

**EUREKA DESIGN PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**  
**AND INDEPENDENT AUDITOR'S REPORT**

**Independent auditor's report**

**To the Shareholders of Eureka Design Public Company Limited**

**Opinion**

I have audited the financial statements of Eureka Design Public Company Limited and its subsidiaries (the Group), which comprise the consolidated and separate statements of financial position as at December 31, 2021, the 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, including 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 financial position of Eureka Design Public Company Limited and its subsidiaries, as at December 31, 2021, their 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 consolidated and separate financial statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that is relevant to my audit of the consolidated and separate financial statements and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**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 year. 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. *g/v*

**Business combination by entire business transfer**

Refer to Note 13 in consolidated financial statements and separate financial statements

Key audit matters	Audit Responses
<p>On November 10, 2021, the Group completed business combination by entire business transfer of A.P.W. International Co., Ltd. (APW). The Group paid for the whole transferring of business by increasing the Company (UREKA) ordinary shares totaling Baht 382.50 million. The Group's management evaluate this business combination transaction comply to the definition as specific in the Financial Standard of Reporting No.3 (TFRS3), Business Combination.</p> <p>The management measured the fair value of assets acquired amounting Baht 182.96 million, including the property, plant and equipment totaling Baht 100.51 million and fair value of liabilities assumed totaling Baht 70.88 million. The Group considered goodwill of A.P.W. International Co., Ltd. amounting Baht 270.41 million. The fair value appraisal of net assets determined by fair value recognition of net assets allocation followed to the Financial Standard of Reporting No.3 (TFRS3), Business Combination.</p> <p>I draw my attention for this matter according to the goodwill is materiality to the financial statements and the goodwill valuation significant by the fair value of net assets acquired as at the date of combination. Furthermore, the valuation of the fair value of net assets acquired involved in significant judgement which information and assumptions more effected to the goodwill valuation.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> <li>● Inquired management and read the entire business transfer agreements to understand key objective, terms and conditions of the transactions in accordance with Thai Financial Reporting Standard No. 3.</li> <li>● Evaluated appropriateness of the identification of all the assets acquired and liabilities assumed as well as assess the process of determining the fair value of the net assets acquired by management.</li> <li>● Evaluated knowledge, competency and independence of the independent valuers.</li> <li>● Test calculation of goodwill occurred by business acquisition which compared the whole amount of consideration transferred and fair value of net assets identified. I evaluated that the management's calculation followed to the Financial Standard of Reporting No.3, Business Combination.</li> <li>● Evaluated appropriateness of assumptions and methodologies underpinning the valuations of the fair value of assets acquired, and liabilities assumed, including consideration transferred in independent valuer's draft appraisal report and tested calculation.</li> <li>● Assessed the adequacy of the disclosure in accordance with Thai Financial Reporting Standards.</li> </ul>

**Emphasis of Matters**

As described in the note to the financial statements as follows

1. No.13, as at December 31, 2021, the Company is considering the fair value of the business by the fair value of identifiable acquired assets and liabilities assumed is estimating amount at the date of purchase may be adjust according to Thai Financial Reporting Standards No.3. The Management shall estimate the fair value of the purchase this business at the date of purchase within period of measuring value which cannot more than one year from the date of purchase. The Buyer is required to retrospectively adjust the estimates recognized at the date of purchase to reflect the effect of additional information obtained about the facts and circumstances available at the date of purchase. The determination of the fair value of business purchased during the year 2021 is based on the determination of the final purchase price and the effect of the purchase price allocation.
2. No.39, on May 7, 2021 the subsidiary company was informed by letter from the Provincial Waterworks Authority to speed up the water supply by agreement and informed the penalties including right to terminate the contracts for 2 projects as follows:
  - 2.1. Nong Kakha Distribution Water Station Project per agreement no. ForKorMor.8/2563 dated June 25, 2020.
  - 2.2. Phanthong Distribution Water Station Project per agreement no. ForKorMor.9/2563 dated June 25, 2020.

These penalties rate are approximately Baht 1.04 million per day for 172 days, totally penalty value for Nong Kakha Distribution Water Station Project amounting Baht 179.3 million and Phanthong Distribution Water Station Project amounting Baht 179.0 million.

However, On June 23, 2021 the subsidiary company had already provided water supply to PWA. From this date they submitted the letter dated June 29, 2021 for ceasing of extend period and asked for penalties waiving. Then, the Provincial Waterworks Authority replied letter that they are in the process of investigation and finding information for extend the period and penalties exceptional that shall be inform the resolution later. My conclusion is not modified in respect of this matter. *gr*

**Other information**

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

My opinion on the financial statements does not cover the other information and I do 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 and for correction of misstatement.

**Responsibilities of management and those charged with governance for the consolidated and separate 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 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 or to cease operations, or has no realistic alternative but to do so.

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

**Auditor's responsibilities for the audit of the consolidated and separate 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. *gr*

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 ability to continue as a going concern. If I conclude that a 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 to cease to continue as a going concern.
- 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 and separate 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. *gh*

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 Mrs. Sumana Senivongse



(Mrs. Sumana Senivongse)

Certified Public Accountant

Registration No. 5897

Karin Audit Company Limited

Bangkok

February 28, 2022

Eureka Design Public Company Limited and its Subsidiaries

Statement of financial position

As at December 31, 2021

		Baht				
		Consolidated		Separate		
		financial statements		financial statements		
		December 31,	December 31,	December 31,	December 31,	
Notes		2021	2020	2021	2020	
<b>Assets</b>						
<i>Current assets</i>						
	Cash and cash equivalents	6	131,479,029	4,154,367	93,241,070	798,269
	Trade and other current accounts receivable - net	5.2, 7	96,526,628	24,189,916	15,877,215	13,619,798
	Contract assets - net	8	-	3,683,875	-	3,683,875
	Short - term loans - other companies	9	14,836,348	-	14,836,348	-
	Short - term loans to related parties	5.2	-	-	120,915,000	75,000,000
	Inventories - net	10	13,513,866	22,068,084	5,426,605	20,445,341
	Current tax assets		648,833	884,594	647,057	719,392
	<b>Total current assets</b>		<b>257,004,704</b>	<b>54,980,836</b>	<b>250,943,295</b>	<b>114,266,675</b>
<i>Non - current assets</i>						
	Other - non current financial asset	11	1,054,333	1,349,895	1,054,333	1,349,895
	Investments in associates - net	12	9,799,000	-	9,799,000	-
	Investments in subsidiaries - net	13	-	-	504,549,800	166,393,209
	Investment property - net	14	39,367,578	41,406,308	39,367,578	41,406,308
	Non - operating assets - net	15	2,048,293	3,796,507	2,048,293	3,796,507
	Property, plant and equipment - net	16	421,641,715	382,539,844	58,313,420	61,496,698
	Right of use assets - net	17	61,040,898	68,154,540	-	-
	Other intangible assets - net	18	398,623	8,774,480	392,340	3,655,191
	Goodwill	13	270,413,782	-	-	-
	Deferred tax assets	36	6,129,299	-	-	-
	Other non - current assets	19	23,934,568	21,979,446	21,761,568	20,179,446
	<b>Total non - current assets</b>		<b>835,828,089</b>	<b>528,001,020</b>	<b>637,286,332</b>	<b>298,277,254</b>
	<b>Total assets</b>		<b>1,092,832,793</b>	<b>582,981,856</b>	<b>888,229,627</b>	<b>412,543,929</b>

The accompanying notes are an integral part of these financial statements.



**Eureka Design Public Company Limited and its Subsidiaries**

**Statement of financial position (Cont.)**

As at December 31, 2021

		Baht				
		Consolidated		Separate		
		financial statements		financial statements		
		December 31,	December 31,	December 31,	December 31,	
Notes		2021	2020	2021	2020	
<b>Liabilities and Shareholders' equity</b>						
<i>Current liabilities</i>						
Bank overdrafts and short - term loans						
	from financial institutions	20	98,621,074	63,680,989	48,621,074	58,811,631
	Trade and other current accounts payable	5.2, 21	115,070,779	81,783,143	22,408,389	11,665,201
	Contract liabilities - net	8	736,775	2,480,654	736,775	2,480,654
	Short - term loans from other companies	22	13,120,000	-	-	-
	Short - term loans from personal and related parties	5.2	6,500,000	15,000,000	5,500,000	-
	Current portion of long - term loans	23	7,993,214	315,784	2,951,200	38,583
	Current portion of lease liabilities	24	6,064,400	9,721,403	-	-
	Accrued income tax		614,315	-	-	-
	Provision for liabilities		-	982,800	-	982,800
	Other current liabilities		2,701,193	1,460,550	-	-
	<b>Total current liabilities</b>		<b>251,421,750</b>	<b>175,425,323</b>	<b>80,217,438</b>	<b>73,978,869</b>
<i>Non - current liabilities</i>						
	Long - term loans	23	13,231,811	17,008,552	9,199,979	12,151,179
	Lease liabilities	24	56,969,992	63,492,844	-	-
	Deferred tax liabilities	36	4,154,976	3,664,146	3,045,137	3,192,370
	Non - current provision for liabilities employee benefit	25	2,928,588	2,599,811	2,814,739	2,137,335
	Other non - current provision for liabilities		1,424,061	-	751,230	-
	<b>Total non - current liabilities</b>		<b>78,709,428</b>	<b>86,765,353</b>	<b>15,811,085</b>	<b>17,480,884</b>
	<b>Total liabilities</b>		<b>330,131,178</b>	<b>262,190,676</b>	<b>96,028,523</b>	<b>91,459,753</b>

The accompanying notes are an integral part of these financial statements.

Eureka Design Public Company Limited and its Subsidiaries

Statement of financial position (Cont.)

As at December 31, 2021

		Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		December 31,	December 31,	December 31,	December 31,
Notes		2021	2020	2021	2020
<b>Liabilities and Shareholders' equity</b>					
<b>Share capital</b>					
Authorised share capital					
	1,635,137,106 Ordinary shares of Baht 0.25 each	408,784,277	296,585,260	408,784,277	296,585,260
	(As at December 31, 2020 : 1,186,341,040 Ordinary shares of Baht 0.25 each)				
Issued and paid - up share capital					
	1,341,401,580 Ordinary shares of Baht 0.25 each	335,350,395	222,438,945	335,350,395	222,438,945
	(As at December 31, 2020 : 889,755,780 Ordinary shares of Baht 0.25 each)				
Share premium					
	Share premium on ordinary shares	436,068,247	164,833,897	436,068,247	164,833,897
	Share subscription	42,352,537	-	42,352,537	-
	Legal reserve	4,660,000	4,660,000	4,660,000	4,660,000
	Deficit	(64,011,784)	(85,064,590)	(32,876,470)	(77,495,061)
	Other components of equity	4,749,819	4,749,819	6,646,395	6,646,395
	<b>Total Equity attributable to owners of the Company</b>	<b>759,169,214</b>	<b>311,618,071</b>	<b>792,201,104</b>	<b>321,084,176</b>
	Non - controlling interests	3,532,401	9,173,109	-	-
	<b>Total Shareholders' equity</b>	<b>762,701,615</b>	<b>320,791,180</b>	<b>792,201,104</b>	<b>321,084,176</b>
	<b>Total liabilities and Shareholders' equity</b>	<b>1,092,832,793</b>	<b>582,981,856</b>	<b>888,229,627</b>	<b>412,543,929</b>

The accompanying notes are an integral part of these financial statements.

Eureka Design Public Company Limited and its Subsidiaries

Statement of comprehensive income

For the year ended December 31, 2021

		Baht			
		Consolidated		Separate	
		financial statements		financial statements	
Notes		2021	2020	2021	2020
<b>Revenues</b>					
	Revenue from sale of goods and services	96,031,397	27,179,177	50,906,595	9,842,729
	Interest income	14,717	47,503	313,972	2,574,774
	Net foreign exchange gain	1,500,417	-	1,378,877	-
	Gain on disposal of investment	49,093,358	-	22,200,875	-
	Other income	12,455,535	8,989,522	15,925,342	11,451,131
	<b>Total revenues</b>	<b>159,095,424</b>	<b>36,216,202</b>	<b>90,725,661</b>	<b>23,868,634</b>
<b>Expenses</b>					
	Cost of sales and services	72,672,887	23,613,834	26,197,107	5,015,292
	Distribution costs	785,427	1,340,816	472,275	493,874
	Administrative expenses	70,116,408	87,715,296	44,008,789	51,371,710
	Allowance for expected credit loss (reversal)	(6,053,394)	15,687,960	(6,053,394)	15,687,960
	Allowance for decline in value of inventories (reversal)	(8,762,968)	9,411,120	(8,762,968)	9,411,120
	Allowance for impairment on Investments in subsidiaries (reversal)	-	-	(13,455,716)	13,455,716
	Net foreign exchange loss	-	246,030	-	246,030
	Finance costs	10,496,545	6,863,299	3,848,211	3,633,869
	<b>Total expenses</b>	<b>139,254,905</b>	<b>144,878,355</b>	<b>46,254,304</b>	<b>99,315,571</b>
	<b>Profit (Loss) before income tax expense</b>	<b>19,840,519</b>	<b>(108,662,153)</b>	<b>44,471,357</b>	<b>(75,446,937)</b>
	Income tax (expense)	(276,065)	(2,050,953)	147,234	(2,048,124)
	<b>Profit (Loss) for the year</b>	<b>19,564,454</b>	<b>(110,713,106)</b>	<b>44,618,591</b>	<b>(77,495,061)</b>

The accompanying notes are an integral part of these financial statements.

Eureka Design Public Company Limited and its Subsidiaries

Statement of comprehensive income (Cont.)

For the year ended December 31, 2021

		Baht			
		Consolidated		Separate	
		financial statements		financial statements	
Notes		2021	2020	2021	2020
<b>Other comprehensive income</b>					
<i>Items that will not be reclassified to profit or loss</i>					
Gains on remeasurements of					
	defined benefit plans	25	65,920	-	-
<b>Total items that will not be reclassified to profit or loss</b>					
		65,920	-	-	-
<b>Other comprehensive income for the years, net of tax</b>					
		65,920	-	-	-
<b>Total comprehensive income (expense) for the year</b>					
		19,630,374	(110,713,106)	44,618,591	(77,495,061)
<b>Profit (Loss) attributable to:</b>					
	Owners of the parent	31	20,986,886	(106,086,294)	44,618,591
	Non - controlling interests		(1,422,432)	(4,626,812)	-
<b>Profit (Loss) for the year</b>					
		19,564,454	(110,713,106)	44,618,591	(77,495,061)
<b>Total comprehensive (expense) attributable to:</b>					
<b>attributable to:</b>					
	Owners of the parent		21,052,806	(106,086,294)	44,618,591
	Non - controlling interests		(1,422,432)	(4,626,812)	-
<b>Total comprehensive (expense) for the year</b>					
		19,630,374	(110,713,106)	44,618,591	(77,495,061)
<b>Profit (Loss) per share (in Baht)</b>					
	Basic Profit (Loss) per share	31	0.021	(0.136)	0.045
			(0.099)		

The accompanying notes are an integral part of these financial statements.

Eureka Design Public Company Limited and its Subsidiaries

Statement of changes in equity

For the year ended December 31, 2021

		Baht											
		Consolidated financial statements											
		Equity attributable to owners of the Company's Shareholders											
		Retained earnings (deficit)			Other components of equity								
		Share	Share premium	Legal reserve	Deficit	Gain (losses) on re-measurement of post-employment benefit obligations	Differences arising from common control transactions	Revaluation of asset	Change in ownership interests in subsidiary	Total other components of equity	Total equity attributable to owners of the parent	Non-controlling interests	Total equity
		subscribed	-	-	-	-	-	-	-	-	-	-	-
<b>Balance at January 1, 2020</b>		158,884,961	209,891,407	4,660,000	(161,264,683)	-	(1,387,210)	6,646,395	-	5,259,185	217,430,870	10,790,555	228,221,425
<b>Changes in equity</b>													
Capital increase		63,553,984	137,228,877	-	-	-	-	-	-	-	200,782,861	2,500,000	203,282,861
Reduction deficit		-	(182,286,387)	-	182,286,387	-	-	-	-	-	-	-	-
Change in ownership interests in subsidiary (Loss) for the year		-	-	-	-	-	-	-	(509,366)	(509,366)	(509,366)	509,366	-
<b>Total contributions by owners</b>		63,553,984	(45,057,510)	-	76,200,093	-	-	-	(509,366)	(509,366)	94,187,201	(1,617,446)	92,569,755
<b>Balance at December 31, 2020</b>		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
<b>Changes in equity</b>													
Capital increase	27	112,911,450	271,234,350	-	-	-	-	-	-	-	384,145,800	-	384,145,800
Share subscription		-	42,352,537	-	-	-	-	-	-	-	42,352,537	-	42,352,537
Transferred to retained earning		-	-	-	65,920	(65,920)	-	-	-	(65,920)	-	-	-
Selling investment in subsidiary (Loss) for the year		-	-	-	-	-	-	-	-	-	-	(4,218,276)	(4,218,276)
<b>Total comprehensive income (expense) for the year</b>		112,911,450	42,352,537	-	21,052,806	-	-	-	-	65,920	21,052,806	(1,422,432)	19,630,374
<b>Balance at December 31, 2021</b>		335,350,395	436,086,247	4,660,000	(64,011,784)	-	(1,387,210)	6,646,395	(509,366)	4,749,819	759,169,214	3,532,401	762,701,615

Eureka Design Public Company Limited and its Subsidiaries

Statement of changes in equity

For the year ended December 31, 2021

	Baht						
	Separate financial statements						
	Notes	Issued and paid-up share capital	Cash receipts from share subscription	Share premium	Legal reserve	Other components of equity	
Retained earnings (deficit)						Total other components of equity	
					Deficit	Revaluation of asset	Total equity
Balance at January 1, 2020		158,884,961	-	209,891,407	4,660,000	(182,286,387)	197,796,376
<i>Changes in equity</i>							
Capital increase		63,553,984	-	137,228,877	-	-	200,782,861
Reduction deficit		-	-	(182,286,387)	-	182,286,387	-
(Loss) for the year		-	-	-	-	(77,495,061)	(77,495,061)
<b>Total comprehensive(expense) for the year</b>		<b>63,553,984</b>	<b>-</b>	<b>(45,057,510)</b>	<b>-</b>	<b>104,791,226</b>	<b>123,287,800</b>
Balance at December 31, 2020		222,438,945	-	164,833,897	4,660,000	(77,495,061)	321,084,176
<i>Changes in equity</i>							
Capital increase	27	112,911,450	-	271,234,350	-	-	384,145,800
Share subscription		-	42,352,537	-	-	-	42,352,537
Profit for the year		-	-	-	-	44,618,591	44,618,591
<b>Total comprehensive in come(expense) for the year</b>		<b>112,911,450</b>	<b>42,352,537</b>	<b>271,234,350</b>	<b>-</b>	<b>44,618,591</b>	<b>471,116,928</b>
Balance at December 31, 2021		335,350,395	42,352,537	436,068,247	4,660,000	(32,876,470)	792,201,104

The accompanying notes are an integral part of these financial statements.

Eureka Design Public Company Limited and its Subsidiaries

Statement of cash flows

For the year ended December 31, 2021

Notes	Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
<i>Cash flows from operating activities</i>				
Profit (loss) for the years	19,564,454	(110,713,106)	44,618,591	(77,495,061)
<i>Adjustments to reconcile (loss) to cash receipts (payments)</i>				
Adjusted tax (income) expense	(276,065)	2,050,953	(147,234)	2,048,124
Adjusted finance costs	10,496,545	6,863,299	3,848,211	3,633,869
Adjusted trade and other current accounts receivable (increase) decrease	(44,187,362)	3,879,158	1,702,062	8,392,675
Adjusted current contract assets (increase) decrease	3,683,875	8,271,937	3,683,875	8,271,937
Adjusted inventories (increase) decrease	24,254,285	11,805,132	23,781,705	(3,772,742)
Adjusted other non - current assets (increase) decrease	(269,880)	422,526	73,200	2,222,822
Adjusted trade and other current accounts payable increase (decrease)	(4,258,764)	64,568,344	955,356	(264,104)
Adjusted current contract liabilities increase (decrease)	(1,743,879)	1,503,489	(1,743,879)	1,503,489
Adjusted other current liabilities increase	1,074,940	1,460,550	-	-
Adjusted depreciation	18,062,659	13,877,376	7,069,116	8,879,541
Adjusted amortization other intangible assets	3,962,073	4,888,348	3,269,551	4,014,757
Adjusted amortization for rights of use	7,113,642	2,981,883	-	-
Adjusted gain on disposal of investment in subsidiaries	(49,093,358)	-	(22,200,875)	-
Adjusted loss on impairment in assets (reversal)	(32,860)	674,199	(32,860)	674,199
Adjusted loss on impairment investment (reversal)	-	-	(13,455,716)	13,455,716
Adjusted provisions for liabilities employee benefits	898,587	919,467	677,404	651,444
Adjusted other non - current liabilities (decrease)	(982,800)	879,566	(982,800)	879,566
Adjusted provisions for current liabilities (reversal)	1,424,061	-	751,230	-
Adjusted unrealised (gain) loss on exchange	(494,504)	(164,490)	(380,038)	(164,490)
Adjusted bad and doubtful debts expenses (reversal)	(6,053,394)	15,687,960	(6,053,394)	15,687,960
Adjusted loss on decline in value of inventories (reversal)	(8,762,968)	9,411,120	(8,762,968)	9,411,120
Adjusted loss on disposal of property, plant and equipment	(1,079)	342,987	(1,079)	28,390
Adjusted (gain) on disposal and write off non - operating assets	(5,398)	-	(5,398)	-
Adjusted Interest income	(14,717)	(47,503)	(313,972)	(2,574,774)
Total adjustments to reconcile of profit (loss)	(25,641,907)	39,563,195	36,350,088	(4,515,562)
<i>cash from provided by (used in) operating activities</i>				
Tax (paid)	(1,531,200)	(3,899,688)	(1,582,987)	(719,392)
Net cash from provided by (used in) operating activities	(27,173,107)	35,663,507	34,767,101	(5,234,954)

The accompanying notes are an integral part of these financial statements.

Eureka Design Public Company Limited and its Subsidiaries

Statement of cash flows (Cont.)

For the year ended December 31, 2021

Notes	Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
<i>Cash flows from investing activities</i>				
Acquisition of investment in subsidiary	-	-	-	(135,800,000)
Acquisition of investment in associate	(5,000,000)	-	(5,000,000)	-
Net cash from disposal investment from subsidiaries	80,000,000	-	80,000,000	-
Restricted deposits at financial institutions (increase) decrease	295,562	3,860,982	295,562	2,110,982
Proceeds from sale of property, plant and equipment	104,100	-	104,100	-
Acquisition of property, plant and equipment	(597,110)	(261,787,499)	(163,655)	(1,354,099)
Acquisition of intangible assets	(13,200)	(66,000)	(6,700)	(66,000)
Repayment of loans to related parties	-	-	(54,965,000)	(83,100,000)
Proceeds from repayment of loans to related parties	-	-	1,590,000	27,100,000
Proceeds from Interest	8,701	48,793	334,521	632,982
<b>Net cash provided by (used in) investing activities</b>	<b>74,798,053</b>	<b>(257,943,724)</b>	<b>22,188,828</b>	<b>(190,476,135)</b>
<i>Cash flows from financing activities</i>				
Proceeds from (repayment of) bank overdrafts	(10,264,044)	356,273	(10,190,557)	(2,996,512)
Proceeds from short - term borrowings from person and related parties	13,000,000	34,171,760	12,000,000	-
Repayment of short - term borrowings from person and related parties	(21,500,000)	(21,671,760)	(6,500,000)	-
Proceeds from short - term borrowings from other person and related parties	35,120,000	-	-	-
Repayment of short - term borrowings from other person and related parties	(22,000,000)	-	-	-
Proceeds from short - term borrowings from financial institutions	185,000,000	163,925,000	185,000,000	157,800,000
Repayment of short - term borrowings from financial institutions	(185,000,000)	(170,050,000)	(185,000,000)	(157,800,000)
Proceeds from long - term loans from financial institutions	34,244	17,342,773	-	12,208,200
Repayment of long - term loans from financial institutions	(857,783)	(11,007,807)	(38,583)	(11,007,807)
Cash received from share subscription	42,352,537	-	42,352,537	-
Cash received from capital increase	1,645,800	203,372,750	1,645,800	203,372,750
Cash paid for capital increase	-	(2,589,888)	-	(2,589,889)
Repayment of finance lease liabilities	(194,695)	(421,875)	-	-
Proceeds from investment in subsidiary of non - controlling interest	-	2,500,000	-	-
Cash paid interest	(4,737,647)	(5,436,448)	(3,782,325)	(3,635,718)
<b>Net cash provided by (used in) financing activities</b>	<b>32,598,412</b>	<b>210,490,778</b>	<b>35,486,872</b>	<b>195,351,024</b>



Eureka Design Public Company Limited and its Subsidiaries

Statement of cash flows (Cont.)

For the year ended December 31, 2021

		Baht			
		Consolidated		Separate	
		financial statements		financial statements	
Notes		2021	2020	2021	2020
	<b>Net increase (decrease) in cash and cash equivalents</b>	<b>80,223,358</b>	<b>(11,789,439)</b>	<b>92,442,801</b>	<b>(360,065)</b>
6	Cash and cash equivalents at beginning of year	4,154,367	15,943,806	798,269	1,158,334
	Cash increase from investment in subsidiaries	47,123,929	-	-	-
	Cash decrease from lose control in subsidiary	(22,625)	-	-	-
6	<b>Cash and cash equivalents at ending of year</b>	<b>131,479,029</b>	<b>4,154,367</b>	<b>93,241,070</b>	<b>798,269</b>
<b>Supplementary disclosure of cash flows in formation</b>					
	Acquisition of right - of - use assets under lease contracts	-	71,136,423	-	-
	Finance lease agreement with respect to purchase of vehicle	-	998,832	-	-
	Compilation of promissory note and all obligation with former subsidiary for issuing new promissory notes	14,836,348	-	14,836,348	-
	Accounts payable - machinery and equipment	(8,523,407)	-	-	-
	Shares payable - Investments in associates	4,799,000	-	4,799,000	-
	Increase in capital to pay compensation for the purchase of investment in subsidiary	-	-	385,000,000	-

## Eureka Design Public Company Limited and its Subsidiaries

### Notes to the financial statements

For the year ended December 31, 2021

#### 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.

The Company was listed on the Stock Exchange of Thailand in February 2013.

The principal activities of the Company are engaged in the distributor electronic component and Closed-circuit television (CCTV). The subsidiary is principally engaged in the production and sale of treated water to the Provincial Waterworks Authority (“PWA”) as follows.

- In the Amphur Bang Khla areas of Chachoengsao, Under the “Water Purchase Agreement” made with the PWA dated February 14, 2020, which covers a period of 3 years as from the Actual Commencement Date (Phimpha Water Distribution Station). Currently construction has stopped.
- In the Amphur Phanat Nikhom areas of Chon Buri, Under the “Water Purchase Agreement” made with the PWA dated June 25, 2020, which covers a period of 10 years as from the Actual Commencement Date (Phan Thong Distribution Station). In process of producing and selling water.
- In the Amphur Phanat Nikhom areas of Chon Buri, Under the “Water Purchase Agreement” made with the PWA dated June 25, 2020, which covers a period of 10 years as from the Actual Commencement Date (Nong Kakha Distribution Station). In process of producing and selling water.

#### 2. Use of going concern basis of accounting

For the year ended December 31, 2021, the Group and the Company incurred a net loss in the consolidated statement of comprehensive income and separate statement of comprehensive income of Baht 19.63 million and Baht 44.62 million, respectively (For the year ended December 31, 2020 : Net loss Baht (110.71) million and Baht (77.50) million, respectively). and, as of that date, the Group and the Company incurred deficit of Baht (64.01) million and Baht (32.88) million, respectively (December 31, 2020: Baht (85.06) million and Baht (77.50) million, respectively). These circumstances indicate the existence of a material uncertainty which may cast significant doubt about the Group’s ability to continue as a going concern. The Group has implemented policies and procedures in order to manage its liquidity risk and others.

Group management is satisfied that the Group and the Company will continue to meet their funding needs for the foreseeable future. The consolidated and separate financial statements have been prepared by Group and Company management on the going concern basis on the assumption that such further capital and facilities are secured to the extent that the group’s operations and the Company’s operations require. Accordingly, the consolidated and separate financial statements do not include any adjustments relating to the recoverability and classification of recorded assets amounts or to amounts and classifications of liabilities that may be necessary if the Group and the Company is unable to continue as a going concern.

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

**3. Basis for financial statements preparation and principles of consolidation**

**3.1. Coronavirus disease 2019 pandemic**

The Coronavirus disease 2019 pandemic at has continued to expand causing the economic slowdown adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Company operates. The Group company's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, The Group company's management has used estimates and judgement in respect of various issues as the situation has evolved.

**3.2. Basis for financial statements preparation**

The financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.4.

An English version of the financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

## Eureka Design Public Company Limited and its Subsidiaries

### Notes to the financial statements

For the year ended December 31, 2021

- A) The consolidated financial statements include the financial statements of Eureka Design Public Company Limited and its subsidiary which are under its control or significant influence as follows:

	Percentage of holding (%)		Nature of business
	As at December	As at December	
	31, 2021	31, 2020	
BS Myco Biotech Co.,Ltd.*	-	87.22	Manufacture of pesticides and agrochemical products
Join Venture Eureka UU Co.,Ltd.	99.42	99.42	Manufacture and sell water, raw water
Eureka Energy Co.,Ltd.	55.00	55.00	Manufacture energy
A.P.W. International Co.,Ltd.	100.00	-	Manufacture and sell plastic

\*The relationship ended on December 28, 2021 due to the disposal of investment in subsidiary

- B) Significant transactions with subsidiaries have been eliminated in the consolidated financial statements.
- C) The consolidated financial statements have been prepared with the same accounting policies for the separate financial statements for the same accounting transactions or accounting events.

#### Business combinations

The Group applies the acquisition method for all business combinations when control is transferred to the Group, as describe in subsidiaries section, other than those with entities under common control.

The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non - controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. Any gain on bargain purchase is recognised in profit or loss immediately.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration.

Any contingent consideration is measured at fair value at the date of acquisition, and remeasured at fair value at each reporting date. Subsequent changes in the fair value are recognised in profit or loss.

## **Eureka Design Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

**For the year ended December 31, 2021**

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

Transaction costs that the Group incurs in connection with a business combination, such as legal fees, and other professional and consulting fees are expensed as incurred.

#### **Subsidiaries**

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

#### **Non - controlling interests**

At the acquisition date, the Group measures any non - controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

#### **Loss of control**

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non - controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

#### **Interests in equity - accounted investees**

The Group's interests in equity - accounted investees comprise interests in a joint venture.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity - accounted investees, until the date on which significant influence or joint control ceases.

## **Eureka Design Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

**For the year ended December 31, 2021**

#### **Transactions eliminated on consolidation**

Intra - group balances and transactions, and any unrealised income or expenses arising from intra - group transactions, are eliminated. Unrealised gains arising from transactions with equity - accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

D) For reporting purposes, the Company and its subsidiaries are referred to as "the Group".

#### **3.3. Functional and presentation currency**

The financial statements are prepared and presented in Thai Baht, which is the Group's functional currency. All financial information presented in Thai Baht has been rounded to the nearest thousand or million in the notes unless otherwise stated.

#### **3.4. Use of judgements and estimates**

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group's accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis, revision to accounting estimates are recognised prospectively.

#### **Significant accounting judgment and estimates as follow**

##### **Post - employment benefits under defined benefit plans**

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate. In determining the appropriate discount rate, management selects an interest rate that reflects the current economic situation. The mortality rate is based on publicly available mortality rates in Thailand. However, the actual post-employment benefits may differ from the estimates.

##### **Impairment of assets**

The Group has considered the impairment of asset when the carrying amount of an asset decrease significantly. The Group will estimate its recoverable value the determination requires judgment.

##### **Fair valuation of financial assets**

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

## **Eureka Design Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

**For the year ended December 31, 2021**

#### **Impairment of investment in subsidiaries and associates**

The Company treats investments in subsidiaries as impaired if the business operations of such companies are severely impacted by an economic crisis and the investments may take some time to recover their value. The management determines the amount by which such investments have been devalued based on judgement. The use of different estimates and assumptions could affect the amounts of the allowances for impairment of investments in subsidiaries and adjustments to the allowances may therefore be required in the future.

#### **Allowance for expected credit losses of trade receivables and contract assets**

In determining an allowance for expected credit losses of trade receivables and contract assets, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Company's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

#### **Impairment of Inventories**

In order that financial statements report present value of inventory and performance. The company has reviewed and revised policy for impairment of inventory to cover all inventories, which include finished goods, raw material, spare part and supply. The impairment is considered when book value of inventory is higher than its net realizable value and when the inventory has no movement for a certain period, whichever is practical.

#### **Leases**

Determining the lease term with extension and termination options - The Company as a lessee. In determining the lease term, the management is required to exercise judgment in assessing whether the Company is reasonably certain to exercise the option to extend or terminate the lease, considering all relevant factors and circumstances that create an economic incentive for the Company to exercise either the extension or termination option. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

#### **Depreciation**

In calculating depreciation of plant machineries and equipment, the management estimates useful lives and salvage values of the plant machineries and equipment and reviews estimated useful lives and residual values if there are any changes.

#### **Intangible assets**

Intangible assets are amortized by the straight - line method based on the estimated useful lives and will consider impairment if there is an indication of impairment.

**Estimated of revenues from Revenues from rendering of services and project costs**

In estimation of revenue from rendering of service under service agreement, management are required to make judgement based on their best knowledge of the current events and arrangements and their experience of the business in order to estimate the percentage of completion, based on information from the engineers/project managers. The Company estimate costs of projects based on details of the projects work, taking into account the volume and prices of materials to be used in the project, labour costs and other miscellaneous costs to be incurred to completion of service, taking into account the direction of the movement in these costs. Estimates are reviewed regularly or whenever actual costs differ significantly from the figures used in the original estimates.

**3.5. New financial reporting standards**

**A. Financial reporting standards that become effective in the current period.**

During the period, the Group has adopted the revised accounting, financial reporting standards and interpretations which are effective for fiscal years beginning on or after January 1, 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

**B. Financial reporting standards that will become effective for fiscal years beginning on or after January 1, 2022**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after January 1, 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.



## **Eureka Design Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

**For the year ended December 31, 2021**

#### **4. Significant accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

##### **4.1. Foreign currencies**

###### **Foreign currency transactions**

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

Foreign currency differences arising from the translation are generally recognised in profit or loss.

##### **4.2. Cash and cash equivalents**

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and highly liquid. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.

Deposits at financial institutions that have a restriction of use are presented separately from "Other non current financial assets" in the statement of financial position.

##### **4.3. Trade and other accounts receivable**

Trade receivables are amounts due from customers for goods sold or service performed in the ordinary course of business.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at its present value.

The Group applies the TFRS 9 simplified approach to measuring expected credit losses which uses a simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure the expected credit losses, trade receivables have been grouped based on the days past due. The expected loss rates are based on the payment profiles and the corresponding historical credit losses which are adjusted to reflect the current and forward - looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

## Eureka Design Public Company Limited and its Subsidiaries

### Notes to the financial statements

For the year ended December 31, 2021

#### 4.4. Contract assets / Contract liabilities

##### Contract assets

The Group recognised the contract assets from revenues when the accumulated amount excess than billing invoice that submitted to client until present. And the Group shall record the allowance for impairment losses incurred from contracts assets by expected credit losses from uncollectable customers. Contract assets will be grouped as trade account receivables when the Company has right to receive without condition, i.e. when services completed and accepted by customers.

##### Contract liabilities

The Group recognised the contract liabilities when the collectable amounts from customers are excess than accumulated realized incomes by services obligation still pending transfer to customers. Contract liabilities shall be recognised as revenues when the company has already fulfilled all duties and obligations as specific by the contract.

#### 4.5. Inventories

Inventories are measured at the lower of cost and net realizable value.

Cost is calculated using the first in first out principle, and comprises 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 work-in-progress, cost includes an appropriate share of production 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.

#### 4.6. Financial assets and financial liabilities

##### Classification and measurement of financial assets

The classification of financial assets depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Group classifies its debt instruments in the following categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

The equity instruments held must be irrevocably classified to two measurement categories; i) at fair value through profit or loss (FVPL), or ii) at fair value through other comprehensive income (FVOCI) without recycling to profit or loss.

## Eureka Design Public Company Limited and its Subsidiaries

### Notes to the financial statements

For the year ended December 31, 2021

At initial recognition, the Group measures a financial asset at its fair value plus or minus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** A financial asset will be measured at amortised cost when the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows. In addition, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in financial income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented in profit or loss.
- **FVOCI:** A financial assets will be measured at FVOCI when it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. In addition, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and related foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised on other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of comprehensive income.
- **FVPL:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Dividends from such investments continue to be recognised in profit or loss when the Group's right to receive payments is established.

## **Eureka Design Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

**For the year ended December 31, 2021**

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

#### **Classification and measurement of financial liabilities and equity**

Financial instruments issued by the Group must be classified as financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

At initial recognition, the Group measures financial liabilities at fair value. The Group reclassifies all financial liabilities as subsequently measured at amortised cost, except for derivatives.

#### **Recognition and derecognition**

The Group shall recognise a financial asset or a financial liability in its statement of financial position when, and only when, the Group becomes party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets.

#### **Impairment**

Impairment - Financial assets and contract assets (Examples of financial assets are trade and other receivables, loan receivables, contract assets, etc.)

Follow by TFRS 9 the 'expected credit loss (ECL) model whereas previously the Company estimated the allowance for doubtful account by analysing payment histories and future expectation of customer payment. TFRS 9 requires considerable judgement about how changes in economic factors affect ECLs, which are determined on a probability-weighted basis. The new impairment model applies to financial assets measured at amortised cost, contract assets, lease receivables and debt investments measured at FVOCI, except for investments in equity instruments.

## **Eureka Design Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

**For the year ended December 31, 2021**

#### **4.7. Investments**

##### **Investments in subsidiaries, associates and joint ventures**

Investments in subsidiaries, associates and joint ventures in the separate financial statements of the Company are accounted for using the cost method. Investments in associates and joint ventures in the consolidated financial statements are accounted for using the equity method.

#### **4.8. Investment property**

Property that is held for long – term rental yields or for capital appreciation or both, and that is not occupied by the companies, is classified as investment property.

Investment property of the Company is land and plant held for long – term rental yields or for capital appreciation.

Investment property is measured initially at its cost. After initial recognition, investment property is carried at cost less accumulate depreciation and accumulated impairment losses.

#### **4.9. Property, plant and equipment**

##### **Recognition and measurement**

##### **Owned assets**

Plant and equipment are measured at cost less accumulated depreciation and impairment losses except for land which are measured at their revalued amounts. The revalued amount is the fair value determined on the basis of the property's existing use at the date of revaluation.

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 labour, any other costs directly attributable to bringing 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 capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

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.

Any gains and 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 recognised in profit or loss. Upon disposal of a revalued asset, any related revaluation surplus is transferred directly to retained earnings.

## Eureka Design Public Company Limited and its Subsidiaries

### Notes to the financial statements

For the year ended December 31, 2021

#### Revalued assets

Revaluations are performed by independent professional valuers with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the reporting date.

Any increase in value, on revaluation, is recognised in other comprehensive income and presented in the revaluation surplus in other component of equity unless it offsets a previous decrease in value recognised in profit or loss in respect of the same asset. A decrease in value is recognised in profit or loss to the extent it exceeds an increase previously recognised in other comprehensive income in respect of the same asset. Upon disposal of a revalued asset, any related revaluation surplus is transferred directly to retained earnings and is not taken into account in calculating the gain or loss on disposal.

#### Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised 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 recognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

#### Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

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:

Buildings and improvements	5 to 20	years
Machinery and factory equipment	5 to 10	years
Office equipment	5	years
Vehicles	5 to 10	years

No depreciation is provided on freehold land or assets under construction and installation.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

**4.10. Lease**

**Right of use assets**

The Group's recognises right of use assets at the commencement date of the lease. Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised through initial measurement, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

Unless is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the recognised right of use assets are depreciated on a straight - line basis from the commencement date of the lease to the earlier of the end of the useful life of the right of use assets or the end of the lease term.

**Lease liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

**Short - term leases and leases of low - value assets**

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low - value assets, are recognised as expenses on a straight - line basis over the lease term.

**4.11. Goodwill**

Goodwill arose from business combination which presented separately in consolidated statements of financial position by recognizing the initial value of goodwill.

After recognized the initial value of goodwill ,presented by cost less by accumulated impairment and shall be annually test of impairment or whenever that have the potential indication of impairment.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company 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 recognized in profit or loss. Impairment losses relating to goodwill cannot be reversed in future.

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

For investments recorded under the equity method. The book value of goodwill is included in the carrying amount of the investment and impairment loss from investments shall not be allocated to any assets that is part of the investment's book value, including goodwill.

**4.12. Intangible assets**

**Other intangible assets**

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses (If any).

**Subsequent expenditure**

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

**Amortisation**

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, 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 for the current and comparative periods are as follows:

Computer software	2 to 5	years
Patents	3 and 5	years

No amortisation is provided on computer software under installation.

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.



#### 4.13. Impairment

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

##### Calculation of recoverable amount

The recoverable amount of held – to – maturity securities carried at amortised cost is calculated as the present value of the estimated future cash flows discounted at the original effective interest rate.

The recoverable amount of a non-financial asset is the greater of the assets' value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash - generating unit to which the asset belongs.

##### Reversals of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss.

#### 4.14. Interest - bearing liabilities

Interest - bearing liabilities are recognised initially at fair value less attributable transaction charges. subsequent to initial recognition, interest - bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective interest basis.

#### 4.15. Borrowings costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets less investment income earned from those specific borrowings. The capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Other borrowing costs are expensed in the period in which they are incurred.

**4.16. Trade and other accounts payable**

Trade and other accounts payable are stated at cost.

**4.17. Employee benefits**

**Defined contribution plans**

Obligations for contributions to defined contribution pension plans are expensed as the related service is provided.

**Defined benefit plans**

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**Termination benefits**

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

**Short - term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### 4.18. Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

##### Guarantee

A provision for guarantee is recognised when the underlying products or services are sold. The provision is based on historical guarantee data and a weighting of all possible outcomes against their associated probabilities.

#### 4.19. Measurement of fair values

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

## **Eureka Design Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

**For the year ended December 31, 2021**

#### **4.20. Revenue**

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates.

##### **Sale of goods and services**

Revenue from sales of goods is recognised when a customer obtains control of the goods, generally on delivery of the goods to the customers. For contracts that permit the customers to return the goods, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore, the amount of revenue recognised is adjusted for estimated returns, which are estimated based on the historical data.

Revenue for rendering of services is recognised over time based on stage of completion. The stage of completion measured by the Company's engineers. The related costs are recognised in profit or loss when they are incurred.

For bundled packages, the Group accounts for individual products and services separately if they are distinct (i.e., if a product or service is separately identifiable from other items and a customer can benefit from it) or the multiple services are rendered in different reporting periods. The consideration received is allocated based on their relative stand-alone selling prices which are determined based on the price list at which the Group sells the products and services in separate transactions.

#### **4.21. Investment income**

Investment income comprises dividend and interest income from investments and bank deposits. Dividend income is recognised in profit or loss on the date the Group right to receive payments is established. Interest income is recognised in profit or loss as it accrues.

#### **4.22. Finance costs**

Interest expenses and similar costs are charged to profit or loss for the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

#### **4.23. Income tax**

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

## **Eureka Design Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

**For the year ended December 31, 2021**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

## **Eureka Design Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

**For the year ended December 31, 2021**

#### **4.24. Share Capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares (net of tax) are shown in equity as a deduction.

#### **4.25. Earnings (loss) per share**

The Group presents basic earnings (loss) per share data for its ordinary shares. Basic earnings (loss) per share is calculated by dividing the profit (loss) attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

#### **4.26. Related parties**

A related party is a person or entity that has direct or indirect control or joint control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that are under common control or under the same significant influence as the Group; or the Group has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making of a person or entity.

#### **4.27. Segment reporting**

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

### **5. Related parties**

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

**5.1. The related parties consisted of:**

<b>Name of entities</b>	<b>Country of incorporation/ nationality</b>	<b>Nature of relationships</b>
BS Myco Biotech Company Limited *	Thailand	Subsidiary
Join Venture Eureka UU Company Limited	Thailand	Subsidiary
Eureka Energy Company Limited	Thailand	Subsidiary
A.P.W. International Company Limited	Thailand	Subsidiary
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.
Ms. Nitchakarn Chanthanasirikun	Thailand	Major shareholder and director
Ms. Sunisa Jirawuttikul	Thailand	Major shareholder and director
Mancee Udomsuk Company Limited	Thailand	Common major shareholders

**Pricing Policy:**

<b>Transactions</b>	<b>Pricing policies</b>
Revenue from sales	Specific price as the price list less by discount per agreed selling price.
Rental income and service income	Contractually agreed prices
Interest income**	Interest rate 6.84 - 7.40 percentage per annum
Interest expense	Interest rate 6.84 - 7.40 percentage per annum
Key management personnel compensation	As defined by the Nomination and Remuneration Committee and the Company's policy

\* The relationship ended on December 28, 2021 due to the disposal of investment in subsidiary

\*\* These included transactions of BS Myco Biotech Co.,Ltd. Up to December 28, 2021 which was the date of loss control in subsidiaries.

Eureka Design Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended December 31, 2021

5.2. Significant transactions for the years ended December 31, 2021 and 2020 with related parties were as follows:

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
For the year ended December 31	2021	2020	2021	2020
<b>Subsidiaries</b>				
Revenue from sales	-	-	387	-
Rental income and service income	-	-	5,046	2,619
Interest income	-	-	306	2,545
<b>Key management personnel</b>				
Key management personnel compensation				
Short - term employee benefit	7,761	7,961	5,965	7,413
Post - employee benefits	277	728	277	266
<b>Total key management personnel compensation</b>	<b>8,038</b>	<b>8,689</b>	<b>6,242</b>	<b>7,679</b>
<b>Other related parties</b>				
Interest expense	1,018	160	-	-

Balances as at December 31, 2021 and 2020 with related parties were as follows:

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
<b>Receivables - related parties</b>				
Subsidiary	-	-	414	-
<b>Other receivables - related parties</b>				
Subsidiary	-	-	4,124	1,519
<b>Accrued interest - related parties</b>				
Subsidiary	-	-	4	1,942
<b>Total</b>	<b>-</b>	<b>-</b>	<b>4,542</b>	<b>3,461</b>



Eureka Design Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended December 31, 2021

	In Thousand Baht					
	Interest rate (% per annum)		Consolidated		Separate	
			financial statements		financial statements	
	2021	2020	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
<b>Short - term loans</b>						
Subsidiary	6.8-7.4	7.4	-	-	120,915	75,000
<b>Short - term loans to related party</b>			<b>-</b>	<b>-</b>	<b>120,915</b>	<b>75,000</b>

Movements of loans to related parties for the years ended December 31, 2021 and 2020 were as follows:

	In Thousand Baht			
	Separate financial statements			
	Beginning balance at January 1, 2021	Increase	(Decrease)	Ending balance at December 31, 2021
<b>Short-term loans to related parties</b>				
<b>Subsidiaries</b>				
BS Myco Biotech Co.,Ltd.*	-	7,460	(7,460)*	-
Join Venture Eureka UU Co.,Ltd.	75,000	47,185	(1,500)	120,685
Eureka Energy Co.,Ltd.	-	320	(90)	230
<b>Total short - term loans to related parties</b>	<b>75,000</b>	<b>54,965</b>	<b>(9,050)</b>	<b>120,915</b>

\* Short - term loans to BS Myco Biotech Co.,Ltd. decreased by Baht 7.46 million due to the disposal of investment in subsidiary

Eureka Design Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended December 31, 2021

	In Thousand Baht			
	Separate financial statements			
	Beginning balance at			Ending balance at
	January 1, 2020	Increase	(Decrease)	December 31, 2020
<b>Short-term loans to related parties</b>				
<b>Subsidiaries</b>				
BS Myco Biotech Co.,Ltd.	19,000	3,000	(22,000)	-
Join Venture Eureka UU Co.,Ltd.	-	80,100	(5,100)	75,000
<b>Total short - term loans to related parties</b>	<b>19,000</b>	<b>83,100</b>	<b>(27,100)</b>	<b>75,000</b>

	In Thousand Baht					
	Interest rate		Consolidated		Separate	
			financial statements		financial statements	
	(% per annum)		December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020	2021	2020
<b>Short term loans from personal and related parties</b>						
Key management						
personnel	6.8-7.4	7.4	6,500	15,000	5,500	-
<b>Short - term loans from personal and related parties</b>						
			<b>6,500</b>	<b>15,000</b>	<b>5,500</b>	<b>-</b>
<b>Accrued interest</b>						
Key management personnel			70	3	70	-
<b>Total</b>			<b>70</b>	<b>3</b>	<b>70</b>	<b>-</b>

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

Movements of loans from related parties for the years ended December 31, 2021 and 2020 were as follows:

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
<b>Key management personal</b>				
Beginning balance	15,000	2,500	-	-
Increase	13,000	34,172	12,000	-
(Decrease)	(21,500)	(21,672)	(6,500)	-
<b>Ending balance</b>	<b>6,500</b>	<b>15,000</b>	<b>5,500</b>	<b>-</b>

*Significant agreement with related parties*

On January 1, 2021, the Company entered into procurement service, accounting and operating assistance agreements with a subsidiary for a period of one year, whereby the Company agreed to provide operating assistance services to the subsidiary. In this regard, the subsidiary agreed to pay service fees as specified in the agreement.

The Company entered into loan agreement with a subsidiary, repayable within October 2021 - June 2022

**6. Cash and cash equivalents**

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Cash on hand	1,586	50	32	18
Cash at bank - current accounts	1,693	3,568	54	372
Cash at bank - savings accounts	128,200	536	93,155	408
<b>Total cash and cash equivalents</b>	<b>131,479</b>	<b>4,154</b>	<b>93,241</b>	<b>798</b>

Saving accounts carry floating interest rates as specified by the bank.

Eureka Design Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended December 31, 2021

7. Trade and other current accounts receivable - net

		In Thousand Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		December 31,	December 31,	December 31,	December 31,
<i>Note</i>		2021	2020	2021	2020
<b>Trade accounts receivable</b>					
	Related parties	-	-	414	-
	Other parties	71,776	18,897	12,165	18,897
	<u>Less allowance for expected credit loss</u>	<u>(5,511)</u>	<u>(11,565)</u>	<u>(5,511)</u>	<u>(11,565)</u>
	<b>Total trade account receivable - net</b>	<b><u>66,265</u></b>	<b><u>7,332</u></b>	<b><u>7,068</u></b>	<b><u>7,332</u></b>
<b>Other receivables</b>					
	Related parties	-	-	4,128	3,461
	Other parties	28,424	16,858	4,681	2,827
	<b>Total other receivables</b>	<b><u>28,424</u></b>	<b><u>16,858</u></b>	<b><u>8,809</u></b>	<b><u>6,288</u></b>
<b>Accrued income</b>					
	Accrued income	1,838	-	-	-
	<b>Total accrued income</b>	<b><u>1,838</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
	<b>Total trade and other current accounts receivable - net</b>	<b><u>96,527</u></b>	<b><u>24,190</u></b>	<b><u>15,877</u></b>	<b><u>13,620</u></b>

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

Allowance for expected credit loss have been changed during the years are as follows:

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Beginning balance	(11,565)	(359)	(11,565)	(359)
(Increase)	(1,344)	(11,206)	(1,344)	(11,206)
Decrease	7,398	-	7,398	-
<b>Ending balance</b>	<b>(5,511)</b>	<b>(11,565)</b>	<b>(5,511)</b>	<b>(11,565)</b>

In 2021, The decreasing of allowance for expected credit loss according to the debt collection.

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

Aging analyses for trade accounts receivable were as follows:

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
<b>Related parties</b>				
Within credit terms	-	-	-	-
Overdue:				
Less than 90 days	-	-	38	-
90 - 180 days	-	-	376	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>414</b>	<b>-</b>
 <b>Other parties</b>				
Within credit terms	35,996	2,335	-	2,335
Overdue:				
Less than 90 days	16,027	1,633	-	1,633
90 - 180 days	12,343	128	4,756	128
181 - 360 days	1,471	699	1,470	699
Over 360 days	5,939	14,102	5,939	14,102
	71,776	18,897	12,165	18,897
Less allowance for expected credit loss	(5,511)	(11,565)	(5,511)	(11,565)
<b>Total</b>	<b>66,265</b>	<b>7,332</b>	<b>6,654</b>	<b>7,332</b>

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

Eureka Design Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended December 31, 2021

Other current receivables

		In Thousand Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		December 31,	December 31,	December 31,	December 31,
<i>Note</i>		2021	2020	2021	2020
	<b>Related parties</b>	-	-	<b>4,128</b>	<b>3,461</b>
	<b>Other parties</b>				
	Revenue department receivable	18,042	9,993	215	-
	Prepaid expenses	3,984	386	297	230
	Undue input value added taxes	2,714	4,327	585	602
	Deposit	16	51	-	17
	Others	3,668	2,101	3,584	1,978
	<b>Total other receivables</b>	<b>28,424</b>	<b>16,858</b>	<b>4,681</b>	<b>2,827</b>
	<b>Total other current receivables</b>	<b>28,424</b>	<b>16,858</b>	<b>8,809</b>	<b>6,288</b>

8. Contract assets / Contract liabilities - net

		In Thousand Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		December 31,	December 31,	December 31,	December 31,
		2021	2020	2021	2020
	<b>Contract assets</b>				
	Unbilled receivables	4,482	8,166	4,482	8,166
	Less allowance for expected credit loss	(4,482)	(4,482)	(4,482)	(4,482)
	<b>Total contract assets - net</b>	<b>-</b>	<b>3,684</b>	<b>-</b>	<b>3,684</b>
	<b>Contract liabilities</b>				
	Costs unearned	737	2,481	737	2,481
	<b>Total contract liabilities - net</b>	<b>737</b>	<b>2,481</b>	<b>737</b>	<b>2,481</b>

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

Allowance for expected credit loss have been changed during the years are as follows:

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Beginning balance	(4,482)	-	(4,482)	-
(Increase)	-	(4,482)	-	(4,482)
Decrease	-	-	-	-
<b>Ending balance</b>	<b>(4,482)</b>	<b>(4,482)</b>	<b>(4,482)</b>	<b>(4,482)</b>

**9. Short - term loans from other companies**

Movements of loans from other personal and companies for the years ended December 31,2021 were as follows:

	In Thousand Baht	
	Consolidated	Separate
	financial statements	financial statements
Beginning balance at January 1, 2021	-	-
<u>Add</u> Increase	14,836	14,836
<u>Less</u> Decrease	-	-
<b>Ending balance at December 31, 2021</b>	<b>14,836</b>	<b>14,836</b>

As at December 31, 2021, the Company combined all promissory notes, including liability obligations with a former subsidiary (BS Myco Biotech Co.,Ltd.), 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.



Eureka Design Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended December 31, 2021

10. Inventory - net

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Finished goods	10,811	4,982	2,924	4,200
Work in progress	592	23,097	592	23,097
Raw materials	4,263	4,904	4,063	4,063
<b>Total</b>	<b>15,666</b>	<b>32,983</b>	<b>7,579</b>	<b>31,360</b>
Less allowance for decline in value	(2,152)	(10,915)	(2,152)	(10,915)
<b>Total inventory - net</b>	<b>13,514</b>	<b>22,068</b>	<b>5,427</b>	<b>20,445</b>

Allowance for declining in value of inventories have changed during the years are as follows:

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Beginning balance	(10,915)	(1,504)	(10,915)	(1,504)
(Increase)	(292)	(9,411)	(292)	(9,411)
Decrease	9,055	-	9,055	-
<b>Ending balance</b>	<b>(2,152)</b>	<b>(10,915)</b>	<b>(2,152)</b>	<b>(10,915)</b>

In 2021, The decreasing of allowance for lower value of inventories because of the Company had already sold out the work in process of assembly which this allowance had been recorded.

Eureka Design Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended December 31, 2021

11. Other non - current financial asset

Consist of

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Non - marketable equity securities	280	280	280	280
The restricted deposits at financial institutions	774	1,070	774	1,070
<b>Other non - current financial asset</b>	<b>1,054</b>	<b>1,350</b>	<b>1,054</b>	<b>1,350</b>

Eureka Design Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended December 31, 2021

11.1. Non - marketable equity securities

Consolidated financial statements / Separate financial statements					
	Ownership		Paid - up capital		At cost
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020	December 31, 2021
	Interest (%)		In Thousand Baht		In Thousand Baht
Type of business					
<i>Non - marketable equity securities</i>					
Bekutoru (Thailand) Co., Ltd.	14	14	2,000	2,000	280
					280
					<u>280</u>
					<u>280</u>

11.2. The restricted deposits at financial institutions

At December 31, 2021 and 2020 the restricted deposits at financial institutions in the consolidated financial statement and separate financial statement of Baht 0.77 million and Baht 1.07 million, used to guarantee the bank to issue letters of guarantee for the Company and subsidiaries.

**Eureka Design Public Company Limited and its Subsidiaries**

Notes to the financial statements

For the year ended December 31, 2021

**12. Investments in associates**

		Consolidated financial statements / Separate financial statements					
		Ownership Interest		Paid - up capital		At cost	
		December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
		In Thousand Baht		In Thousand Baht		In Thousand Baht	
	Type of business		(%)				
	Suwan Bio Farm Co.,Ltd.	49	-	20,000	-	9,799	-
	Research and development of planting, extraction, distribution and development of herbal products from plants for medical and commercial					9,799	-

The board resolution under the Board of Director's Meeting No.6/2021 on September 3, 2021, 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. The Company shall hold 49% of registered share capital. representing Baht 9,800,000 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 on October 26, 2021. The Company invested for Baht 5 million that the rest amount Baht 4.8 million had already recorded as " Share Payable" in the statement of financial position.

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

**13. Investments in subsidiaries - net**

Investments in subsidiaries as at December 31, 2021 and 2020 were as follows:

	In Thousand Baht									
	Ownership					Separate financial statements				
	Interest (%)		Paid - up capital		Cost		Impairment		At cost - net	
2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	
<i>Direct subsidiaries</i>										
BS Myco Biotech Co.,Ltd.*	-	87.22	-	72,000	-	57,799	-	(13,456)	-	44,343
Join Venture Eureka UU Co.,Ltd.	99.42	99.42	120,000	120,000	119,300	119,300	-	-	119,300	119,300
Eureka Energy Co.,Ltd.	55.00	55.00	5,000	5,000	2,750	2,750	-	-	2,750	2,750
A.P.W.International Co.,Ltd.	100.00	-	130,000	-	382,500	-	-	-	382,500	-
<b>Total</b>					<b>504,550</b>	<b>179,849</b>	<b>-</b>	<b>(13,456)</b>	<b>504,550</b>	<b>166,393</b>

\*The relationship ended on December 28, 2021 due to the disposal of investment in subsidiary

## **Eureka Design Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

**For the year ended December 31, 2021**

#### **Acquisitions of investments**

The Extraordinary General Meeting of Shareholders No. 1/2021 on October 27, 2021. Approved of the acquisition of assets of the A.P.W. International Co., Ltd. The Company will enter into the transaction to accept the transfer of 1,300,000 ordinary shares of A.P.W. International Co., Ltd., representing 100% of the total number of issued and paid-up shares. The par value of 100 baht per share, which is paid - up capital of 130,000,000 baht from Pacific Global Company Limited under the Entire Business Transfer (EBT) process, whereby the Company will purchase and accept the entire business transfer from Pacific Global Company Limited, which means assets, liabilities, all rights, duties and all responsibilities of Pacific Global Company Limited as of the business transfer date. Therefore, on the business transfer date, the Company will accept the transfer of the ordinary shares of A.P.W. International Co., Ltd. total value of 382,500,000 baht, the Company will pay compensation for the Entire Business Transfer Transaction to Pacific Global Company Limited with 450,000,000 newly issued ordinary shares of the Company, with a par value of 0.25 baht per share, representing 33.59% of the total shares. After the capital increased. The offering price of newly issued ordinary shares is set at 0.85 baht per share, representing a total value of 382,500,000 baht by offering a private placement to Pacific Global Company Limited as compensation instead of paying in cash allotment of shares in consideration of the entire business transfer.

On October 28, 2021 The Company signed the business transfer agreement which received the whole of ordinary shares from A.P.W. International Co., Ltd. on November 11, 2021. Therefore, the Company acquired control on A.P.W International Co., Ltd. that represented as the subsidiary company of the Group.

#### **Disposal of investments**

1. The Board of Director's Meeting No.10/2021 on December 27, 2021. The resolution is resolved to approve the sale of ordinary shares of BS Myco Biotech Co., Ltd. amount 174,390 shares or equivalent to 24.22% of the registered and paid-up capital at the share price of 286.71 baht, totaling 50,000,000 to non - related company. The Company had already received for the whole amount on December 29, 2021.
2. The Board of Director's Meeting No.6/2021 on September 3, 2021 approved disposal of investment BS Myco Biotech Co., Ltd. amount of 453,000 Shares, 63% of the total shares, in the value of Baht 30,000,000. On October 11, 2021, the Company had already received for partial payment from buyer for amounting Baht 10,000,000. The balance amount had already received on December 28, 2021.

On December 28 and 29, 2021, The company transferred all ordinary shares to 2 buyers. Effected to BS Myco Biotech Company Limited is not existed as a subsidiary company. As at disposal date, the net assets book value of BS Myco Biotech Company Limited in the separate financial statements of Baht 32.63 million, profit from disposal of investment of Baht 49.09 million in the consolidate financial statements and 22.20 million in the separate financial statement for the year ended December 31, 2021.

## Eureka Design Public Company Limited and its Subsidiaries

### Notes to the financial statements

For the year ended December 31, 2021

#### Increased of Investments

1. The Board of Director's Meeting No.7/2020 on June 5, 2020. The resolution is resolved to approve the capital increase in the subsidiary company, Join Venture Eureka UU Co.,Ltd. from Baht 7,000,000 to Baht 120,000,000 by issuing 1,130,000 ordinary shares with Baht 100 per value. The subsidiary company registered the increase of share capital on June 9, 2020.
2. The Board of Director's Meeting No.7/2020 on June 5, 2020. The resolution is resolved to approve the capital increase in the subsidiary company, BS Myco Biotech Co.,Ltd. From Baht 46,700,000 to Baht 72,000,000 by issuing 253,000 ordinary shares with Baht100 per value. The subsidiary company registered the increase of share capital on June 11, 2020

Movements of investment in subsidiaries for the years ended December 31, 2021 and 2020 were as follows:

	In Thousand Baht	
	Separate	
	financial statements	
	2021	2020
At as January 1	166,393	44,049
Increase	382,500	135,800
(Decrease)	(57,799)	-
Reversal (allowance for loss impairment) investment in subsidiary	13,456	(13,456)
<b>At as December 31</b>	<b>504,550</b>	<b>166,393</b>

## Eureka Design Public Company Limited and its Subsidiaries

### Notes to the financial statements

#### For the year ended December 31, 2021

The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed:

Identifiable assets acquired and liabilities assumed

	<b>Fair value</b>
	(In Thousand Baht)
Cash and cash equivalents	47,124
Trade and other current account receivables	22,023
Inventories	7,519
Plant, Property and equipment	100,505
Deferred tax assets	5,730
Non - current assets	60
Short - term loans from financial institutions	(50,000)
Trade and other current account payable	(9,774)
Long - term loans	(9,885)
Deferred tax liabilities	(1,050)
Non - current liabilities	(166)
<b>Total net assets</b>	<b>112,086</b>
Less: Non-controlling interests	-
<b>Total identifiable net assets received</b>	<b>112,086</b>
Goodwill	(270,414)
<b>Purchase consideration transferred</b>	<b>382,500</b>
Net cash acquired with the subsidiary	47,124
Cash paid	-
<b>Net cash flows</b>	<b>47,124</b>

According to the above acquisition, the Company has engaged an independent appraiser to determine the fair values of assets acquired and liabilities assumed.



**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

**13.1. Non - controlling interests**

Details of investments in subsidiaries that have material non - controlling interests. at December 31, 2021 and 2020 are as follows:

Name of Entities	In Thousand Baht					
	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit (loss) allocated to non-controlling interests during the year	
	2021	2020	2021	2020	2021	2020
	(%)	(%)				
Eureka Energy Co., Ltd.	45.00	45.00	3,060	2,034	1,026	(174)
BS Myco Biotech Co., Ltd.	-	12.78	-	6,067	(2,287)	(4,781)

Summarised financial information that based on amounts before inter - company elimination about subsidiaries that have material non - controlling.

**Summarised information about financial position:**

	In Thousand Baht			
	Eureka Energy Co., Ltd.		BS Myco Biotech Co., Ltd.	
	2021	2020	2021	2020
<b>Condensed statement of financial position as at December 31,</b>				
Current assets	43,742	4,719	-	3,300
Non - current assets	-	-	-	59,824
Current liabilities	36,270	200	-	9,958
Non - current liabilities	673	-	-	5,693

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

**Summarised information about comprehensive income:**

	In Thousand Baht			
	Eureka Energy Co., Ltd.		BS Myco Biotech Co., Ltd.	
	2021	2020	2021	2020
<b>For the years ended December, 31</b>				
Revenue	35,177	-	-	17,336
Profit (loss)	2,280	(386)	(17,826)	(37,410)
Comprehensive income	-	-	-	-

**Summarised information about cash flows:**

	In Thousand Baht			
	Eureka Energy Co., Ltd.		BS Myco Biotech Co., Ltd.	
	2021	2020	2021	2020
<b>For the years ended</b>				
<b>December, 31</b>				
Cash flows from operating activities	(4,309)	(560)	(9,086)	(17,781)
Cash flows from investing activities	2,497	(2,837)	(4)	1,089
Cash flows from financing activities	226	(1)	9,079	7,985
Net increase (decrease) in cash and cash equivalents	(1,586)	(3,398)	(11)	(8,707)

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

**14. Investment property - net**

The movements in these items for year ended December 31, 2021 and 2020 are as follows:

	In Thousand Baht		
	Consolidated financial statements / Separate financial statements		
	Land	Buildings and improvements	Total
<b>Cost</b>			
As at January 1, 2020	21,273	50,157	71,430
Acquisition	-	-	-
<b>As at December 31, 2020</b>	<b>21,273</b>	<b>50,157</b>	<b>71,430</b>
Acquisition	-	-	-
Disposals/ write off	-	-	-
<b>As at December 31, 2021</b>	<b>21,273</b>	<b>50,157</b>	<b>71,430</b>
<b>Accumulated Depreciation</b>			
As at January 1, 2020	-	27,837	27,837
Depreciation for the year	-	2,187	2,187
<b>As at December 31, 2020</b>	<b>-</b>	<b>30,024</b>	<b>30,024</b>
Depreciation for the year	-	2,038	2,038
<b>As at December 31, 2021</b>	<b>-</b>	<b>32,062</b>	<b>32,062</b>
<b>Net book value</b>			
As at December 31, 2020	21,273	20,133	41,406
As at December 31, 2021	21,273	18,095	39,368
<b>Depreciation for the year</b>			
December 31, 2020			2,187
December 31, 2021			2,038

The gross carrying amount of fully depreciated Investment property of the Company that was still in use as at December 31, 2021 amounted to Baht 9.42 million (December 31, 2020: Baht 9.36 million).

Investment properties are measured at cost less accumulated depreciation and impairment loss (If any).

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

**15. Assets not used in operations - net**

The movements in these items for year ended December 31, 2021 and 2020 are as follows:

	In Thousand Baht		
	Consolidated financial statements / Separate financial statements		
	Machinery	Factory equipment	Total
<b>Cost</b>			
As at January 1, 2020	-	-	-
Acquisition	-	-	-
<b>As at December 31, 2020 (Before reclassify)</b>	-	-	-
Reclassify	15,467	4,652	20,119
<b>As at December 31, 2020 (After reclassify)</b>	<b>15,467</b>	<b>4,652</b>	<b>20,119</b>
Acquisition	-	-	-
Disposals/ write off	(280)	(12)	(292)
<b>As at December 31, 2021</b>	<b>15,187</b>	<b>4,640</b>	<b>19,827</b>
<b>Accumulated depreciation</b>			
As at January 1, 2020	-	-	-
Depreciation for the year	-	-	-
<b>As at December 31, 2020 (Before reclassify)</b>	-	-	-
Reclassify	11,359	4,289	15,648
<b>As at December 31, 2020 (After reclassify)</b>	<b>11,359</b>	<b>4,289</b>	<b>15,648</b>
Depreciation for the year	1,562	123	1,685
Disposals/ write off	(190)	(6)	(196)
<b>As at December 31, 2021</b>	<b>12,731</b>	<b>4,406</b>	<b>17,137</b>
<b>Allowance for impairment of assets</b>			
As at December 31, 2020	(674)	-	(674)
As at December 31, 2021	(642)	-	(642)
<b>Net book value</b>			
As at December 31, 2020	3,434	363	3,797
As at December 31, 2021	1,814	234	2,048

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

	In Thousand Baht		
	Consolidated financial statements / Separate financial statements		
	Machinery	Factory equipment	Total
<b>Depreciation for the year</b>			
December 31, 2020			-
December 31, 2021			1,685

As at December 31, 2020, the Company has assessed the impairment of assets. And allowance for impairment machines in the amount of Baht 0.67 million.

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

**16. Property, plant and equipment - net**

	In Thousand Baht						
	Consolidated financial statements						
	Land and improvements	Buildings and improvements	Machinery and factory equipment	Office equipment	Vehicles	Assets under construction and installation	Total
<b>Cost / revaluation</b>							
As at January 1, 2020	26,234	92,206	56,529	13,403	10,848	-	199,220
Additions	59,859	2,992	490	425	2,205	196,815	262,786
Disposals/ write off	-	-	(21,731)	(368)	-	-	(22,099)
<b>As at December 31, 2020</b>	<b>86,093</b>	<b>95,198</b>	<b>35,288</b>	<b>13,460</b>	<b>13,053</b>	<b>196,815</b>	<b>439,907</b>
Additions	-	22	7,484	198	-	1,419	9,123
Acquisitions through business combinations	29,150	70,547	32,747	2,354	7,539	30,553	172,890
Transfers in (out)	-	7,036	181,542	(16)	-	(188,562)	-
Disposals/ write off	-	-	(24)	(3)	-	-	(27)
Write off through disposal investment	(5,057)	(51,588)	(12,931)	(458)	(999)	-	(71,033)
<b>As at December 31, 2021</b>	<b>110,186</b>	<b>121,215</b>	<b>244,106</b>	<b>15,535</b>	<b>19,593</b>	<b>40,225</b>	<b>550,860</b>
(Before reclassify)	-	-	(32)	32	-	-	-
Reclassify	-	-	-	-	-	-	-
<b>As at December 31, 2021</b>	<b>110,186</b>	<b>121,215</b>	<b>224,074</b>	<b>15,567</b>	<b>19,593</b>	<b>40,225</b>	<b>550,860</b>
(After reclassify)	-	-	-	-	-	-	-

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

	In Thousand Baht						
	Consolidated financial statements						
	Land and improvements	Buildings and improvements	Machinery and factory equipment	Office equipment	Vehicles	Assets under construction and installation	Total
<b>Accumulated depreciation</b>							
As at January 1, 2020	-	12,539	32,911	11,756	5,756	-	62,962
Depreciation charge for the year	-	4,618	5,880	759	433	-	11,690
Transfers in (out)	-	-	(16,943)	(342)	-	-	(17,285)
<b>As at December 31, 2020</b>	-	<b>17,157</b>	<b>21,848</b>	<b>12,173</b>	<b>6,189</b>	-	<b>57,367</b>
Depreciation charge for the year	-	5,529	7,899	447	464	-	14,339
Acquisitions through business combinations	-	37,821	25,162	2,311	7,091	-	72,385
Transfers in (out)	-	-	2	(2)	-	-	-
Disposals/ write off	-	-	(15)	(4)	-	-	(19)
Write off through disposal investment	-	(7,777)	(6,559)	(278)	(240)	-	(14,854)
<b>As at December 31, 2021</b>	-	<b>52,730</b>	<b>48,337</b>	<b>14,647</b>	<b>13,504</b>	-	<b>129,218</b>
(Before reclassify)	-	-	-	-	-	-	-
Reclassify	-	-	-	-	-	-	-
<b>As at December 31, 2021</b>	-	<b>52,730</b>	<b>48,337</b>	<b>14,647</b>	<b>13,504</b>	-	<b>129,218</b>
(After reclassify)	-	-	-	-	-	-	-

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

	In Thousand Baht					Total
	Consolidated financial statements					
	Land and improvements	Buildings and improvements	Machinery and factory equipment	Office equipment	Vehicles	Assets under construction and installation
<b>Net book value</b>						
<b>As at December 31, 2020</b>						
Owned assets	86,093	78,041	13,440	1,287	6,864	196,815
<b>As at December 31, 2021</b>						
Owned assets	110,186	68,485	195,737	920	6,089	40,225
						382,540
						421,642



**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

	In Thousand Baht						
	Separate financial statements						
	Land and improvements	Buildings and improvements	Machinery and factory equipment	Office equipment	Vehicles	Assets under construction and installation	Total
<b>Cost / revaluation</b>							
As at January 1, 2020	21,327	40,770	43,517	12,928	10,848	-	129,390
Additions	-	-	-	148	1,206	-	1,354
<b>As at December 31, 2020</b>	<b>21,327</b>	<b>40,770</b>	<b>43,517</b>	<b>13,076</b>	<b>12,054</b>	<b>-</b>	<b>130,744</b>
(Before reclassify)	-	(139)	(21,160)	(356)	-	-	(21,655)
Reclassify							
<b>As at December 31, 2020</b>	<b>21,327</b>	<b>40,631</b>	<b>22,357</b>	<b>12,720</b>	<b>12,054</b>	<b>-</b>	<b>109,089</b>
(After reclassify)	-	-	-	163	-	-	163
Additions	-	-	(4)	(3)	-	-	(7)
Disposals / Write off							
<b>As at December 31, 2021</b>	<b>21,327</b>	<b>40,631</b>	<b>22,353</b>	<b>12,880</b>	<b>12,054</b>	<b>-</b>	<b>109,245</b>
(Before reclassify)	-	-	(32)	32	-	-	-
Reclassify							
<b>As at December 31, 2021</b>	<b>21,327</b>	<b>40,631</b>	<b>22,321</b>	<b>12,912</b>	<b>12,054</b>	<b>-</b>	<b>109,245</b>
(After reclassify)							

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

	In Thousand Baht						
	Separate financial statements						
	Land and improvements	Buildings and improvements	Machinery and factory equipment	Office equipment	Vehicles	Assets under construction and installation	Total
<b>Accumulated depreciation</b>							
As at January 1, 2020	-	9,768	30,876	11,656	5,756	-	58,056
Depreciation charge for the year	-	2,200	3,529	645	318	-	6,692
<b>As at December 31, 2020</b>							
(Before reclassify)	-	11,968	34,405	12,301	6,074	-	64,748
Reclassify	-	-	(16,820)	(336)	-	-	(17,156)
<b>As at December 31, 2020</b>							
(After reclassify)	-	11,968	17,585	11,965	6,074	-	47,592
Depreciation charge for the year	-	1,970	828	292	255	-	3,345
Disposals/ Write off	-	-	(2)	(3)	-	-	(5)
<b>As at December 31, 2021</b>							
(Before reclassify)	-	13,938	18,411	12,254	6,329	-	50,932
Reclassify	-	-	-	-	-	-	-
<b>As at December 31, 2021</b>							
(After reclassify)	-	13,938	18,411	12,254	6,329	-	50,932

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

	In Thousand Baht					Total
	Separate financial statements					
	Land and improvements	Buildings and improvements	Machinery and factory equipment	Office equipment	Vehicles	Assets under construction and installation
<b>Net book value</b>						
<b>At December 31, 2020</b>						
<b>Owned assets</b>	<b>21,327</b>	<b>28,663</b>	<b>4,772</b>	<b>755</b>	<b>5,980</b>	<b>-</b>
<b>At December 31, 2021</b>						
<b>Owned assets</b>	<b>21,327</b>	<b>26,693</b>	<b>3,910</b>	<b>658</b>	<b>5,725</b>	<b>-</b>

16.1. The gross carrying amount of fully depreciated property and equipment of the Group that was still in use as at December 31, 2021 in the consolidated financial statements of Baht 65.15 million and in the separate financial statements of Baht 36.59 million, respectively (December 31, 2020: Baht 37.99 million).

16.2. At December 31, 2021 the property and plant with cost value in the consolidated statement of Baht 216.83 million (December 31, 2020: Baht 442.19 million), respectively in the separate statement of Baht 109.11 million (December 31, 2020: Baht 111.37 million). were mortgaged to secure bank overdrafts and short-term loans from financial institutions (see note 20) and

Long-term loans (see note 23).

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

**17. Right of use assets - net**

The movements in these items for year ended December 31, 2021 and are as follows:

	In Thousand Baht
	Consolidated financial statements
	Land
<b>Cost</b>	
As at January 1, 2020	-
Acquisitions	71,137
<b>As at December 31, 2020</b>	<b>71,137</b>
Acquisitions	-
<b>As at December 31, 2021</b>	<b>71,137</b>
<b>Accumulated depreciation</b>	
As at January 1, 2020	-
Depreciation for the year	(2,982)
<b>As at December 31, 2020</b>	<b>(2,982)</b>
Depreciation for the year	(7,114)
<b>As at December 31, 2021</b>	<b>(10,096)</b>
<b>Net book value</b>	
As at December 31, 2020	68,155
As at December 31, 2021	61,041
<b>Depreciation for the year</b>	
Ending balance as at December 31, 2020	2,982
Ending balance as at December 31, 2021	7,114

As at December 31, 2021, The whole amount on right of use assets such as, land from land lease agreement dated June 10, 2021 for totally 18 plots for the objective of water operation and supply

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

**18. Other intangible assets - net**

	In Thousand Baht		
	Consolidated financial statements		
	Computer software	Patents	Total
<b>Cost</b>			
<b>As at January 1, 2020</b>	<b>15,254</b>	<b>14,923</b>	<b>30,177</b>
Additions	66	-	66
Transfer in / (Transfer out)	(6)	358	352
<b>As at December 31, 2020</b>	<b>15,314</b>	<b>15,281</b>	<b>30,595</b>
Additions	13	-	13
Acquisitions through business combinations	41	-	41
Disposal/ Write off	-	(8,923)	(8,923)
Write off through disposal investment	(172)	(6,358)	(6,530)
<b>As at December 31, 2021</b>	<b>15,196</b>	<b>-</b>	<b>15,196</b>
<b>Accumulated amortisation</b>			
<b>As at January 1, 2020</b>	<b>9,691</b>	<b>6,889</b>	<b>16,580</b>
Amortisation for the year	2,487	2,401	4,888
Transfer in / (Transfer out)	178	175	353
<b>As at December 31, 2020</b>	<b>12,356</b>	<b>9,465</b>	<b>21,821</b>
Amortisation for the year	2,474	1,487	3,961
Acquisitions through business combinations	40	-	40
Disposal/ Write off	-	(8,923)	(8,923)
Write off through disposal investment	(73)	(2,029)	(11,025)
<b>As at December 31, 2021</b>	<b>14,797</b>	<b>-</b>	<b>14,797</b>
<b>Net book value</b>			
<b>As at December 31, 2020</b>	<b>2,958</b>	<b>5,816</b>	<b>8,774</b>
<b>As at December 31, 2021</b>	<b>399</b>	<b>-</b>	<b>399</b>

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

	In Thousand Baht		
	Separate financial statements		
	Computer software	Patents	Total
<b>Cost</b>			
<b>As at January 1, 2020</b>	15,082	8,923	24,005
Additions	66	-	66
Transfer in / (Transfer out)	(6)	-	(6)
<b>As at December 31, 2020</b>	15,142	8,923	24,065
Additions	6	-	6
Disposal/ Write off	-	(8,923)	(8,923)
<b>As at December 31, 2021</b>	15,148	-	15,148
<b>Accumulated amortisation</b>			
<b>At January 1, 2020</b>	9,870	6,531	16,401
Amortisation for the year	2,453	1,562	4,015
Transfer in / (Transfer out)	(6)	-	(6)
<b>As at December 31, 2020</b>	12,317	8,093	20,410
Amortisation for the year	2,439	830	3,269
Disposal/ Write off	-	(8,923)	(8,923)
<b>As at December 31, 2021</b>	14,756	-	14,756
<b>Net book value</b>			
<b>As at December 31, 2020</b>	2,825	830	3,655
<b>As at December 31, 2021</b>	392	-	392

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

**19. Other non - current assets**

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Deposit paid	2,274	2,348	475	548
Revenue Department receivable	21,287	19,632	21,287	19,632
Utilities deposit	374	-	-	-
<b>Total other non - current assets</b>	<b>23,935</b>	<b>21,980</b>	<b>21,762</b>	<b>20,180</b>

**20. Bank overdrafts and short - term loans from financial institutions**

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Bank overdrafts	3,621	18,681	3,621	13,812
Short - term loans	95,000	45,000	45,000	45,000
<b>Total overdraft and short - term loans from financial institutions</b>	<b>98,621</b>	<b>63,681</b>	<b>48,621</b>	<b>58,812</b>

Movement of short - term loans from financial institutions for the year ended December 31, 2021

	In Thousand Baht	
	Consolidated	Separated
	financial statements	financial statements
Beginning balance as at January 1, 2021	45,000	45,000
<u>Add</u> Additional loans	185,000	185,000
<u>Add</u> Income business combinations	50,000	-
<u>Less</u> Payment of loans	(185,000)	(185,000)
<b>Ending balance as at December 31, 2021</b>	<b>95,000</b>	<b>45,000</b>

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

- 20.1. As at December 31, 2021 and 2020 bank overdrafts and short - term loans from financial institutions bore interest at rates of MOR and MLR minus 1% per annum.
- 20.2. As at December 31, 2021 and 2020 the Group had unutilised credit facilities short - term totaling Baht 30.56 million and Baht 6.30 million, respectively.

**21. Trade and other current accounts payable**

		In Thousand Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		December 31,	December 31,	December 31,	December 31,
Note		2021	2020	2021	2020
	Trade payables - non - related parties	40,871	12,313	9,712	9,831
	Other payables - related parties	-	-	4,923	-
5.2	Other payables - related personal	70	3	70	-
	Other payables - non - related parties	3,907	437	-	-
	Share Payables	4,799	-	4,799	-
	Accrued operating expenses	5,785	1,634	1,481	1,024
	Accrued rent expenses	12,750	-	-	-
	Undue input value added tax	3,512	560	1,157	560
	Payables for purchase of assets	42,206	68,595	-	-
	Others	1,171	722	266	250
	<b>Total</b>	<b>115,071</b>	<b>81,783</b>	<b>22,408</b>	<b>11,665</b>

**22. Short - term loans from other personal and companies**

		In Thousand Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		December 31,	December 31,	December 31,	December 31,
		2021	2020	2021	2020
	Short - term loans from other personal	1,100	-	-	-
	Short - term loans from other companies	12,120	-	-	-
	<b>Total short - term loans from other personal and companies</b>	<b>13,120</b>	<b>-</b>	<b>-</b>	<b>-</b>



**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

Movement of short - term loans from other personal and companies for the year ended December 31, 2021

	In Thousand Baht	
	Consolidated	Separated
	financial statements	financial statements
Balance as at beginning balance	-	-
<b>Add</b> Additional loans	35,120	-
<b>Less</b> Payment of loans	(22,000)	-
<b>Balance as at ending balance</b>	<b>13,120</b>	<b>-</b>

22.1. During the year the subsidiaries have entered into short - term loan agreement with the non - related company amount of Baht 33.60 million, at the interest rate 7.50% per annum, first installment payment date September 22, 2021, and guaranteed by mortgage of three water production machineries according to the factory business license of the Ministry of Industry.

22.2. During the year the subsidiary has issued promissory note to non - related juristic person amount of Baht 1.10 million, at the interest rate 6.84% per annum, interest paid at the end of each month. By the first installment payment started on November 30, 2021.

**23. Long - term loans**

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
Long - term loans from financial institution	13,232	17,009	9,200	12,151
<b>Total long - term loans</b>	<b>13,232</b>	<b>17,009</b>	<b>9,200</b>	<b>12,151</b>

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

**Current portion of long - term loans from financial institutions**

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Long - term loans from financial institution	7,993	316	2,951	39
<b>Total current portion of long - term loans from financial institutions</b>	<b>7,993</b>	<b>316</b>	<b>2,951</b>	<b>39</b>

23.1. As at December 31, 2021, the Company has entered into loan agreement with the financial institution amount of Baht 12 million, at the interest rate MLR minus 0.6% per annum, and amount of Baht 0.21 million, at the interest rate MLR per annum.

**24. Lease liabilities**

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Lease liabilities	77,250	90,710	-	-
<u>Less</u> Deferred interest	(14,216)	(17,496)	-	-
Net	63,034	73,214	-	-
<u>Less</u> Current portion of lease liabilities	(6,064)	(9,721)	-	-
<b>Total lease liabilities</b>	<b>56,970</b>	<b>63,493</b>	<b>-</b>	<b>-</b>

However, At the end of report date, no payment of these liabilities which represent as accrued rental expenses amounting baht 12.75 million (Note no. 21).

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

**25. Non - current provisions for employee benefits**

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
<b>Statement of financial position</b>				
<b>Non - current provision for</b>				
Post - employment benefits	2,929	2,600	2,815	2,137
<b>For the year ended December 31</b>				
<b>Statement of comprehensive income</b>				
<b>recognised in profit or loss</b>				
Post - employment benefits	726	920	677	651
<b>Recognised in other comprehensive income</b>				
Actuarial gains recognised in the year	66	-	-	-

The Group and the Company operate a defined benefit pension plan based on the requirement of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

The defined benefit plans expose the Group to actuarial risks, such as interest rate risk and future salary growth rate risk.

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

Movement in the present value of the defined benefit obligations:

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Defined benefit obligations at January 1	2,600	1,680	2,137	1,486
<b>Included in profit or loss</b>				
Current service cost	847	886	634	621
Interest on obligation	52	34	44	30
	<b>899</b>	<b>920</b>	<b>678</b>	<b>651</b>
<b>Included in other comprehensive income</b>				
Actuarial gain	(66)	-	-	-
<b>Others</b>				
Transfer out from disposal investment	(504)	-	-	-
	<b>(570)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>As at December 31</b>	<b>2,929</b>	<b>2,600</b>	<b>2,815</b>	<b>2,137</b>

**Actuarial assumptions**

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages):

	(% per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Discount rate	1.82 - 2.04	2.04	2.04	2.04
Future salary growth	5.00 - 6.00	6.00	6.00	6.00

Assumptions regarding future mortality have been based on published statistics and mortality tables.

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

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.

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase	Decrease	Increase	Decrease
<b>As at December 31, 2021</b>				
Discount rate (1% movement)	(428)	521	(416)	507
Future salary growth (1% movement)	490	(406)	477	(395)
<b>As at December 31, 2020</b>				
Discount rate (1% movement)	(366)	449	(335)	410
Future salary growth (1% movement)	402	(332)	365	(320)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

**26. Financial assets and financial liabilities**

At December 31, 2021, the Group's management has assessed which business models applied to the financial assets and liabilities held by the group and has classified the financial assets and liabilities as below.

	In Thousand Baht			
	Consolidated financial statements			
	Carrying value			Fair value
	Fair value through profit or loss	Amortized cost	Total	
<b>Financial assets</b>				
Cash and cash equivalents	-	131,479	131,479	131,479
Trade and other receivables - net	-	96,527	96,527	96,527
Contract assets - net	-	3,684	3,684	3,684
Short - term loan - other parties	-	14,836	14,836	14,836
Non - marketable equity securities	280	-	280	280
The restricted deposits at financial institutions	-	774	774	774
<b>Total financial assets</b>	<b>280</b>	<b>247,300</b>	<b>247,580</b>	<b>247,580</b>
<b>Financial liabilities</b>				
Bank overdrafts and short - term borrowings				
from financial institutions	-	98,621	98,621	98,621
Trade and other accounts payable	-	115,071	115,071	115,071
Contract liabilities	-	737	737	737
Short - term loans from personal				
and other companies	-	13,120	13,120	13,120
Short - term loans from personal and				
related parties	-	6,500	6,500	6,500
Long - term loans	-	21,225	21,225	21,225
Lease liabilities	-	63,034	63,034	63,034
<b>Total Financial liabilities</b>	<b>-</b>	<b>318,308</b>	<b>318,308</b>	<b>318,308</b>

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

	In Thousand Baht			
	Separate financial statements			
	Carrying value			Fair value
	Fair value through profit or loss	Amortized cost	Total	
<b>Financial assets</b>				
Cash and cash equivalents	-	93,241	93,241	93,241
Trade and other receivables - net	-	15,877	15,877	15,877
Short - term loans to non - related parties	-	14,836	14,836	14,836
Short - term loans to related parties	-	120,915	120,915	120,915
Non - marketable equity securities	280	-	280	280
The restricted deposits at financial institutions	-	774	774	774
<b>Total financial assets</b>	<b>280</b>	<b>245,643</b>	<b>245,923</b>	<b>245,923</b>
<b>Financial liabilities</b>				
Bank overdraft and short - term borrowings				
from financial institutions	-	48,621	48,621	48,621
Trade and other accounts payable	-	22,408	22,408	22,408
Contract liabilities	-	737	737	737
Short - term loans from personal and related parties	-	5,500	5,500	5,500
Long - term loans	-	12,151	12,151	12,151
<b>Total financial liabilities</b>	<b>-</b>	<b>89,417</b>	<b>89,417</b>	<b>89,417</b>

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

**27. Share capital and premium (discount) on common**

	Amount of		As at December 31, 2021		As at December 31, 2020	
	share		In Thousand	In Thousand	In Thousand	In Thousand
	2021	2020	shares	Baht	shares	Baht
<b>Authorized share capital consist of</b>						
Ordinary shares	0.25	0.25	1,186,341	296,585	654,500	163,625
Capital increase	0.25	0.25	450,000	112,500	550,801	137,700
Capital decrease	0.25	0.25	(1,204)	(301)	(18,960)	(4,740)
			<u>1,635,137</u>	<u>408,784</u>	<u>1,186,341</u>	<u>296,585</u>
<b>Issued and paid - up share capital</b>						
Ordinary shares	0.25	0.25	889,756	222,439	635,540	158,885
Capital increase	0.25	0.25	451,646	112,911	254,216	63,554
			<u>1,341,402</u>	<u>335,350</u>	<u>889,756</u>	<u>222,439</u>
<b>Issued and paid - up share capital</b>						
<b>Consist of</b>						
Ordinary shares	0.25	0.25	1,341,402	335,350	889,756	222,439
			<u>1,341,402</u>	<u>335,350</u>	<u>889,756</u>	<u>222,439</u>
<b>Premium on shares</b>						
As at January 1, 2020	0.29	0.65	575,956	164,834	321,740	209,891
Ordinary shares	0.60	0.55	451,646	271,234	254,216	139,819
Decrease for expense of						
Issued ordinary shares			-	-	-	(2,590)
Decrease for cleared						
Accumulated loss			-	-	-	(182,286)
<b>Total Premium</b>						
<b>on common - net</b>			<u><b>1,027,602</b></u>	<u><b>436,068</b></u>	<u><b>575,956</b></u>	<u><b>164,834</b></u>



## **Eureka Design Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

#### **For the year ended December 31, 2021**

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

1. Approved to decrease of the registered capital of the Company from Baht 296,585,260 to Baht 296,284,276.50 by cancelling 1,203,934 unissued ordinary shares at the 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.
2. Approve to increase of the registered capital of the Company by Baht 296,284,276.50 to Baht 408,784,276.50 and approval of the amendment of the Memorandum of Association in accordance with the increase of registered capital.
3. 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 the amount of 112,500,000 from the original registered capital 296,284,276.50 to registered capital of 408,784,276.50 by issuing 450,000,000 newly issued ordinary shares with a par value of 0.25 baht per share. It is the payment of remuneration for the investment instead of paying compensation in cash.

The Annual General Meeting of Shareholders on April 30, 2020, approved the following matters:

1. Approval of the reduction in share capital from the existing registered capital of 163,625,000 million baht to 158,884,960.75 baht, by cancelling shares that have been registered but not yet sold of 18,960,157 shares at the par value of 0.25 baht per share and approval of the amendment of the Memorandum of Association in accordance with the reduction of registered capital.
2. Approval to increase the registered capital by 137,700,299.25 baht, from 158,884,960.75 baht to 296,585,260.00 baht by issuing new ordinary shares of 550,801,197 shares at the par value of 0.25 baht per share and Approval of the amendment of the Memorandum of Association in accordance with the increase of registered capital.
3. Approval for the allotment of newly issued ordinary shares by the Right Offering (RO) of no more than 254,215,937 shares at par value of 0.25 baht per share. The offering price of 0.80 baht to the holders of shares allocated to existing shareholders, at the ratio of 5 existing shares to 2 new shares. If there are still shares remaining from the allocation to shareholders according to rights and allocation more than rights the left-over shares would be canceled as a whole.
4. Approval to clear the accumulated loss by using the reserve fund from share premium, to offset the accumulated loss of the Company.

#### **28. Legal reserve**

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

## **Eureka Design Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

#### **For the year ended December 31, 2021**

#### **29. Warrant**

On April 30, 2020, the Annual General Meeting of the Company's shareholders approved the issuance of warrants to purchase of ordinary shares, issued in a named certificate and transferable (UREKA-W2) by allocating to existing shareholders in proportion to their shares before the capital increase at proportion of 3 ordinary shares to 1 warrant. Total number of warrants to be allotted not exceeding 296,585,260 warrants and the exercise price is of Baht 0.00 per share. The exercise right is 1 warrant per 1 ordinary share. The warrant has the period of three years from the date of issuance and offering.

For the year ended December 31, 2021, the warrants were exercised for ordinary shares 43,998,337 units at Baht 1.00 per share totally amount Baht 44.00 million. The Company had already registered and paid to the Department of Business Development on October 14, 2021, amount of 1,645,800 shares, at Baht 0.25 per share and on January 7, 2022, paid for amount of 42,352,537 shares at Baht 0.25 per share, presented separately in the Shareholder's equity under "the advance received for ordinary shares"

#### **30. Segment information**

The Group has presentation and disclosure of segment information as seven 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 of pesticides and agrochemical products \*
- Segment 4 Manufacture and sell water, raw water
- Segment 5 Construction contractor network system
- Segment 6 Production and distribution of plastic pellets
- Segment 7 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.

The Group allocated expense, assets and liabilities based on value of revenues for concept of allocations.

\* On December 28, 2021, the Company sold its investment in a subsidiary, as a result, the said segment is terminated.

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

Information about reportable segments

In Thousand Baht

Consolidated financial statements

For the year ended	December 31	2021	2020	Distributor		Manufacture of		Manufacture and sell		Production and		Eliminate		Total
				electronic component and Closed - circuit television (CCTV)	pesticides and agrochemical products	sell, raw water	construction contractor network system	distribution of plastic pellets	2021	2020	2021	2020	2021	
December 31														
Revenue from sale of goods and services	39,708	2,948	5,977	6,864	-	17,336	1,838	-	33,642	-	8,498	-	(387)	96,031
<b>Primary geographical markets</b>														
Domestic	37,562	-	5,977	6,864	-	17,336	1,838	-	33,642	-	-	-	(387)	85,387
Asia	-	-	-	-	-	-	-	-	-	-	8,498	-	-	8,498
North America	2,146	-	-	-	-	-	-	-	-	-	-	-	-	-
Europe	-	2,948	-	-	-	-	-	-	-	-	-	-	-	2,948
<b>Total revenues</b>	<b>39,708</b>	<b>2,948</b>	<b>5,977</b>	<b>6,864</b>	<b>-</b>	<b>17,336</b>	<b>1,838</b>	<b>-</b>	<b>33,642</b>	<b>-</b>	<b>8,498</b>	<b>-</b>	<b>(387)</b>	<b>96,031</b>
<b>Timing of Revenue recognition</b>														
At a point in time	37,562	2,948	5,977	6,864	-	-	1,838	-	-	-	8,498	-	(387)	59,988
Over time	2,146	-	-	-	-	17,336	-	-	33,642	-	-	-	-	36,043
<b>Total revenue</b>	<b>39,708</b>	<b>2,948</b>	<b>5,977</b>	<b>6,864</b>	<b>-</b>	<b>17,336</b>	<b>1,838</b>	<b>-</b>	<b>33,642</b>	<b>-</b>	<b>8,498</b>	<b>-</b>	<b>(387)</b>	<b>96,031</b>

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

		In Thousand Baht																	
		Consolidated financial statements																	
		Distributor		Manufacture of		Manufacture and sell		construction		Production and		Eliminate		Total					
		electronic		pesticides and		Manufacture and sell		contractor		distribution of		Other							
		component and		agrochemical		sell, raw water		network system		plastic pellets									
		Closed - circuit		products				contractor		distribution of									
		television (CCTV)						network system		plastic pellets									
		2021		2020		2021		2020		2021		2020		2021		2020			
<b>For the year ended</b>	<b>December 31</b>	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020		
Income (loss) before	income tax	34,912	(45,858)	3,785	(29,104)	(17,812)	(34,386)	(29,313)	(9,368)	2,777	(386)	6,720	-	5,902	(485)	12,870	10,925	19,841	(108,662)
Gain from selling	investment	-	-	-	-	-	-	-	-	-	-	-	-	22,201	-	26,892	-	49,093	-
Other income		13,743	8,698	1,538	5,236	133	22	1,970	169	320	240	1,556	-	2,338	92	(7,627)	(5,420)	13,971	9,037
Expenses		(33,078)	(45,112)	(3,701)	(28,631)	(16,867)	(45,318)	(27,273)	(6,592)	(32,585)	(625)	(2,949)	-	(5,627)	(476)	(6,678)	16,072	(128,758)	(110,682)
Interest expense		(3,002)	(2,209)	(336)	(1,402)	(1,078)	(1,149)	(5,848)	(2,919)	(8)	(1)	(384)	-	(511)	(22)	670	839	(10,497)	(6,863)
Depreciation and	amortisation	(8,064)	(13,218)	(902)	(8,389)	(5,241)	(5,278)	(12,241)	(26)	-	-	(751)	-	(1,373)	(140)	(566)	(566)	(29,138)	(27,617)

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

In Thousand Baht

Separate financial statements

	Sale installation and maintenance of machine		Distributor electronic component and Closed - circuit television (CCTV)		Other		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
<b>For the year ended December 31</b>								
<b>Information about report segment</b>								
Revenue from sale of goods and services	39,709	2,948	4,443	6,864	6,755	31	50,907	9,843
<b>Primary geographical markets</b>								
Domestic	37,562	2,948	4,443	6,864	6,755	31	48,760	9,843
Europe	2,147	-	-	-	-	-	2,147	-
<b>Total revenue</b>	<b>39,709</b>	<b>2,948</b>	<b>4,443</b>	<b>6,864</b>	<b>6,755</b>	<b>31</b>	<b>50,907</b>	<b>9,843</b>
<b>Timing of Revenue recognition</b>								
At a point in time	37,562	2,948	4,443	6,864	255	-	42,260	9,812
Over time	2,147	-	-	-	6,500	31	8,647	31
<b>Total revenue</b>	<b>39,709</b>	<b>2,948</b>	<b>4,443</b>	<b>6,864</b>	<b>6,755</b>	<b>31</b>	<b>50,907</b>	<b>9,843</b>
Income (loss) before income tax	34,689	(22,598)	3,882	(52,610)	5,900	(239)	44,471	(75,447)
Other income	13,743	4,286	1,538	9,695	2,337	45	17,618	14,026
Expenses	(33,078)	(22,230)	(3,701)	(51,471)	(5,627)	(235)	(42,406)	(73,936)
Interest expense	(3,002)	(1,088)	(336)	(2,534)	(511)	(12)	(3,849)	(3,634)
Depreciation and amortisation	(8,064)	(6,513)	(902)	(15,164)	(1,373)	(69)	(10,339)	(21,746)

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

In Thousand Baht

Consolidated financial statements

	Distributor		Manufacture of		Manufacture and sell		construction		Production and		Eliminate		Total					
	Sale	electronic	pesticides and	agrochemical	sell, raw water	contractor	network system	plastic pellets	Other	2021	2020	2021	2020	2021	2020			
As at December 31,	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2020			
Segment asset	692,841	250,754	77,526	159,142	59,859	66,102	346,852	346,507	43,742	-	199,060	-	117,863	7,367	(444,910)	(246,890)	1,092,833	582,982
Segment liability	74,905	55,591	8,381	35,281	27,234	15,651	265,800	236,308	36,943	-	61,530	-	12,742	788	(157,404)	(81,428)	330,131	262,191

In Thousand Baht

Separate financial statements

	Distributor electronic		Distributor electronic		Other		Total	
	Sale	component and	Closed - circuit television	(CCTV)	2021	2020	2021	2020
As at December 31,	2021	2020	2021	2020	2021	2020	2021	2020
Segment asset	697,290	123,564	73,077	287,675	117,863	1,305	888,230	412,544
Segment liability	75,386	27,394	7,900	63,777	12,743	289	96,029	91,460

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

Reconciliation of reportable segment revenues, profit or loss, assets and liabilities and other material items

	In Thousand Baht	
	2021	2020
<b>Revenues</b>		
Total revenue from reportable segments	96,031	27,179
Gain on disposal of investment	49,093	-
Other revenue	13,971	9,037
<b>Total revenue</b>	<b>159,095</b>	<b>36,216</b>
<b>Profit or loss</b>		
Total loss for reportable segments before income tax	19,841	(108,662)
<b>Total loss before income tax</b>	<b>19,841</b>	<b>(108,662)</b>
<b>Assets</b>		
Total assets for reportable segments	1,092,833	582,982
<b>Total assets</b>	<b>1,092,833</b>	<b>582,982</b>
<b>Liabilities</b>		
Total liabilities for reportable segments	330,131	262,191
<b>Total liabilities</b>	<b>330,131</b>	<b>262,191</b>
In Thousand Baht		
Reportable segment totals		
	2021	2020
<b>Other material items</b>		
Interest income	14,717	48
Interest expense	10,497	6,863
Capital expenditure	597	261,787
Depreciation and amortization	29,138	27,617
	<b>54,949</b>	<b>296,315</b>

## Eureka Design Public Company Limited and its Subsidiaries

### Notes to the financial statements

For the year ended December 31, 2021

#### Geographical segments

Segment 1 to Segment 7 is managed production and sales offices in Thailand.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers.

Segment assets are based on the geographical location of the assets.

	In Thousand Baht			
	Revenues		Non-current assets	
	2021	2020	2021	2020
Thailand	148,451	33,268	835,828	582,001
India	8,498	-	-	-
Germany	2,146	-	-	-
Other countries	-	2,948	-	-
<b>Total</b>	<b>159,095</b>	<b>36,216</b>	<b>835,828</b>	<b>582,001</b>

#### Major customer

The Group's customer base comprises the large number of parties. There are no material revenues derived from one customer of the Group's total revenues.



**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

**31. Basic earnings (loss) per share**

The calculations of basic earnings (loss) per share for the year ended December 31, 2021 and 2020 were based on the profit (loss) for the year attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the year as follows:

	In Thousand Baht / Thousand share			
	Consolidated		Separate	
	financial statements		financial statements	
For the year ended December 31	2021	2020	2021	2020
Profit (loss) attributable to ordinary shareholders of the Company (basic)	20,987	(106,086)	44,619	(77,495)
Number of ordinary shares at January 1	889,756	635,540	889,756	635,540
Effect of shares issued	98,720	146,556	98,720	146,556
Number of ordinary shares outstanding	988,476	782,096	988,476	782,096
Profit (loss) per share (basic) (in Baht)	0.021	(0.136)	0.045	(0.099)

**32. Distribution costs**

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Advertising and sales support	59	811	59	-
Transportation expenses	477	7	167	7
Sales commission expenses	86	151	86	151
Travelling expenses	99	273	99	266
Others	64	99	61	70
<b>Total</b>	<b>785</b>	<b>1,341</b>	<b>472</b>	<b>494</b>

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

**33. Administrative expenses**

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Employee benefit expenses	26,948	25,413	17,333	19,429
Depreciation and amortisation	20,372	16,701	6,995	12,894
Consulting and professional fee	3,064	2,163	4,930	2,024
Utilities expense	3,087	3,325	2,718	3,164
Service fee	4,450	3,694	3,606	3,173
Miscellaneous expenses	1,840	3,727	1,007	2,016
Travelling expenses	667	477	519	378
Rental expense	610	553	-	-
Information systems service fee	6	12	4	9
Allowance for expected credit loss (reversal)	(6,053)	15,688	(6,053)	15,688
Allowance for decline in value (reversal)	(8,763)	9,411	(8,763)	9,411
Impairment loss on investments in subsidiaries	-	-	(13,456)	13,456
Others	9,072	31,650	6,897	8,285
<b>Total</b>	<b>55,300</b>	<b>112,814</b>	<b>15,737</b>	<b>89,927</b>

**34. Employee benefit expenses**

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Salaries and wages	22,749	32,861	13,312	13,423
Employee welfare	2,531	2,798	2,300	2,708
Defined benefit plans	899	920	677	651
Sales commission expense	86	151	86	151
Termination benefits	551	1,210	-	249
Others	1,828	11,518	1,476	10,666
<b>Total</b>	<b>28,644</b>	<b>49,458</b>	<b>17,851</b>	<b>27,848</b>

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

**Defined contribution plans**

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 3% to 7% of their basic salaries and by the Group at rates ranging from 3% to 7% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by licensed Fund Managers.

**35. Expenses by nature**

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Changes in inventories of				
finished goods and				
work in progress	23,026	11,717	23,782	(4,702)
Hire of work	(668)	2,013	(668)	2,013
Raw materials and				
consumables used	39,526	7,413	2,422	5,404
Employee benefit expenses	28,644	49,458	17,851	27,848
Depreciation	23,031	17,197	4,568	8,890
Amortization	2,762	4,550	2,427	4,005
Financial advisory fee	3,126	-	3,126	-
Allowance for expected credit loss (reversal)	(6,053)	15,688	(6,053)	15,688
Allowance for decline in value (reversal)	(8,763)	9,411	(8,763)	9,411
Impairment loss on investments				
in subsidiaries	-	-	(13,456)	13,456
Others	24,127	20,568	17,170	13,669
<b>Total cost of sales of goods, distribution costs and administrative expenses</b>	<b>128,758</b>	<b>138,015</b>	<b>42,406</b>	<b>95,682</b>

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

**36. Income tax expense**

**Income tax recognised in profit or loss**

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
<b>Current tax expense</b>				
Current year	<b>623</b>	-	-	-
<b>Deferred tax</b>				
Movements in temporary differences	(347)	2,051	(147)	2,048
Business combination	-	-	-	-
<b>Total deferred tax</b>	<b>(347)</b>	<b>2,051</b>	<b>(147)</b>	<b>2,048</b>
<b>Total income tax</b>	<b>276</b>	<b>2,051</b>	<b>(147)</b>	<b>2,048</b>

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

**Reconciliation of effective tax rate**

	In Thousand Baht			
	Consolidated financial statements			
	2021		2020	
	Rate (%)		Rate (%)	
Profit (loss) before income tax expense		19,841		(108,662)
Income tax using the Thai corporation tax rate	20.0	3,968	20.0	(21,732)
Revenues that are granted income tax exemption		(3,501)		61
Expenses not treated as expenses under the Revenue Code		2,954		2,803
Difference and the reversal of temporary differences		-		296
Previous years expenses for which no deferred tax assets were recognised		-		9,240
Currents year losses for which no deferred tax assets were recognised		-		9,332
Adjustment of the consolidated financial statements		(2,575)		-
Net loss can be deducted according to the law		(223)		-
<b>Total</b>		<b>623</b>		<b>-</b>

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

	In Thousand Baht			
	Separate financial statements			
	2021		2020	
	Rate (%)		Rate (%)	
Profit (loss) before income tax expense		44,471		(75,447)
Income tax using the Thai corporation tax rate	20.0	8,894	20.0	(15,089)
Revenues that are granted income tax exemption		(3,501)		(51)
Revenue Code		2,815		1,349
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit		-		243
Previous years expenses for which no deferred tax assets were recognised		-		9,245
Previous years losses for which no deferred tax assets were recognised		-		4,303
Net loss can be deducted according to the law		(8,208)		-
<b>Total</b>		-		-

Deferred tax assets and liabilities as at December 31, 2021 and 2020 were as follows:

	In Thousand Baht			
	Consolidated financial statements			
	Assets		Liabilities	
	2021	2020	2021	2020
Total	1,975	-	-	(3,664)
Set off of tax	-	-	-	-
<b>Net deferred tax assets (liabilities)</b>	<b>1,975</b>	<b>-</b>	<b>-</b>	<b>(3,664)</b>

	In Thousand Baht			
	Separate financial statements			
	Assets		Liabilities	
	2021	2020	2021	2020
Total	-	-	(3,045)	(3,192)
Set off of tax	-	-	-	-
<b>Net deferred tax assets (liabilities)</b>	<b>-</b>	<b>-</b>	<b>(3,045)</b>	<b>(3,192)</b>

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

**Movements in total deferred tax assets and liabilities during the year were as follows:**

	In Thousand Baht					
	As at January 1, 2021	Profit or loss	Other comprehensive income	Business combination	Disposal investment	As at December 31, 2021
		(Charged) / credited to:				
<b>Deferred tax assets</b>						
Machinery	-	-	-	5,731	-	5,731
Lease liabilities	-	101	-	298	-	399
<b>Total</b>	-	<b>101</b>	-	<b>6,029</b>	-	<b>6,130</b>
<b>Deferred tax liabilities</b>						
Property, plant and equipment (revaluation)	(2,087)	42	-	(1,050)	383	(2,712)
Intangible assets	-	70	-	-	(70)	-
Finance lease agreements	(1,577)	134	-	-	-	(1,443)
<b>Total</b>	<b>(3,664)</b>	<b>246</b>	-	<b>(1,050)</b>	<b>313</b>	<b>(4,155)</b>
<b>Net</b>		<b>347</b>	-	<b>4,979</b>	<b>313</b>	

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

In Thousand Baht

	Consolidated financial statements					
	As at January 1, 2020	Profit or loss	Other comprehensive income	Business combination	Disposal investment	As at December 31, 2020
	(Charged) / credited to:					
<b>Deferred tax assets</b>						
Property, plant and equipment (depreciation gap)	18	(18)	-	-	-	-
Trade receivable (Allowance for expected credit loss)	72	(72)	-	-	-	-
Inventories (Allowance for decline in value)	301	(301)	-	-	-	-
Provision for employee benefit	330	(330)	-	-	-	-
Expected costs provision	1,582	(1,582)	-	-	-	-
Expected losses provisions	21	(21)	-	-	-	-
Loss carry forward	335	(335)	-	-	-	-
<b>Total</b>	<b>2,659</b>	<b>(2,659)</b>	-	-	-	-
<b>Deferred tax liabilities</b>						
Property, plant and equipment (revaluation)	(2,498)	411	-	-	-	(2,087)
Finance lease agreements	(1,774)	197	-	-	-	(1,577)
<b>Total</b>	<b>(4,272)</b>	<b>608</b>	-	-	-	<b>(3,664)</b>
<b>Net</b>		<b>(2,051)</b>	-	-	-	-



**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

	In Thousand Baht			As at December 31, 2021
	Separate financial statements			
	(Charged) / credited to:			
	As at January 1, 2021	Profit or loss	Other comprehensive income	
<b>Deferred tax liabilities</b>				
Property, plant and equipment (revaluation)	(1,662)	-	-	(1,662)
Finance lease agreements	(1,530)	147	-	(1,383)
<b>Total</b>	<b>(3,192)</b>	<b>147</b>	<b>-</b>	<b>(3,045)</b>

	In Thousand Baht			As at December 31, 2020
	Separate financial statements			
	(Charged) / credited to:			
	As at January 1, 2020	Profit or loss	Other comprehensive income	
<b>Deferred tax assets</b>				
Property, plant and equipment (depreciation gap)	18	(18)	-	-
Trade accounts receivable (expected credit loss)	72	(72)	-	-
Inventories (allowance for decline in value)	301	(301)	-	-
Employee benefit obligations	298	(298)	-	-
Expected costs provisions	1,582	(1,582)	-	-
Estimated loss provisions	21	(21)	-	-
<b>Total</b>	<b>2,292</b>	<b>(2,292)</b>	<b>-</b>	<b>-</b>

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

	In Thousand Baht			As at December 31, 2020
	Separate financial statements			
	(Charged) / credited to:			
	As at January 1, 2020	Profit or loss	Other comprehensive income	
<b>Deferred tax liabilities</b>				
Property, plant and equipment (revaluation)	(1,662)	-	-	(1,662)
Finance lease agreements	(1,774)	244	-	(1,530)
<b>Total</b>	<b>(3,436)</b>	<b>244</b>	<b>-</b>	<b>(3,192)</b>
<b>Net</b>		<b>(2,048)</b>	<b>-</b>	

Deferred tax assets have not been recognised in respect of the following items:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Property, plant and equipment (depreciation gap)	10	13	10	13
Trade accounts receivable (expected credit loss)	1,999	3,209	1,999	3,209
Inventories (allowance for decline in value)	430	2,183	430	2,183
Investment in subsidiaries (allowance for impairment)	-	-	-	2,691
Employee benefit obligations	586	758	563	427
Guarantee provisions	285	135	150	135
Expected costs provisions	241	375	241	375
Estimated loss provisions	-	197	-	197
Loss carry forward	31,912	25,881	21,977	25,881
<b>Total</b>	<b>35,463</b>	<b>32,751</b>	<b>25,370</b>	<b>35,111</b>

## Eureka Design Public Company Limited and its Subsidiaries

### Notes to the financial statements

#### For the year ended December 31, 2021

The tax losses will expire in 2022 for non-promoted businesses and in 2030 for promoted businesses. The deductible temporary differences do not expire under current tax legislation. The Group has not recognised these items as deferred tax assets because it is not probable that the Group will have sufficient future taxable profit to utilise the benefits therefrom.

As at December 31, 2021 and 2020, The consolidated financial statement has deductible temporary differences totaling Baht 35.46 million and 32.75 million respectively. On which deferred tax assets have not been recognized as the Company's management considers that there is uncertainty whether the Company will have sufficient future taxable income to utilize such items and or they might not be used to offset taxable income in the future.

#### 37. Promotional privileges

The Board of Investment has approved the Group's privileges as a promoted person under the Investment Promotion Act B.E. 2520 regarding the production of products. Recycled plastic pellets and on the production of bio-technology based fungal bio-based products. which can be summarized as follows:

- (a) exemption from payment of import duty on machinery approved by the board of investment.
- (b) exemption from payment of income tax for net profit derived from promote businesses for a period of eight years from the date on which the income is first derived from such operations.

As promoted companies, the Group must comply with certain terms and conditions prescribed in the promotional certificates.

Summary of revenues from promoted and non-promoted businesses were as follows:

	In Thousand Baht					
	Consolidated financial statements					
	2021			2020		
	Non -			Non -		
	Promoted	promoted	Total	Promoted	promoted	Total
	businesses	businesses		businesses	businesses	
Export revenue from services	8,498	2,151	10,649	-	2,937	2,937
Local revenue from services	-	85,382	85,382	-	24,242	24,242
<b>Total revenues</b>	<b>8,498</b>	<b>87,533</b>	<b>96,031</b>	<b>-</b>	<b>27,179</b>	<b>27,179</b>

## Eureka Design Public Company Limited and its Subsidiaries

### Notes to the financial statements

For the year ended December 31, 2021

	In Thousand Baht					
	Separate financial statements					
	2021			2020		
	Promoted businesses	Non - promoted businesses	Total	Promoted businesses	Non - promoted businesses	Total
Export revenue from services	-	2,147	2,147	-	2,937	2,937
Local revenue from services	-	48,760	48,760	-	6,906	6,906
<b>Total revenues</b>	<b>-</b>	<b>50,907</b>	<b>50,907</b>	<b>-</b>	<b>9,843</b>	<b>9,843</b>

#### 38. Financial instruments

##### Financial risk management policies

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivatives for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

##### Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result for operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

##### Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because loan interest rates are mainly fixed. The Group is primarily exposed to interest rate risk from its borrowings. However, management consider that the interest rate risk is not material, hence, the Group did not enter into hedging agreements to prevent such risk.

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

The effective interest rates of loans receivable as at December 31, 2021 and 2020, and the years in which the loans receivable mature or re-price were as follows:

In Thousand Baht						
Consolidated financial statements						
As at December 31, 2021						
Note	Floating Interest rate	Fixed interest rates	Non interest bearing	Total	Effective interest rate	
					(% per annum.)	
<b>Year 2021</b>						
<b>Current</b>						
Short - term loans to other companies	9	-	14,836	-	14,836	6.8
<b>Total</b>		<b>-</b>	<b>14,836</b>	<b>-</b>	<b>14,836</b>	
<b>Year 2020</b>						
<b>Current</b>						
Short - term loans to related parties		-	-	-	-	
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

In Thousand Baht						
Separate financial statements						
As at December 31, 2021						
Note	Floating Interest rate	Fixed interest rates	Non interest bearing	Total	Effective interest rate	
						(% per annum.)
<b>Year 2021</b>						
<b>Current</b>						
Short - term loans to other companies	9	-	14,836	-	14,836	6.8
Short - term loans to personal and related parties	5.2	-	120,915	-	120,915	6.8 - 7.4
<b>Total</b>		-	<b>135,751</b>	-	<b>135,751</b>	
<b>Year 2020</b>						
<b>Current</b>						
Short - term loans to related parties		-	75,000	-	-	7.4
<b>Total</b>		-	<b>75,000</b>	-	-	

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

The effective interest rates of interest-bearing financial liabilities as at December 31, 2021 and 2020 have maturity or re-price are as follows:

In Thousand Baht					
Consolidated financial statements					
As at December 31, 2021					
Note	Floating Interest rate	Fixed interest rates	Non interest bearing	Total	Effective interest rate
					(% per annum.)
<b>Year 2021</b>					
<b>Current</b>					
Short - term loans from financial institutions	98,621	-	-	98,621	4.7 - 5.1
Short - term loans from other personal and companies	-	13,120	-	13,120	7.5
Short - term loans from personal and related parties	-	6,500	-	6,500	6.8 - 7.4
<b>Non-Current</b>					
Long - term loans from financial institutions	-	21,225	-	21,225	5.1 - 7.3
<b>Total</b>	<b>98,621</b>	<b>40,845</b>	<b>-</b>	<b>139,466</b>	
<b>Year 2020</b>					
<b>Current</b>					
Short - term loans from financial institutions	63,997	-	-	63,997	4.7 - 5.1
Short - term loans from personal and related parties	-	15,000	-	15,000	7.4
<b>Non-Current</b>					
Long - term loans from financial institutions	17,009	-	-	17,009	5.1 - 7.3
<b>Total</b>	<b>81,006</b>	<b>15,000</b>	<b>-</b>	<b>96,006</b>	

**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

In Thousand Baht						
Separate financial statements						
As at December 31, 2021						
Note	Floating Interest rate	Fixed interest rates	Non interest bearing	Total	Effective interest rate	
					(% per annum.)	
<b>Year 2021</b>						
<b>Current</b>						
Short - term loans from						
	financial institutions	48,621	-	-	48,621	4.5
Short - term loans from						
	other personal and companies	-	5,500	-	5,500	6.8 - 7.4
<b>Non-Current</b>						
Long - term loans from						
	financial institutions	12,151	-	-	12,151	4.9 - 5.5
<b>Total</b>		<b>60,772</b>	<b>5,500</b>	<b>-</b>	<b>66,272</b>	
<b>Year 2020</b>						
<b>Current</b>						
Short - term loans from						
	financial institutions	58,851	-	-	58,851	4.7 - 5.0
<b>Non-Current</b>						
Long - term loans from						
	financial institutions	12,151	-	-	12,151	4.9 - 5.5
<b>Total</b>		<b>71,002</b>	<b>-</b>	<b>-</b>	<b>71,002</b>	

**Foreign currency risk**

The Group is exposed to foreign currency risk relating to purchases, sales and services which are denominated in foreign currencies. The Group primarily utilises forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies.

As at December 31, 2021 and 2020 the Group and the Company were exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:



**Eureka Design Public Company Limited and its Subsidiaries**

**Notes to the financial statements**

**For the year ended December 31, 2021**

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
<i>United States Dollars</i>				
Cash and cash equivalents	1	1	1	1
Trade accounts receivable	22,190	317	-	317
<b>Gross financial position exposure</b>	<b>22,191</b>	<b>318</b>	<b>1</b>	<b>318</b>
<i>Europe Euro</i>				
Trade accounts receivable	4,630	124	4,630	124
<b>Gross financial position exposure</b>	<b>4,630</b>	<b>124</b>	<b>4,630</b>	<b>124</b>

**Credit risk**

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. However, due to the large number of parties comprising the Group's customer base, management does not anticipate material losses from its debt collection over allowance for doubtful accounts.

**Liquidity risk**

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

**Carrying amount and fair values**

Fair values of current financial assets and liabilities approximate to the carrying values as these financial instruments have short-term maturity.

Fair values of non-current financial liabilities approximate to the carrying values as interest rate around to market rate.

Fair values of long-term loans from financial institutions approximate to the carrying values due to interest rate around to market rate.

## **Eureka Design Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

**For the year ended December 31, 2021**

#### **39. Disclosure of important information about the contract**

##### **Water Purchase Agreement at Phimpha Water Station**

On February 14, 2020, Joint Venture Eureka UU Co.,Ltd. (the Subsidiary) entered into an the Water Purchase agreement to the Provincial Waterworks Authority ("PWA"). Under the terms of the agreement, the subsidiary has to comply with certain conditions as stipulated in agreement. The term of agreement is between the dates of send to tap water until on September 14, 2023. By counting that day as the starting date was the date of the first tap water sale under the agreement or new agreed date of tap water sale or until the amount of Baht 95.90 million for purchasing tap water from the seller is used - up, whichever occurs first. The subsidiary agrees to sell the raw water to the Provincial Waterworks Authority ("PWA") in minimum volume is not less than 4,800 cubic meters per day and not more than 6,240 cubic meters per day.

The subsidiary has to start delivering tap water to the purchaser on the day following the due date of 180 days from the date of signing the purchase agreement and it is due on August 13, 2020. However, On July 1, 2020, the subsidiary has filed a document requesting an extension of the construction period. Due to the epidemic situation of Coronavirus disease 2019 pandemic. The subsidiary has submitted a letter requesting an extension of the construction period for 95 days to the period for the construction to be completed by November 15, 2020, and to begin delivering the water on November 16, 2020. On November 4, 2020 the subsidiary company received the letter of approval from PWA for the mentioned of period extension.

On November 16, 2020 the subsidiary company cannot generate water supply to PWA as extension approval date. On November 27, 2020 the subsidiary submitted the letter for waiving or decrease the penalty of delay and extend his construction period. Later on, December 16, 2020 PWA sent the letter for asking more information to support the approval process. As a contract party, the subsidiary company submitted additional letter to PWA area 1 on January 25, 2021 which the subsidiary company did not inform by PWA for the 2<sup>nd</sup> period of extension, any written document concerned with penalties or waiving. However, the management of subsidiary company gave an opinion that there are reasonable for PWA to exempt the penalties and extend the period of power supply for the project.

At present, the company temporary ceased the construction of project according to the clearly piping structure layout from PWA.

##### **Water Purchase Agreement at Nong Kakha Distribution Water Station**

On June 25, 2020, Joint Venture Eureka UU Co.,Ltd. (the Subsidiary) entered into an the Water Purchase agreement to the Provincial Waterworks Authority ("PWA"). Under the terms of the agreement, the subsidiary has to comply with certain conditions as stipulated in agreement. The term of agreement is valid for a period of 10 years. By counting that day as the starting date was the date of the first tap water sale under the agreement or new agreed date of tap water sale or until the amount of Baht 521.22 million for purchasing tap water from the seller is used - up, whichever occurs first. The subsidiary agrees to sell the raw water to the Provincial Waterworks Authority ("PWA") in minimum volume is not less than 14,400 - 16,800 cubic meters per day and not more than 18,720 - 21,840 cubic meters per day.

## **Eureka Design Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

#### **For the year ended December 31, 2021**

The subsidiary has to start delivering tap water to the purchaser on the day following the due date of 90 days from the date of signing the purchase agreement and it is due on September 24, 2020. However, On September 16, 2020, the subsidiary has filed a document requesting an extension. Due to being affected by the situation of the spread of Coronavirus disease 2019 pandemic, postponement for delivery of equipment from abroad and received a letter from the local authorities notifying the suspension of the construction of the pipeline. The committee reviewed the project to review and approve the extension of the water delivery contract to November 16, 2020, the subsidiary company received letter from PWA dated December 30, 2020 to sign the memorandum of period extension. However, On November 27, 2020 the subsidiary submitted the letter for 2nd request of delay water supply. Then, PWA requested more information by letter dated December 16, 2020. According to the Coronavirus disease 2019 pandemic and water supply areas are in the highest control area, the subsidiary resending the letter dated January 25, 2021. To PWA.

On February 24, 2021, the subsidiary company was informed by PWA for approval of period extension of 53 days (water supply dated in November 16, 2020) which was the 1st period of requested. However, the subsidiary company additional submitted the letter for asking of extension the period that still not approve.

Then on April 21, 2021, the subsidiary company submitted water supply plan to PWA - Phanat Nikhom which specific date on May 6, 2021.

On May 5, 2021 PWA confirmed the schedule of purchasing date to the subsidiary company which their officers shall visit the operation on May 6 - 8, 2021. Then, on May 7, 2021 the subsidiary company submitted letter to inform PWA for adjusting plan of water supply by cooperation with contractors and relevant parties and shall continuing update the project status to PWA.

On May 7, 2021 the subsidiary company was informed by letter from the Provincial Waterworks Authority to speed up the water supply by agreement and informed the penalties including right to terminate the contracts according agreement no. ForKorMor.8/2563 dated June 25, 2020, these penalties rate are approximately Baht 1.04 million per day for 172 days, amounting Baht 179.3 million.

The subsidiary company submitted letter dated May 11, 2021 for consideration and approve for exempt or decrease the penalties and extend the date of distribution. On May 13, 2021 the Provincial Waterworks Authority replied letter that they are in the process of consideration and fact finding for extend the period and penalties exceptional that shall be inform the resolution later.

From June 23, 2021 onwards, the subsidiary company has delivered treated water to the Provincial Waterworks Authority. The delivered water has been mutually recorded every hour in terms of quantity and quality. On June 29, 2021, the subsidiary sent a letter to inform Provincial Waterworks Authority of the end of the situation and request for the contract extension for treated water delivery, together with the request for suspension or reduction of the penalties.

## **Eureka Design Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

#### **For the year ended December 31, 2021**

On July 20, 2021 the subsidiary company suspended the delivery of treated water for the reason that the company was unable to bill the delivered water due to the reason that there was no verdict or official communication from the Provincial Waterworks Authority on the suspension or reduction of the penalties and other attached document required for billing, that were still pending for approval from government organizations.

On September 8, 2021, the subsidiary company sent another letter to support the request for suspension or reduction of the penalties. The letter refers to the from the Government Procurement and Supplies Management, The Comptroller General's Department, document no. Gor Kor (Gor Wor Jor) 0405.2/Wor 693 dated August 6, 2021. The content of the letter states that the government issues a measure to support the government contracting parties by calculating the penalties at 0%, in which the subsidiary company believes that the company complies to the terms and conditions of such measures.

Currently the subsidiary company has not yet received any official reply from the Provincial Waterworks Authority regarding the contract extension for treated water delivery, and on the suspension or the reduction of penalties.

Thus, the management of subsidiary company have an opinion that Coronavirus disease 2019 pandemics are the force majeure circumstances effected to an inability for water supply as specific by contract. For these causes are reasonable for decrease or waive penalties by PWA.

#### **Water Purchase Agreement at Phan Thong Distribution Water Station**

On June 25, 2020, Join Venture Eureka UU Co.,Ltd. (the Subsidiary) entered into an the Water Purchase agreement to the Provincial Waterworks Authority ("PWA"). Under the terms of the agreement, the subsidiary has to comply with certain conditions as stipulated in agreement. The term of agreement is valid for a period of 10 years. By counting that day as the starting date was the date of the first tap water sale under the agreement or new agreed date of tap water sale or until the amount of Baht 520.34 million for purchasing tap water from the seller is used-up, whichever occurs first. The subsidiary agrees to sell the raw water to the Provincial Waterworks Authority ("PWA") in minimum volume is not less than 12,000 - 14,400 cubic meters per day and not more than 15,600 - 18,720 cubic meters per day.

The subsidiary has to start delivering tap water to the purchaser on the day following the due date of 90 days from the date of signing the purchase agreement and it is due on September 24, 2020. However, On September 16, 2020, the subsidiary has filed a document requesting an extension. Due to being affected by the situation of the spread of Coronavirus disease 2019 pandemic virus infection, postponement for delivery of equipment from abroad and received a letter from the local authorities notifying the suspension of the construction of the pipeline. The committee reviewed the project to review and approve the extension of the water delivery contract to November 16, 2020, the subsidiary company received letter from PWA dated December 30, 2020 to sing the memorandum of period extension.

## **Eureka Design Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

#### **For the year ended December 31, 2021**

However, On November 27, 2020 the subsidiary submitted the letter for 2nd request of delay water supply. Then, PWA requested more information by letter dated December 16, 2020. According to the Coronavirus disease 2019 pandemic situation and water supply areas are in the highest control area, the subsidiary resending the letter dated January 25, 2021 to PWA.

On February 24, 2021, the subsidiary company was informed by PWA for approval of period extension of 53 days (water supply dated in November 16, 2020) which was the 1st period of requested. However, the subsidiary company additionally submitted the letter for asking of extension the period that still not approve.

Then on April 21, 2021, the subsidiary company submitted water supply plan to PWA - Phanat Nikhom which specific date on May 6, 2021.

On May 5, 2021 PWA confirmed the schedule of purchasing date to the subsidiary company which their officers shall visit the operation on May 6 - 8, 2021. Then, on May 7, 2021 the subsidiary company submitted letter to inform PWA for adjusting plan of water supply by cooperation with contractors and relevant parties and shall continue update the project status to PWA.

On May 7, 2021 the subsidiary company was informed by letter from the Provincial Waterworks Authority to speed up the water supply by agreement and informed the penalties including right to terminate the contracts according agreement no. ForKorMor.9/2563 dated June 25, 2020, these penalties rate are approximately Baht 1.04 million per day for 172 days, amounting Baht 179.0 million.

The subsidiary company submitted letter dated May 11, 2021 for consideration and approve for exempt or decrease the penalties and extend the date of distribution. On May 13, 2021 the Provincial Waterworks Authority replied letter that they are in the process of consideration and fact finding for extend the period and penalties exceptional that shall be inform the resolution later.

From June 23, 2021 onwards, the subsidiary company has delivered treated water to the Provincial Waterworks Authority. The delivered water has been mutually recorded every hour in terms of quantity and quality. On June 29, 2021, the subsidiary sent a letter to inform Provincial Waterworks Authority of the end of the situation and request for the contract extension for treated water delivery, together with the request for suspension or reduction of the penalties.

On July 20, 2021 the subsidiary company suspended the delivery of treated water for the reason that the company was unable to bill the delivered water due to the reason that there was no verdict or official communication from the Provincial Waterworks Authority on the suspension or reduction of the penalties and other attached document required for billing, that were still pending for approval from government organizations.

On September 8, 2021, the subsidiary company sent another letter to support the request for suspension or reduction of the penalties. The letter refers to the from the Government Procurement and Supplies Management, The Comptroller General's Department, document no. Gor Kor (Gor Wor Jor) 0405.2/Wor 693 dated August 6, 2021. The content of the letter states that the government issues a measure to support the government contracting parties by calculating the penalties at 0%, in which the subsidiary company believes that the company complies to the terms and conditions of such measures.

## Eureka Design Public Company Limited and its Subsidiaries

### Notes to the financial statements

#### For the year ended December 31, 2021

Currently the subsidiary company has not yet received any official reply from the Provincial Waterworks Authority regarding the contract extension for treated water delivery, and on the suspension or the reduction of penalties.

Thus, the management of subsidiary company have an opinion that the Coronavirus disease 2019 pandemic are the force majeure circumstances effected to an inability for water supply as specific by contract. For these causes are reasonable for decrease or waive penalties by PWA.

#### 40. Lease and service agreement commitments

##### 40.1. Commitments with non-related parties

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
<b>Non-cancellable operating lease commitments</b>				
Within one year	1,713	800	335	800
After one year but within five years	-	30	-	30
<b>Total</b>	<b>1,713</b>	<b>830</b>	<b>335</b>	<b>830</b>

##### 40.2. Letters of guarantee

As at December 31, 2021 and 2020 the Company Group's has commitments in respect of letters of guarantee issued by financial institutions as collateral for its performance totaling Baht 8.26 million, letters of guarantee the performance according to the contract with government agency Baht 6.19 million

##### 40.3. Capital commitments

As at December 31, 2021 and 2020 The Subsidiary has commitments form construction agreements Baht 34.64 million and Baht 52.00 million, respectively.

#### 41. Contingent liabilities

The Company was lawsuit by one of customer for claim according to breach the contract of machinery manufacturing Baht 4.3 million. On August 20, 2020, The Civil Court dismissed the charge. However, on November 16, 2020 ,the plaintiff submitted defense to Division 7 of Supreme Court for object to the justice of Samutsakorn Civil Court.

On November 17, 2022, Division 7 of Supreme gave a judgement confirmation as the Civil Court. Therefore, The Company does not have any obligation to the plaintiff, which reversal contingency liability for this claim during the year then ended December 31, 2021 amounting Baht 0.98 million.

## Eureka Design Public Company Limited and its Subsidiaries

### Notes to the financial statements

For the year ended December 31, 2021

#### 42. Reclassifications

The Group's certain amounts in the financial statements for the year ended December 31, 2020 have been reclassified to conform to the current period's classification.

#### 43. Capital management

The objective of financial management of the Company and subsidiaries is to maintain the continuity of operation capability and appropriate capital structure.

As at December 31, 2021, debt to equity ratio in the separate financial statements is 0.12:1

#### 44. Subsequent Events

44.1. On February 28, 2022, the Company's board of directors meeting no. 1/2022, resolved to approve as follows :

1. Approved to propose to the annual general meeting of the shareholders to consider and approve the issuance and offering of the newly issued convertible debentures of the Company not exceeding Thai Baht 1,000,000,000 (the "Convertible Debentures") by way of private placement specifically to Advance Opportunities Fund ("AO Fund") and Advance Opportunities Fund 1 ("AO Fund 1") which is not related person.
2. Approved to propose to the Annual general meeting of the shareholders to consider and approve the increase of Company's registered capital of Thai Baht 90,840,950.25 from the existing Company's paid-up capital at Thai Baht 408,784,276.50 to the new Company's registered capital at Thai Baht 499,625,226.75 by newly issued ordinary shares in the number of 363,363,801 shares with a par value of Thai Baht 0.25 per share in order to reserve for the exercise of the conversion right of the Convertible Debentures. (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. The number totals 614,746,790 shares, representing 44.43% of the total number of shares sold of the Company at present or prior to the registration of the Company's paid-up capital increase under the assumption that the whole convertible debentures including warrants have been as of the Board of Directors' meeting date of February 28, 2022)
3. Approved to propose to the Annual general meeting of the shareholders to consider and approve the amendment to Clause 4 of the Company's Memorandum of Association to be in line with the increase of Company's registered capital as follow:

Clause 4. Registered Capital	:	Baht 499,625,226.75
Divided into	:	1,998,500,907 shares
Par Value per Share	:	Baht 0.25

Classified into.

Ordinary Shares	:	1,998,500,907 Shares
Preferred Shares	:	- share

## **Eureka Design Public Company Limited and its Subsidiaries**

### **Notes to the financial statements**

#### **For the year ended December 31, 2021**

4. Approved to propose to the annual shareholders meeting to consider and approve the allocation of newly issued ordinary shares in the number not exceeding 363,363,801 shares with a par value of Baht 0.25 per share in order to reserve for the exercise of the conversion right of the Convertible Debentures to AO Fund and AO Fund 1 which is not related person.

44.2. On January 26, 2022, the Subsidiary's resolution of extraordinary meeting no. 1/2022, resolved to approve as follows :

1. The capital increase in the subsidiary company, Joint Venture Eureka UU Company limited. from Baht 120,000,000 to Baht 185,000,000 by issuing 650,000 ordinary shares with 100 per value. The subsidiary company registered the increase of share capital on January 31, 2022.

2. Changing the Company's name from Joint Venture Ureka UU Company Limited to be Modern Synergy Co., Ltd. and registered at the Department of Business Development, Ministry of Commerce on February 18, 2022.

44.3. On February 4, 2022, the Subsidiary's resolution of extraordinary meeting no. 2/2022, resolved to approve the entering into a purchase and sale contract for the design of prefabricated pipe laying lines and water supply pipes from the Company's water production station According to the contract dated February 3, 2022, the contract value amounted to Baht 36.28 million. The subsidiary made payment under the contract in full on February 4, 2022.

44.4. On 24 February 2022, a Board of Directors meeting No.2/2022 of the co-investor company passed a resolution to cancel the joint investment in Suwan Bio Farm Company Limited because the operation of this company had made no progress. The Group's management of co-investor considered to cancel the investment in this subsidiary.

#### **45. Financial statements approval**

These financial statements have been approved for issue by the Company's board of directors on February 28, 2022.