.1456	0.1457

Analysis of the impact of changes in exchange rates

The following tables demonstrate the sensitivity of the Group's profit before tax to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including derivatives contracts that do not qualify as hedge accounting as at December 31, 2022 and 2021 are as follow :-

		2022	
		Effect on profit or loss before tax	
		increase (decrease)	
Currency	Increase/Decrease	Consolidated financial statement	Separate financial statement
	(%)	(Thousand)	(Thousand)
USD	+2.00	630	-
	-2.00	(630)	-
EURO	+1.00	45	45
	-1.00	(45)	(45)

		2021	
		Effect on profit or loss before tax	
		increase (decrease)	
Currency	Increase/Decrease	Consolidated financial statement	Separate financial statement
	(%)	(Thousand Baht)	(Thousand Baht)
USD	+2.00	14,755	-
	-2.00	(14,755)	-
EURO	+3.00	5,195	157
	-3.00	(5,195)	(157)

35.3 Risk on interest rate

The Group's exposure to interest rate risk relates primarily to their cash at banks, short-term and long-term loans from financial institutions, short-term and long-term loans from related parties and lease liabilities. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate. Risk on interest rate have low credit risk.

As at December 31, 2022 and 2021, the significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date (if this occurs before the maturity date) are as follow:-

(Unit : Thousand Baht)

	Consolidated financial statement						Effective interest rate (per annum)
	2022						
	Fixed interest rate			Floating interest bearing	Non interest bearing	Total	
	Within 1 year	1 to 5 years	More than 5 years				
Financial assets							
Cash and cash equivalent items	-	-	-	75,515	419	75,934	0.13%-0.45%
Trade and other receivable	-	-	-	-	54,263	54,263	-
Short-term loans to related parties	14,836	-	-	-	-	14,836	6.84%
Total	14,836	-	-	75,515	54,682	145,033	
Financial liabilities							
Trade and other payables	-	-	-	-	76,915	76,915	-
Long-term loans from financial institutions	35,076	129,458	86,561	-	-	251,095	5.75%-5.97%
Lease liabilities	497	1,973	-	-	-	2,470	4.47%
Convertible debentures	19,008	-	-	-	-	19,008	0.50%
Total	54,581	131,431	86,561	-	76,915	349,488	

(Unit : Thousand Baht)

	Consolidated financial statement						Effective interest rate (per annum)
	2021						
	Fixed interest rate			Floating interest bearing	Non interest bearing	Total	
	Within 1 year	1 to 5 years	More than 5 years				
Financial assets							
Cash and cash equivalent items	-	-	-	1,693	129,786	131,479	0.13%-0.25%
Trade and other receivable	-	-	-	-	72,084	72,084	-
Short-term loans to related parties	14,836	-	-	-	-	14,836	6.84%
Total	14,836	-	-	1,693	201,870	218,399	
Financial liabilities							
Short-term loans from financial institutions	98,621	-	-	-	-	98,621	4.70%-5.10%
Trade and other payables	-	-	-	-	114,158	114,158	-
Short-term loans from related person	6,500	-	-	-	-	6,500	6.84%
Short-term loans from other person and parties	13,120	-	-	-	-	13,120	6.84%
Long-term loans from financial institution	7,993	13,232	-	-	-	21,225	5.10%-7.30%
Lease liabilities	6,064	35,165	21,805	-	-	63,034	5.89%
Total	132,298	48,397	21,805	-	114,158	316,658	

(Unit : Thousand Baht)

Separate financial statement

2022

	Fixed interest rate			Floating interest bearing	Non interest bearing	Total	Effective interest rate (per annum)
	Within 1 year	1 to 5 years	More than 5 years				
	Financial assets						
Cash and cash equivalent items	-	-	-	17,797	194	17,991	0.25%
Trade and other receivable	-	-	-	-	8,593	8,593	-
Short-term loans to related parties	399,366	-	-	-	-	399,366	5.89%-6.84%
Short-term loans to other parties	14,836	-	-	-	-	14,836	6.84%
Total	414,202	-	-	17,797	8,786	440,786	
Financial liabilities							
Trade and other payables	-	-	-	-	81,689	81,689	-
Long-term loans from financial institutions	3,916	6,017	-	-	-	9,933	5.75%
Lease liabilities	497	1,973	-	-	-	2,470	4.47%
Convertible debentures	19,008	-	-	-	-	19,008	0.50%
Total	29,421	7,990	-	-	81,689	113,100	

(Unit : Thousand Baht)

Separate financial statement

2021

	Fixed interest rate			Floating interest bearing	Non interest bearing	Total	Effective interest rate (per annum)
	Within 1 year	1 to 5 years	More than 5 years				
	Financial assets						
Cash and cash equivalent items	-	-	-	93,155	86	93,241	0.25%
Trade and other receivable	-	-	-	-	15,077	15,077	-
Short-term loans to related parties	120,915	-	-	-	-	120,915	6.84%-7.40%
Short-term loans to other parties	14,836	-	-	-	-	14,836	6.84%
Total	135,751	-	-	93,155	15,163	244,069	
Financial liabilities							
Short-term loans from financial insitutions	48,621	-	-	-	-	48,621	4.47%
Trade and other payables	-	-	-	-	21,173	21,173	-
Short-term loans from related parties	5,500	-	-	-	-	5,500	6.84%
Long-term loans	2,951	9,200	-	-	-	12,151	6.75%
Total	57,072	9,200	-	-	21,173	87,445	

Analysis of the impact of changes in interest rates

The Group has no significant impact on profit before tax due to changes in interest rates on contingent financial assets and liabilities.

35.4 Liquidity risk

The Group monitors the risk of a shortage of liquidity by assessing the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding.

Details of summarises the maturity profile of the Group's financial liabilities as at December 31, 2022 and 2021 based on estimated contractual undiscounted cash flows are as follows:-

(Unit : Thoundsand Baht)

	Consolidated financial statement				
	2022				
	On demand	Less than 1 year	1-5 years	Over 5 years	Total
Non-derivatives					
Trade and other payables	-	76,915	-	-	76,915
Long-term loans from financial institution	-	35,076	129,458	86,561	251,095
Lease liabilities	-	497	1,973	-	2,470
Convertible debentures	-	19,008	-	-	19,008
Total non-derivatives	-	131,496	131,431	86,561	349,488

(Unit : Thoundsand Baht)

	Consolidated financial statement				
	2021				
	On demand	Less than 1 year	1-5 years	Over 5 years	Total
Non-derivatives					
Short-term loans from financial insitutions	-	98,621	-	-	98,621
Trade and other payables	-	114,158	-	-	114,158
Short-term loans from related person	-	6,500	-	-	6,500
Short-term loans from other person and parties	-	13,120	-	-	13,120
Long-term loans from financial institution	-	7,993	13,232	-	21,225
Lease liabilities	-	6,064	35,165	21,805	63,034
Total non-derivatives	-	246,456	48,397	21,805	316,658

(Unit : Thousand Baht)

	Separate financial statement				
	2022				
	On demand	Less than 1 year	1-5 years	Over 5 years	Total
Non-derivatives					
Trade and other payables	-	81,689	-	-	81,689
Long-term loans from financial institutions	-	3,916	6,017	-	9,933
Lease liabilities	-	497	1,973	-	2,470
Convertible debentures	-	19,008	-	-	19,008
Total non-derivatives	-	105,110	7,990	-	113,100

(Unit : Thousand Baht)

	Separate financial statement				
	2021				
	On demand	Less than 1 year	1-5 years	Over 5 years	Total
Non-derivatives					
Short-term loans from financial institutions	-	48,621	-	-	48,621
Trade and other payables	-	21,173	-	-	21,173
Short-term loans from related parties	-	5,500	-	-	5,500
Long-term loans from financial institutions	-	2,951	9,200	-	12,151
Total non-derivatives	-	78,245	9,200	-	87,445

35.5 Fair values of financial instruments

Since the majority of the financial instruments of the Group are short-term in nature and loans carry interest at rates close to the market interest rate, their fair value is not expected to be materially different from the amounts presented in the statements of financial position.

36. Fair value measurement

As of December 31, 2022 and 2021, the Group had the assets which disclosed fair value using different levels of inputs as follows: -

(Unit : Million Baht)

	Consolidated/Separate financial statements							
	As at December 31, 2022				As at December 31, 2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<u>Assets for which fair value are disclosed</u>								
Investment properties (Note 15)	-	-	113.15	113.15	-	-	113.15	113.15

37. Disclosure of material information about the contract**Water Purchase Agreement at Phimpha Distribution Water Station**

Contract details	Phimpha water distribution station
Contract number	Gorp por por.Khor.1/034/2563
Contract date	February 14, 2020
Counterparties	Provincial Waterworks Authority
Contract period	The contract is valid until September 14, 2023. from the date of delivery of tap water according to the contract by counting such days as the starting date or from the date the delivery of tap water must be commenced as agreed upon by counting such days as the starting date or until the limit for purchasing tap water from the seller has been used up, whichever happens before.
The limit for purchasing tap water	Baht 95.90 million
Minimum amount of water to deliver	4,800 cubic meters/day but not more than 6,240 cubic meters/day
Water delivery schedule	On the day following the expiration date of 180 days from the date of signing the purchase and sale agreement onwards
Water delivery due date	August 13, 2020
Submit a document requesting an extension of time No. 1 water delivery	July 1, 2020
The Audit Committee accepts the project to consider extending the water delivery period No. 1	November 15, 2020 and start delivering water on November 16, 2020

On June 28, 2022, a subsidiary company and the Provincial Waterworks Authority agreed to terminate the tap water purchase agreement at the Pimpa water distribution station by agreeing not to claim any compensation and damages.

Water Purchase Agreement at Phan Thong Nong Kakha Distribution Water Station

Contract details	Phan Thong water distribution station	Nong Kakha distribution station
Contract number	Phor Gor Mor.9/2563	Phor Gor Mor.8/2563
Contract date	June 25, 2020	June 25, 2020
Counterparties	Provincial Waterworks Authority	
Contract period	The contract is effective for 10 years from the date of delivery of tap water according to the contract. by counting such days as the starting date or from the date that the delivery of tap water must be commenced as agreed upon by counting such days as the starting date or until the limit for purchasing tap water from the seller has been used up, whichever happens before.	
The limit for purchasing tap water	Baht 520.34 million	Baht 521.22 million
Minimum amount of water to deliver	12,000 - 14,400 cubic meters/day but not more than 15,600 - 18,720 cubic meters/day	14,400 - 16,800 cubic meters/day but not more than 18,720 - 21,840 cubic meters/day
Water delivery schedule	on the day following the expiration date of 90 days from the date of signing the purchase agreement onwards.	
Water delivery due date	September 24, 2020	September 24, 2020
Submit a document requesting an extension of time 1st water delivery	September 16, 2020	September 16, 2020
The Audit Committee accepts the project to consider extending the water delivery period No. 1	Extending the delivery of water to November 16,2020	Extending the delivery of water to November 16,2020
Submit a document requesting an extension of the water delivery period No. 2	January 25, 2021	January 25, 2021
2nd time extension project review committee	The second time extension request has not been considered.	The second time extension request has not been considered.
Notification from the waterworks to expedite the delivery of tap water and notify the fine and reserve the right to terminate the contract	May 7, 2021, the fine is approximately Baht 1.04 million per day for 172 days, totaling a fine of Baht 179 million.	May 7, 2021, the fine is approximately Baht 1.04 million per day for 172 days, totaling a fine of Baht 179 million.

Subsequently, the Subsidiary had the most urgent letter dated June 15, 2021 requesting to notify the operating situation, determine the work plan and inform the date of delivery of tap water. by specifying the date of delivery of tap water on June 23, 2021 onwards

On September 22, 2021, the subsidiary has a letter to the Waterworks about requesting the right to reduce the fine to 0%. according to the announcement of measures to help entrepreneurs during the epidemic of the Coronavirus Disease 2019 The subsidiary has met the criteria and conditions for providing assistance as proposed by the Ministry of Finance. "Contracts signed after March 26, 2020. There is a legal relation and the contract due during the state of emergency declaration but has delivered the work in the case of a contract only one installment of the work is scheduled or the last installment has been delivered before the date of the announcement of the cancellation of the emergency situation but the parcel has not yet been inspected if the said contract has a fine incurred by giving a fine at the rate of 0%".

However, the Subsidiary received the documents to record the internal messages regarding the progress of the consideration of the 0% fine as follows:

Subject	Phan Thong water distribution	Nong Kakha distribution station
1. Fines according to the contract according to the due date must start supplying water supply (From November 16, 2020 - June 22, 2021).	Amount Baht 227.91 million.	Amount Baht 243.35 million.
2. Fines under the contract for the delivery of tap water are not of quantity and quality. (from the date the seller starts delivering tap water on the first day).	The month of July, the quality does not meet the criteria. Fine amount of Baht 3.68 million, August - October, minimum fine amount Baht 10.93 million.	The month of July, the quality does not meet the criteria. Fine amount of Baht 3.79 million, August - October, minimum fine amount of Baht 11.27 million.
3. Fines under the contract for the delivery of tap water are not of quantity and quality. (from the date the seller starts delivering tap water on the first day).	December 2021 - March 2022 Minimum quantity fine of Baht 6.99 million.	December 2021 - March 2022 Minimum quantity fine amount of Baht 8.26 million.

Resolution of the parcel inspection committee considered according to the memorandum of the Legal Affairs Division. The fact that the contract for the purchase of tap water is a contract signed after March 26, 2020, which still has a legal relation and such contract is complete determined during the emergency declaration and the parcel has not yet been inspected. The contract is in the rules and conditions for a fine of 0%. Therefore, It is considered to be presented to the governor to approve the amendment of the contract as requested by the seller.

During the year, the subsidiary has amended the water purchase agreement with PWA, The regulation of the ministry of finance and public procurement and supplies administration has approved the exception to Thai procurement rule, by setting a fine rate of 0 percent in accordance to rules and conditions of assistance toward entrepreneur during the epidemic of Corona Virus 2019. The purchaser and seller agree to be charged at a rate of 0 percent from November 16, 2020 to May 2022. The contract's amendments will not be considered as a reason for requesting an extension of the water supply delivery period and will not affect the change in the water tariff rate according to the contract.

38. Obligations and contingent liabilities

38.1 Obligation of credit lines from financial institutions:

	Currency	<u>Consolidated financial statements</u>					
		<u>December 31, 2022</u>			<u>December 31, 2021</u>		
		<u>Total</u>	<u>Utilized</u>	<u>Available</u>	<u>Total</u>	<u>Utilized</u>	<u>Available</u>
Letters of guarantee	Baht	23.00	8.26	17.74	100.87	8.26	92.61
Bank overdrafts	Baht	20.00	-	20.00	25.00	8.42	16.58
Short-term loans	Baht	95.00	-	95.00	58.00	45.00	13.00
Long-term loans from financial institutions	Baht	285.41	285.41	-	53.12	29.33	23.79
Forward foreign exchange contract	Baht	0.84	-	0.84	0.84	-	0.84
Fleet Card		0.80	0.03	0.77	0.80	0.04	0.76

	Currency	<u>Separate financial statements</u>					
		<u>December 31, 2022</u>			<u>December 31, 2021</u>		
		<u>Total</u>	<u>Utilized</u>	<u>Available</u>	<u>Total</u>	<u>Utilized</u>	<u>Available</u>
Letters of guarantee	Baht	15.00	2.07	12.93	15.00	2.07	12.93
Bank overdrafts	Baht	20.00	-	20.00	20.00	3.62	16.38
Short-term loans	Baht	45.00	-	45.00	45.00	45.00	-
Long-term loans from financial institutions	Baht	12.21	12.21	-	12.21	12.21	-
Forward foreign exchange contract	Baht	0.84	-	0.84	0.84	-	0.84
Fleet Card		0.80	0.03	0.77	0.80	0.04	0.76

The above credit facilities are guaranteed by the collaterals as mentioned in the note to financial statements No. 12 and 17.

38.2 Letters of guarantee

As at December 31, 2022 and 2021, the Group has commitments in respect of letters of guarantee issued by financial institutions as collateral for its performance in amount of Baht 8.26 million for both years, which guarantee the performance according to the contract with government agency Baht 6.19 million for both years.

38.3 Expenditure commitment

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Commitment	-	34.64	-	-

39. Promotional privileges

The Group was granted investment promotional certificates. It obtained benefits and privileges under sections 25, 26, 28, 31 paragraph 1, 31 paragraph 2, 31 paragraph 3, 31 paragraph 4, 34, 36(1), 36(2) and 37 of the Investment Promotion Act B.E. 2520 from the Board of Investment. The privileges so granted the import tariff of machinery and it also granted included exemption of corporate income tax on net profits from investment of promotional activities not exceed 100 percent of total investment of the project excluded the value of land and working capital for 3-8 years commencing from the first day when the Group starts to earn income from the operation of promotional operation as follows :-

The subsidiary company

<u>No.</u>	<u>Certificate No.</u>	<u>Date</u>	<u>Type of promotional activities</u>	<u>The first date</u>	<u>The expiry date</u>
1.	2536(5)/2554	December 28, 2011	Recycled plastic production	December 6, 2018	December 5, 2026

40. Litigation

40.1 On October 8, 2021, a subsidiary was sued as a defendant in an ordinary civil case by the Thanyaburi Provincial Court to be responsible for any charges or offenses of breaching the contract for the construction of the water supply system total amount Baht 39.77 million.

Later, on March 8, 2022, the Thanyaburi Provincial Court brought the case into the mediation process. The result of the plaintiff's mediation to go to work to fix and complete the installation until it can be used according to the contract. by requesting time to process within 60days The court therefore ordered to postpone the mediation to wait for the agreed result. On May 10, 2022, the subsidiary company denied the plaintiff's complaint. The subsidiary was not a party in breach of the contract, but the plaintiff was a party in breach of the contract with the defendant and cancelled the contract as mediated and asked the plaintiff to refund the defendant in the amount of Baht 67.82 million. In addition, from the plaintiff's breach of contract is unable to build a water supply system in accordance with the contract. As a result, the defendant was damaged and lack of benefit from the plaintiff's breach of contract in this time the defendant took this testimony as a counterclaim to the plaintiff and claim for damages and lack of benefit. Total amount of Baht 77.67million. On July 25, 2022, the plaintiff agreed to cancel the claim against the defendant. And the defendant will not prosecute the counterclaim against the plaintiff. shall be deemed to have terminated the contract.

40.2 As at December 31, 2021, the Company as plaintiff has ordered the civil case to Thanyaburi Provincial Court with a other company for suing for repayment from a breach of the property agreement cause the property has damaged, totally amount of Baht 15.04 million. Currently, the case is under consideration.

41. Events after the reporting period

According to the minute of Extraordinary General Meeting No. 2/2023 of A.P.W. International Co.,Ltd. held on February 22, 2023, it has the resolution to pay dividend from operation result for the year 2022 in amount of 1,300,000 shares at Baht 15.40 per share amounting to Baht 20.02 million which dividend will be paid within March 15, 2023.

42. Approval of financial statements

These financial statements have been approved for issuance by the Eureka Design Public Company Limited and subsidiaries's board of directors on February 28, 2023.

