EASTERN TECHNICAL ENGINEERING PUBLIC COMPANY LIMITED

INTERIM CONSOLIDATED AND SEPARATE FINANCIAL INFORMATION (UNAUDITED)

30 JUNE 2023

AUDITOR'S REPORT ON THE REVIEW OF THE INTERIM FINANCIAL INFORMATION

To the Shareholders and Board of Directors of Eastern Technical Engineering Public Company Limited

I have reviewed the interim consolidated financial information of Eastern Technical Engineering Public Company Limited and its subsidiaries, and the interim separate financial information of Eastern Technical Engineering Public Company Limited. These comprise the consolidated and separate statements of financial position as at 30 June 2023, the related consolidated and separate statements of comprehensive income for the three-month and six-month periods then ended, and the related consolidated and separate statements of changes in equity and cash flows for the six-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim consolidated and separate financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim consolidated and separate financial information based on my review.

Scope of review

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

Conclusion

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

PricewaterhouseCoopers ABAS Ltd.

Nuntika Limviriyalers
Certified Public Accountant (Thailand) No. 7358
Bangkok
10 August 2023

Eastern Technical Engineering Public Company Limited
Statement of Financial Position
As at 30 June 2023

		Consolidated financial information		Separate financial information	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 June	31 December	30 June	31 December
		2023	2022	2023	2022
	Notes	Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents		94,271,520	46,379,184	50,380,129	20,752,944
Restricted cash at bank - current portion		65,589,684	41,559,414	65,589,684	41,559,414
Trade and other receivables	6	619,101,692	307,994,851	219,210,185	109,410,481
Contract assets	7	222,505,840	346,748,259	130,827,615	227,648,083
Inventories		156,517,226	60,837,476	141,748,235	54,520,410
Short-term loans to subsidiaries	13	-	-	440,460,000	344,660,000
Other current assets		62,786,105	41,436,631	16,256,033	10,846,147
Total current assets		1,220,772,067	844,955,815	1,064,471,881	809,397,479
Non-current assets					
Restricted cash at bank		120,868,105	120,521,560	109,324,160	108,982,210
Investments in subsidiaries	8	-	-	170,852,297	170,852,297
Investments in an associate	8	3,604,171	3,639,905	-	-
Investment measured at fair value through other comprehensive income		33,000	33,000	-	-
Property, plant and equipment	9	1,067,063,820	1,093,554,904	613,584,283	627,464,465
Right-of-use assets	9	10,989,698	8,805,046	10,989,698	8,805,046
Intangible assets	9	22,925,032	22,915,502	9,593,293	9,137,767
Deferred tax assets		26,090,716	25,202,249	14,384,112	14,150,979
Other non-current assets		15,494,576	18,789,417	13,923,682	10,858,390
Total non-current assets		1,267,069,118	1,293,461,583	942,651,525	950,251,154
Total assets		2,487,841,185	2,138,417,398	2,007,123,406	1,759,648,633

Director _____ Director _____

The accompanying notes form part of this interim financial information.

Eastern Technical Engineering Public Company Limited
Statement of Financial Position
As at 30 June 2023

		Consolidated financial information		Separate financial information	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 June	31 December	30 June	31 December
		2023	2022	2023	2022
	Notes	Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Bank overdrafts and short-term borrowings from financial institutions		712,267,303	475,308,291	570,167,303	352,279,974
Short-term loans from a subsidiary	13	-	-	63,400,000	55,400,000
Trade and other payables		327,350,675	223,445,402	176,246,538	138,846,817
Contract liabilities	7	11,375,590	37,612,950	1,129,970	853,056
Current portion of lease liabilities		2,406,291	1,511,519	2,406,291	1,511,519
Current portion of long-term borrowings from financial institutions	10	67,170,367	67,986,841	48,844,992	49,409,927
Income tax payables		1,166,571	-	-	-
Other current liabilities		33,060,052	15,396,995	8,061,902	4,119,470
Total current liabilities		1,154,796,849	821,261,998	870,256,996	602,420,763
Non-current liabilities					
Lease liabilities		6,264,477	5,441,255	6,264,477	5,441,255
Long-term borrowings from financial institutions	10	314,608,092	347,770,609	216,825,926	240,955,816
Employee benefit obligations		52,052,646	46,892,105	7,576,205	6,509,453
Provision for decommissioning		10,235,560	10,142,928	7,201,603	7,136,272
Total non-current liabilities		383,160,775	410,246,897	237,868,211	260,042,796
Total liabilities		1,537,957,624	1,231,508,895	1,108,125,207	862,463,559

The accompanying notes form part of this interim financial information.

Eastern Technical Engineering Public Company Limited
Statement of Financial Position
As at 30 June 2023

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2023 Baht	(Audited) 31 December 2022 Baht	(Unaudited) 30 June 2023 Baht	(Audited) 31 December 2022 Baht
Liabilities and equity (Cont'd)				
Equity				
Share capital				
Authorised share capital				
560,000,000 ordinary shares				
at par value of Baht 0.50 each	280,000,000	280,000,000	280,000,000	280,000,000
Issued and paid-up share capital				
560,000,000 ordinary shares				
fully paid up of Baht 0.50 each	280,000,000	280,000,000	280,000,000	280,000,000
Share premium	507,734,162	507,734,162	507,734,162	507,734,162
Retained earnings				
Appropriated - legal reserve	13,817,525	13,817,525	13,817,525	13,817,525
Unappropriated	120,846,436	103,446,481	97,446,512	95,633,387
Equity attributable to owners of the Company	922,398,123	904,998,168	898,998,199	897,185,074
Non-controlling interests	27,485,438	1,910,335	-	-
Total equity	949,883,561	906,908,503	898,998,199	897,185,074
Total liabilities and equity	2,487,841,185	2,138,417,398	2,007,123,406	1,759,648,633

The accompanying notes form part of this interim financial information.

Eastern Technical Engineering Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the three-month period ended 30 June 2023

	Consolidated financial information		Separate financial information	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Revenues				
Revenue from construction service	165,146,401	56,542,725	64,120,362	41,117,990
Revenue from management service	168,969,393	180,548,548	12,262,103	7,032,030
Revenue from renewable energy	41,275,413	32,266,641	23,979,269	23,260,110
Revenue from sale of goods and other services	1,055,469	42,290	-	-
Total revenues	376,446,676	269,400,204	100,361,734	71,410,130
Costs				
Cost of construction service	152,329,741	57,824,559	61,204,834	40,580,040
Cost of management service	151,523,932	159,963,477	10,126,614	5,739,958
Cost of renewable energy	24,131,887	16,546,464	12,277,506	12,844,329
Cost of goods sold and other services	1,290,318	35,289	-	-
Total costs	329,275,878	234,369,789	83,608,954	59,164,327
Gross profit	47,170,798	35,030,415	16,752,780	12,245,803
Other income	282,720	2,550,673	14,764,048	11,090,355
Selling expenses	912,143	2,736,905	688,299	947,235
Administrative expenses	27,239,579	26,199,091	22,496,590	21,630,940
Finance costs	12,757,614	4,590,207	10,679,113	5,696,901
Share of loss from associate using equity method	14,825	139,362	-	-
Profit (loss) before income tax	6,529,357	3,915,523	(2,347,174)	(4,938,918)
Income tax (expense) income	(868,252)	(1,319,248)	129,783	(293,987)
Profit (loss) for the period	5,661,105	2,596,275	(2,217,391)	(5,232,905)
Other comprehensive income (expense)	-	-	-	-
Total comprehensive income (expense) for the period	5,661,105	2,596,275	(2,217,391)	(5,232,905)
Profit (loss) attributable to:				
Owners of the Company	4,837,331	1,641,220	(2,217,391)	(5,232,905)
Non-controlling interests	823,774	955,055	-	-
	5,661,105	2,596,275	(2,217,391)	(5,232,905)
Total comprehensive income (expense) attributable to:				
Owners of the Company	4,837,331	1,641,220	(2,217,391)	(5,232,905)
Non-controlling interests	823,774	955,055	-	-
	5,661,105	2,596,275	(2,217,391)	(5,232,905)
Earnings per share - owners of the Company				
Basic earnings (loss) per share	0.009	0.003	(0.004)	(0.009)

The accompanying notes form part of this interim financial information.

Eastern Technical Engineering Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the six-month period ended 30 June 2023

		Consolidated financial information		Separate financial information	
		2023	2022	2023	2022
	Notes	Baht	Baht	Baht	Baht
Revenues	5				
Revenue from construction service		327,707,964	95,330,562	134,716,866	65,103,098
Revenue from management service		336,290,759	355,801,303	22,934,245	13,685,861
Revenue from renewable energy		88,864,924	68,815,865	51,259,820	49,072,879
Revenue from sale of goods and other services		2,196,749	81,340	-	-
Total revenues		755,060,396	520,029,070	208,910,931	127,861,838
Costs					
Cost of construction service		302,717,287	98,350,082	127,153,243	66,374,678
Cost of management service		303,021,350	319,562,567	18,980,015	11,413,598
Cost of renewable energy		48,360,964	33,448,914	24,464,082	25,571,550
Cost of goods sold and other services		1,971,295	64,358	-	-
Total costs		656,070,896	451,425,921	170,597,340	103,359,826
Gross profit	5	98,989,500	68,603,149	38,313,591	24,502,012
Other income		1,104,707	2,754,661	28,865,729	21,785,161
Selling expenses		2,170,215	4,781,832	1,633,775	2,496,277
Administrative expenses		52,992,131	55,181,940	43,984,093	43,992,887
Finance costs		23,890,651	12,525,263	19,981,459	11,183,783
Share of loss from associate using equity method	8	35,734	341,489	-	-
Profit (loss) before income tax		21,005,476	(1,472,714)	1,579,993	(11,385,774)
Income tax (expense) income	11	(1,222,676)	(540,403)	233,132	595,535
Profit (loss) for the period		19,782,800	(2,013,117)	1,813,125	(10,790,239)
Other comprehensive income (expense)		-	-	-	-
Total comprehensive income (expense) for the period		19,782,800	(2,013,117)	1,813,125	(10,790,239)
Profit (loss) attributable to:					
Owners of the Company		17,399,955	(2,611,194)	1,813,125	(10,790,239)
Non-controlling interests		2,382,845	598,077	-	-
		19,782,800	(2,013,117)	1,813,125	(10,790,239)
Total comprehensive income (expense) attributable to:					
Owners of the Company		17,399,955	(2,611,194)	1,813,125	(10,790,239)
Non-controlling interests		2,382,845	598,077	-	-
		19,782,800	(2,013,117)	1,813,125	(10,790,239)
Earnings per share - owners of the Company					
Basic earnings (loss) per share		0.031	(0.005)	0.003	(0.019)

The accompanying notes form part of this interim financial information.

Eastern Technical Engineering Public Company Limited
Statement of Changes in Equity (Unaudited)
For the six-month period ended 30 June 2023

		Consolidated financial information						
		Attributable to owners of the Company						
		Capital contributed		Retained earnings				
	Note	Issued and fully paid-up share capital Baht	Premium on paid-up capital Baht	Appropriated - legal reserve Baht	Unappropriated Baht	Total equity attributable to owners of the Company Baht	Non-controlling interests Baht	Total equity Baht
Balance at 1 January 2022		280,000,000	507,734,162	12,964,572	80,948,698	881,647,432	3,853,635	885,501,067
Changes in equity for the period								
Registration of an indirect subsidiary		-	-	-	-	-	75,003	75,003
Total comprehensive expense for the period		-	-	-	(2,611,194)	(2,611,194)	598,077	(2,013,117)
Balance at 30 June 2022		280,000,000	507,734,162	12,964,572	78,337,504	879,036,238	4,526,715	883,562,953
Balance at 1 January 2023		280,000,000	507,734,162	13,817,525	103,446,481	904,998,168	1,910,335	906,908,503
Changes in equity for the period								
Capital increase in an indirect subsidiary	8	-	-	-	-	-	23,192,258	23,192,258
Total comprehensive income for the period		-	-	-	17,399,955	17,399,955	2,382,845	19,782,800
Balance at 30 June 2023		280,000,000	507,734,162	13,817,525	120,846,436	922,398,123	27,485,438	949,883,561

The accompanying notes form part of this interim financial information.

Eastern Technical Engineering Public Company Limited
Statement of Changes in Equity (Unaudited)
For the six-month period ended 30 June 2023

	Separate financial information				
	Capital contributed		Retained earnings		
	Issued and fully paid-up share capital Baht	Premium on paid-up capital Baht	Appropriated - legal reserve Baht	Unappropriated Baht	Total equity Baht
Balance at 1 January 2022	280,000,000	507,734,162	12,964,572	79,427,277	880,126,011
Changes in equity for the period					
Total comprehensive expense for the period	-	-	-	(10,790,239)	(10,790,239)
Balance at 30 June 2022	280,000,000	507,734,162	12,964,572	68,637,038	869,335,772
Balance at 1 January 2023	280,000,000	507,734,162	13,817,525	95,633,387	897,185,074
Changes in equity for the period					
Total comprehensive income for the period	-	-	-	1,813,125	1,813,125
Balance at 30 June 2023	280,000,000	507,734,162	13,817,525	97,446,512	898,998,199

The accompanying notes form part of this interim financial information.

Eastern Technical Engineering Public Company Limited
Statement of Cash Flows (Unaudited)
For the six-month period ended 30 June 2023

		Consolidated financial information		Separate financial information	
	Notes	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Profit (loss) before income tax		21,005,476	(1,472,714)	1,579,993	(11,385,774)
Adjustments for:					
Depreciation and amortisation	9	31,516,155	24,480,882	19,057,670	18,404,809
Expected credit loss		1,823,333	60,534	1,823,333	60,534
Allowance for declining value of inventories		29,396	948,809	29,396	948,809
Loss on write-off of equipment		297	-	270	-
Loss (gain) on disposal of vehicles		252,877	(42,019)	99,481	(93,046)
Interest income		(101,869)	(67,966)	(11,784,863)	(3,560,462)
Finance costs		23,890,651	12,525,263	19,981,459	11,183,783
Employee benefit obligations		5,406,841	5,166,902	1,066,752	904,770
Share of loss from associate using equity method	8	35,734	341,489	-	-
Unrealised loss on exchange rate		-	(2,492,642)	-	-
Changes in working capital:					
Trade and other receivables		(312,930,174)	14,324,320	(101,989,371)	56,476,484
Contract assets		124,242,419	41,986,970	96,820,468	62,942,359
Inventories		(95,709,146)	39,139,515	(87,257,221)	41,899,643
Other current assets		(12,461,177)	(2,310,866)	(2,836,168)	2,682,146
Other non-current assets		(10,073,212)	9,500,110	(10,164,128)	10,994,270
Trade and other payables		104,572,526	(21,637,749)	35,477,369	(56,890,736)
Contract liabilities		(26,237,360)	(3,641,210)	276,914	(3,641,210)
Other current liabilities		17,705,067	(6,300,357)	3,942,432	(7,165,061)
Employee benefit obligations paid		(246,300)	(629,962)	-	-
Cash (used in) generated from operations		(127,278,466)	109,879,309	(33,876,214)	123,761,318
Interest received		101,869	126,048	2,151,197	988,774
Interest paid		(23,516,788)	(15,934,472)	(17,806,949)	(14,186,695)
Income tax received		11,015,983	1,898,935	8,238,677	-
Income tax paid		(7,522,809)	(9,750,411)	(3,713,560)	(4,839,715)
Net cash (used in) generated from operating activities		(147,200,211)	86,219,409	(45,006,849)	105,723,682
Cash flow from investing activities					
Restricted cash at bank (increase) decrease		(24,376,815)	5,555,478	(24,372,220)	5,568,304
Payments for purchase of property, plant and equipment		(6,488,953)	(67,410,424)	(3,972,050)	(6,917,193)
Payments for borrowing cost of property, plant and equipment		-	(3,532,034)	-	-
Payments for purchase of intangible assets		(1,330,070)	(48,000)	(1,292,800)	-
Short-term loans to subsidiaries	13	-	-	(194,900,000)	(143,210,000)
Repayment received from short-term loans to subsidiaries	13	-	-	99,100,000	57,510,000
Proceeds from disposal of vehicles		2,928,047	1,254,925	549,907	643,925
Net cash used in investing activities		(29,267,791)	(64,180,055)	(124,887,163)	(86,404,964)

The accompanying notes form part of this interim financial information.

Eastern Technical Engineering Public Company Limited
Statement of Cash Flows (Unaudited)
For the six-month period ended 30 June 2023

		Consolidated financial information		Separate financial information	
		2023	2022	2023	2022
	Notes	Baht	Baht	Baht	Baht
Cash flows from financing activities					
(Decrease) increase in bank overdrafts		(7,940,486)	1,147,890	(4,912,169)	1,147,890
Proceeds from short-term borrowings from financial institutions		554,602,214	152,578,431	360,902,214	48,802,602
Proceeds from short-term loans from subsidiaries	13	-	-	133,000,000	147,590,000
Repayment of short-term borrowings from financial institutions		(309,702,716)	(125,987,994)	(138,102,716)	(42,212,165)
Repayment of long-term borrowings from financial institutions	10	(34,437,000)	(44,215,026)	(25,012,200)	(32,729,976)
Repayment of lease liabilities		(1,353,932)	(1,136,147)	(1,353,932)	(1,136,147)
Repayment of short-term loans from subsidiaries	13	-	-	(125,000,000)	(140,500,000)
Proceeds from non-controlling interests for registration of an indirect subsidiary		-	75,003	-	-
Proceeds from non-controlling interests for capital increase in an indirect subsidiary	8	23,192,258	-	-	-
Net cash generated from (used in) financing activities		224,360,338	(17,537,843)	199,521,197	(19,037,796)
Net increase in cash and cash equivalents		47,892,336	4,501,511	29,627,185	280,922
Cash and cash equivalents at the beginning of the period		46,379,184	51,972,194	20,752,944	19,093,433
Cash and cash equivalents at the end of the period		94,271,520	56,473,705	50,380,129	19,374,355
Significant non-cash transaction:					
Acquisition of property, plant and equipment which has not been paid		437,526	11,522,464	410,549	71,949
Acquisition of right of use assets which has not been paid		2,423,287	-	2,423,287	-

The accompanying notes form part of this interim financial information.

1 General information

Eastern Technical Engineering Public Company Limited (the Company) is a public limited company which is listed on the Stock Exchange of Thailand and is incorporated and domiciled in Thailand. The address of the Company's registered office is as follows:

59/21 - 22, Moo.1, Liang Muang Road, Bang Kung, Muang District, Suratthani.

The Group has an administrative office branch at the following address;

88 Soi. Yothinpattana, Klongchan Sub-district, Bangkapi District Bangkok 10240.

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

The Group operates management service, installation service of electricity transmission network, telecommunication network, power generation from renewable energy and sale of goods and other services.

The interim consolidated and separate financial information was authorised for issue by the Board of Directors on 10 August 2023.

2 Basis of preparation

The interim consolidated and separated financial information has been prepared in accordance with Thai Accounting Standard (TAS) no. 34, Interim Financial Reporting and other financial reporting requirements issued under the Securities and Exchange Act.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2022.

An English version of the interim consolidated and separate financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

3 Accounting policies

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2022.

New and amended Thai Financial Reporting Standards effective for the accounting periods beginning on or after 1 January 2023 do not have material impact on the Group.

4 Estimates

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

5 Segment information

The Group's management has determined segment information in respect of the Group's business and geographic segments in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors that makes strategic decision principally based on gross profit.

Geographic segment

Management considers that the Group operates in a single geographic area, namely in Thailand, and has, therefore, only one major geographic segment.

Business segment

The Group comprises the following main business segments, which are separated based on nature of business:

Segment 1: represents the business of management service.
Segment 2: represents the business of construction service.
Segment 3: represents the business of renewable energy.
Segment 4: represents the business of sale of goods and other services.

	Consolidated financial information				
	Segment 1	**Segment 2**	**Segment 3**	**Segment 4**	**Total**
	Million Baht	**Million Baht**	**Million Baht**	**Million Baht**	**Million Baht**
For the six-month period ended 30 June 2023					
Net revenue	336.29	327.71	88.86	2.20	755.06
Gross profit	33.27	24.99	40.50	0.23	98.99
Finance costs	-	-	(14.31)	-	(14.31)
Unallocated transactions					(64.90)
Profit for the period					19.78
Timing of revenue recognition					
At a point in time	-	-	-	2.20	2.20
Over time	336.29	327.71	88.86	-	752.86
Total revenue	336.29	327.71	88.86	2.20	755.06

	Consolidated financial information				
	Segment 1	**Segment 2**	**Segment 3**	**Segment 4**	**Total**
	Million Baht	**Million Baht**	**Million Baht**	**Million Baht**	**Million Baht**
For the six-month period ended 30 June 2022					
Net revenue	355.80	95.33	68.82	0.08	520.03
Gross profit (loss)	36.24	(3.02)	35.36	0.02	68.60
Finance costs	-	-	(10.83)	-	(10.83)
Unallocated transactions					(59.78)
Loss for the period					(2.01)
Timing of revenue recognition					
At a point in time	-	-	-	0.08	0.08
Over time	355.80	95.33	68.82	-	519.95
Total revenue	355.80	95.33	68.82	0.08	520.03

Portion of revenue from major customers can be analysed as follows:

For the six-month period ended 30 June	Portion of revenue from major customers (%)	
	2023	2022
Segment 1	69.24	60.86
Segment 2	28.32	40.37
Segment 3	100.00	100.00
Segment 4	54.56	51.99

For segment 3, total revenue derived from one major customer. The Group has 4 power purchase agreements for a period of 25 years until 2041 and has a power purchase agreement for a period of 5 years and it is renewed automatically every 5 years until the contract is terminated.

6 Trade and other receivables

As at 30 June 2023 and 31 December 2022, trade receivables, included in trade and other receivables in the statements of financial position, can be analysed aging as follows:

	Consolidated financial information		Separate financial information	
	30 June 2023 Baht	31 December 2022 Baht	30 June 2023 Baht	31 December 2022 Baht
Trade receivables - third parties				
Current	131,205,386	112,822,200	46,879,909	18,156,079
Overdue:				
Overdue less than 3 months	121,326,153	23,935,757	9,007,132	3,889,840
Overdue 3 months but less than 6 months	109,559,277	15,388,991	-	13,218,191
Overdue 6 months but less than 12 months	20,104,685	6,973,154	12,168,924	224,448
Overdue over 12 months	13,819,150	13,819,150	13,819,150	13,819,150
Trade receivables - third parties	396,014,651	172,939,252	81,875,115	49,307,708
Less Expected credit loss	(11,581,173)	(11,581,173)	(11,581,173)	(11,581,173)
Trade receivables - third parties, net	384,433,478	161,358,079	70,293,942	37,726,535

Trade receivables aged over 12 months which has not set expected credit loss are in the process of repayment.

7 Contract assets and liabilities

Contract assets and liabilities can be presented as follows:

	Consolidated financial information		Separate financial information	
	30 June 2023 Baht	31 December 2022 Baht	30 June 2023 Baht	31 December 2022 Baht
Contract assets				
Current				
- Construction service	236,305,564	356,716,237	178,968,611	275,449,019
- Management service	31,538,031	33,054,086	2,352,294	2,427,443
- Renewable energy	12,284,079	14,599,770	7,128,544	7,393,455
Less Expected credit loss	(57,621,834)	(57,621,834)	(57,621,834)	(57,621,834)
Total contract assets	222,505,840	346,748,259	130,827,615	227,648,083
Contract liabilities				
Current				
- Construction service	1,129,970	853,056	1,129,970	853,056
- Management service	10,245,620	36,759,894	-	-
Total contract liabilities	11,375,590	37,612,950	1,129,970	853,056

7.1 Contract assets - Construction service

	Consolidated financial information		Separate financial information	
	30 June 2023 Baht	31 December 2022 Baht	30 June 2023 Baht	31 December 2022 Baht
Contract costs incurred to date	664,952,162	619,226,242	457,609,099	462,045,882
Contract margin recognised to date	90,315,462	82,536,655	72,983,385	76,040,088
Contract revenue recognised to date	755,267,624	701,762,897	530,592,484	538,085,970
Less Billing issued to date	(518,962,060)	(345,046,660)	(351,623,873)	(262,636,951)
Unbilled contract revenue	236,305,564	356,716,237	178,968,611	275,449,019
Less Expected credit loss	(57,621,834)	(57,621,834)	(57,621,834)	(57,621,834)
Unbilled contract revenue, net	178,683,730	299,094,403	121,346,777	217,827,815

7.2 Contract liabilities - Construction service

	Consolidated and separate financial information	
	30 June 2023 Baht	31 December 2022 Baht
Contract costs incurred to date	11,858,418	2,427,187
Contract margin recognised to date	2,299,461	672,370
Contract revenue recognised to date	14,157,879	3,099,557
Less Billing issued to date	(15,287,849)	(3,952,613)
Progress billing in excess of work in progress, net	(1,129,970)	(853,056)

8 Investment in subsidiaries and an associate

8.1 Investment in subsidiaries

As at 30 June 2023 and 31 December 2022, investments in subsidiaries that have been significantly changed from 31 December 2022 are detailed as follows:

Entity name	Nature of business	Country of incorporation	% of Ownership interest		Investment at cost method	
			30 June 2023 %	31 December 2022 %	30 June 2023 Baht	31 December 2022 Baht
Capital increase in an indirect subsidiary						
Bio Green Energy 3 Company Limited (BGE3)*	Operates a very small power plant project (VSPP)	Thailand	49.00	49.00	35,589,134	13,306,392

*Ordinary shares of 49.00% in BGE3 represents voting power and a right to receive dividends of 98.00%.

Capital increase in an indirect subsidiary

Bio Green Energy 3 Company Limited (BGE3)

On 6 June 2023, the Board of Directors meeting of BGE3 No. 3/2566 passed a resolution to approve additional paid-up the existing of ordinary shares and preference shares of 75%, totaling Baht 75,000, comprising 4,900 ordinary shares at par value of Baht 10.00 each, totaling Baht 36,750 and 5,100 preference shares at par value of Baht 10.00 each, totaling Baht 38,250. BGE3 fully received paid-up the existing of ordinary shares and preference shares from the shareholders in June 2023.

On 21 June 2023, the Extraordinary General Meeting of Shareholders of BGE3 No. 1/2566 passed a special resolution to approve an issuance of new ordinary shares and preference shares totaling Baht 45.40 million, comprising 2,224,600 ordinary shares at par value of Baht 10.00 each of Baht 22.25 million and 2,315,400 preference shares at par value of Baht 10.00 each of Baht 23.15 million. The shares were fully paid up and BGE3 has registered the capital increase in June 2023. Ownership interest in BGE3 remains unchanged at 49.00% of ordinary shares which represent 98.00% of voting right.

8.2 Investment in an associate

Movements of investment in an associate for the six-month period ended 30 June 2023 are as follows:

	Consolidated financial information
	Investment under equity method Baht
Opening net book value	3,639,905
Share of net loss	(35,734)
Closing net book value	3,604,171

There are no contingent liabilities in respect of the Group's interest in associate.

9 Property, plant and equipment, Right-of-use assets and Intangible assets

Movements of property, plant and equipment, right-of-use assets and intangible assets for the six-month period ended 30 June 2023 are as follows:

	Consolidated financial information			Separate financial information		
	Property, plant and equipment Baht	Right-of-use assets Baht	Intangible assets Baht	Property, plant and equipment Baht	Right-of-use assets Baht	Intangible assets Baht
Opening net book value	1,093,554,904	8,805,046	22,915,502	627,464,465	8,805,046	9,137,767
Additions	5,998,479	3,071,925	1,330,070	4,102,599	3,071,925	1,292,800
Disposals, net	(3,180,924)	-	-	(649,388)	-	-
Write-off, net	(297)	-	-	(270)	-	-
Depreciation and amortisation	(29,308,342)	(887,273)	(1,320,540)	(17,333,123)	(887,273)	(837,274)
Closing net book value	1,067,063,820	10,989,698	22,925,032	613,584,283	10,989,698	9,593,293

Property, plant and equipment

For the consolidated financial information and separate financial information, bank borrowings are secured by property, plant and equipment to the value of Baht 747.83 million and Baht 525.93 million (31 December 2022 : Baht 765.98 million and Baht 538.43 million) respectively.

10 Borrowings

Movement of long-term borrowings for the six-month period ended 30 June 2023 can be analysed as:

	Consolidated financial information Baht	Separate financial information Baht
Opening balance	415,757,450	290,365,743
Less Repayments	(34,437,000)	(25,012,200)
Amortisation of financial fees	458,009	317,375
Ending balance	381,778,459	265,670,918
Less Current portion	(67,170,367)	(48,844,992)
Non-current portion	314,608,092	216,825,926

The long-term borrowing contracts require the Group to comply with certain financial ratios calculated based on the audited financial statements at year end. Management closely monitors the situation to prepare for annual testing of debt covenants by the bank at year end 31 December 2023.

11 Income tax

Income tax expense (income) for interim periods is recognised based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year. The estimated average annual tax rate for the consolidated financial information and separate financial information used for the six-month period ended 30 June 2023 is 5.82% and (14.76%) per annum (2022: 36.69% and (5.23%) per annum) respectively. A decrease in tax rate is because the Group received tax exemption for business under promotional privileges.

12 Commitments and contingencies

12.1 Capital commitment

As at 30 June 2023 and 31 December 2022, the Group has capital expenditure contracted but not recognised in the interim financial information are as follows:

	Consolidated financial information		Separate financial information	
	30 June 2023 Baht	31 December 2022 Baht	30 June 2023 Baht	31 December 2022 Baht
Property, plant and equipment	555,959	776,696	399,258	-

12.2 Contingent liabilities

As at 30 June 2023, the Group has commitment under short-term rent contracts, which are non-cancellable as follows.

	Consolidated and separate financial information	
	30 June 2023 Baht	31 December 2022 Baht
Within 1 year	2,348,000	1,575,000

The other commitments are as follows:

	Consolidated financial information		Separate financial information	
	30 June 2023 Baht	31 December 2022 Baht	30 June 2023 Baht	31 December 2022 Baht
Other commitments				
Bank guarantees	316,048,659	411,040,152	166,462,464	233,453,389

13 Related party transactions

a) Transactions with related parties

Transactions with related parties for the six-month period ended 30 June are as follows:

	Consolidated financial information		Separate financial information	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Management fee income				
Subsidiaries	-	-	16,200,000	17,220,000
Related party	30,000	-	30,000	-
	30,000	-	16,230,000	17,220,000
Building rental income				
Subsidiaries	-	-	795,000	786,000
Interest income				
Subsidiaries	-	-	11,705,317	3,500,384
Management fee expenses				
Subsidiaries	-	-	600,000	900,000
Building rental expenses				
Related parties	1,350,000	900,000	1,284,000	900,000
Power plant operation and maintenance fees				
Subsidiary	-	-	5,074,582	5,964,768
Interest expenses				
Subsidiaries	-	-	1,768,141	240,424

b) Outstanding balances arising from sales and purchases of goods and services

The outstanding balances at the end of the reporting period in relation to transactions with related parties are as follows:

	Consolidated financial information		Separate financial information	
	30 June 2023 Baht	31 December 2022 Baht	30 June 2023 Baht	31 December 2022 Baht
Other receivables				
Subsidiaries	-	-	6,451,211	6,632,274
Prepaid expense				
- Power plant operation and maintenance fees				
Subsidiary	-	-	2,088,709	-
Interest receivables				
Subsidiaries	-	-	20,190,695	10,557,029
Trade payables				
- Power plant operation and maintenance fees				
Subsidiary	-	-	550,689	1,287,039
Other payables				
Subsidiaries	-	-	10,805,466	8,739,996
Related Parties	182,000	214,000	182,000	214,000
	182,000	214,000	10,987,466	8,953,996
Accrued interest expense				
Subsidiary	-	-	2,857,472	1,089,331

c) Short-term loans to subsidiaries

The movements of short-term loans to subsidiaries for the six-month period ended 30 June 2023 are as follows:

	Separate financial information Baht
Opening book value	344,660,000
Addition	194,900,000
Repayment	(99,100,000)
Closing book value	440,460,000

Short-term loans to subsidiaries were made on commercial terms and conditions. The loans are due within 1 year and carry interest at 3.72% to 5.40% per annum.

d) Short-term loans from a subsidiary

The movements of short-term loans from a subsidiary for the six-month period ended 30 June 2023 are as follows:

	Separate financial information Baht
Opening book value	55,400,000
Addition	133,000,000
Repayment	(125,000,000)
Closing book value	63,400,000

As at 30 June 2023, the short-term loans from a subsidiary were provided interest at the rate of 3.70% to 5.85% per annum without collateral and are due at call.

e) Key management remunerations

Key management includes directors and executive management. The compensation paid or payable to key management for the six-month period ended 30 June are as follows:

	Consolidated financial information		Separate financial information	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Short-term benefits	11,574,224	12,082,856	9,792,224	11,115,856
Provision for employment benefits	882,485	719,431	823,162	653,798
Total	12,456,709	12,802,287	10,615,386	11,769,654

14 Dispute and legal cases

For the period ended 30 June 2023, there is no development in dispute and legal cases disclosed in Note 36 to the 2022 annual financial statements.

15 Subsequent event

15.1 Registration of the capital increase in an indirect subsidiary

ETA Woodchip Company Limited (ETAW)

On 10 August 2023, the Board of Directors meeting of ETE No. 3/2566 passed a resolution to approve the capital increase of ETA Woodchip Company Limited (ETAW) (an indirect subsidiary), totaling Baht 2.00 million, comprising 20,000 ordinary shares, at par value of Baht 100.00 each, to support business under promotional privileges (BOI), where the Group maintains existing ownership interest. Later, the Board of Directors meeting of subsidiary will approve the resolution of the capital increase.

15.2 Restructuring of investment within the Group

On 10 August 2023, the Board of Directors meeting of ETE No. 3/2566 passed a resolution to approve that the Group restructure its holding of investment in subsidiaries by registration of dissolution for 5 indirect subsidiaries that have not been operated yet, which consist of ETE Energy 5 Company Limited (ETEN 5), ETE Energy 6 Company Limited (ETEN 6), ETE Energy 7 Company Limited (ETEN 7), ETE Energy 9 Company Limited (ETEN 9), and ETA IOT Company Limited (ETA I), in order to operate the business efficiently and reduce the management cost of the Group. Nevertheless, the dissolution of the indirect subsidiaries did not affect the operations of the Group. Later, the Board of Directors meeting of subsidiaries will approve the resolution of dissolution of these subsidiaries.