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| **1 General Information** |

Pro Inside Public Company Limited (“the Company”) is incorporated and registered in Thailand. The address of the Company’s registered office is as follows:

55, A.A. Capital Ratchada Building, 5th Floor, Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok.

The Company provides a full range of services in system integrating of information system for software and hardware, security system, and CCTV system. The service provided are consulting, developing, installing, distributing, and maintenance service, for both private and government sectors.

On 23 January 2024, the Company submitted the registration to Department of Business Development to transform the Company to public company resulting to change the Company name from “Pro Inside Company Limited” to “Pro Inside Public Company Limited”. The Company first day traded in the Stock Exchange of Thailand (SET) on 20 January 2025.

These financial statements have been approved for issue by the Board of director on 27 February 2025.

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| **2 Basis of preparation** |

The financial statements have been prepared in accordance with Thai Financial Reporting Standards and the financial reporting requirements issued under the Securities and Exchange Act.

The financial statements have been prepared under the historical cost convention except the matters that are specified in accounting policies.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 7.

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.

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| **3 New and amended financial reporting standards and change in accounting policies** |

**3.1 Amended financial reporting standards that are effective for** **the accounting period beginning on or after 1 January 2024 that are relevant to the Company.**

The Company has no significant impacts from applying these standards.

**3.2 New financial reporting standard that is effective for the accounting period beginning on or after 1 January 2025 that are relevant to the Company.**

The following amended TFRSs were not mandatory for the current reporting period and the Company has not early adopted them. Management is assessing the impact for adopt these financial reporting standards.

1. **Amendments to TAS 1 Presentation of Financial Statements** clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the Company’s expectations or events after the reporting period (for example, the receipt of a waiver or a breach of covenant).

Covenants of loan arrangements will not affect classification of a liability as current or non-current at the end of reporting period if the Company must only comply with the covenants after the reporting period. However, if the Company must comply with a covenant either before or at the end of reporting period, this will affect the classification as current or non-current even if the covenant is only tested for compliance after the reporting period.

The amendments require disclosures if the Company classifies a liability as non-current and that liability is subject to covenants with which the Company must comply within 12 months of the reporting period. The disclosures include:

* the carrying amount of the liability;
* information about the covenants; and
* facts and circumstances, if any, that indicate that the Company might have difficulty complying with the covenants.

The amendments also clarify what TAS 1 means when it refers to the ‘settlement’ of a liability. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the Company’s own equity instrument can only be ignored for the purpose of classifying the liability as current or non-current if the Company classifies the option as an equity instrument.

The amendments must be applied retrospectively in accordance with the normal requirements in TAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

1. **Amendments to TFRS 16 Leases**added to the requirements for sale and leaseback transactions which explain how an Company accounts for a sale and leaseback after the date of the transaction.

The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines ‘lease payments’ and ‘revised lease payments’ in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate.

1. **Amendments to TAS 7 Statement of cash flows and TFRS 7 Financial instruments: Disclosures** require specific disclosures about supplier finance arrangements (SFAs). The amendments respond to investors that said that they urgently needed more information about SFAs to be able to assess how these arrangements affect a Company's liabilities, cash flows and liquidity risk.

To meet investors’ needs, the new disclosures will provide information about:

(1) The terms and conditions of SFAs.

(2) The carrying amount of financial liabilities that are part of SFAs, and the line items in which those liabilities are presented.

(3) The carrying amount of the financial liabilities in (2), for which the suppliers have already received payment from the finance providers.

(4) The range of payment due dates for both the financial liabilities that are part of SFAs, and comparable trade payables that are not part of such arrangements.

(5) Non-cash changes in the carrying amounts of financial liabilities in (2).

(6) Access to SFA facilities and concentration of liquidity risk with the finance providers.

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| **4 Accounting policies** |

**4.1 Foreign currency translation**

a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company’s functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Any exchange component of gains and losses on a non-monetary item that recognised in profit or loss, or other comprehensive income is recognised following the recognition of a gain or loss on the non-monetary item.

**4.2 Cash and cash equivalents**

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date

**4.3 Trade accounts receivables**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables are disclosed in Note 4.5.

**4.4 Inventories**

Inventories are stated at the lower of cost and net realisable value.

Cost of inventories is determined by the first-in, first-out method. Cost of raw materials comprise all purchase cost and costs directly attributable to the acquisition of the inventory less all attributable discounts. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs, and directly attributable costs in bringing the inventories to their present location and condition.

**4.5 Financial assets**

1. Classification

The Company classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

* 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 Company reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Company has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, which are measured at FVPL.

b) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, 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 the cash flows are solely payment of principal and interest (SPPI).

c) Debt instruments

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

* Amortised cost: Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance 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 as a separate line item in the statement of comprehensive income.
* FVOCI: Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets’ cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income is included in [finance income / other income]. Foreign exchange gains and losses are presented in other gains/(losses). Impairment expenses are presented separately in the statement of comprehensive income.
* FVPL: Financial 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.

d) Equity instruments

The Company measures all equity investments at fair value. Where the Company has elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of comprehensive income.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

e) Impairment

The Company applies the TFRS 9 simplified approach in measuring the impairment of trade receivables, contract assets and lease receivables, which applies lifetime expected credit loss, from initial recognition, for all trade receivables, contract assets and lease receivables.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Company has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

For trade receivables with low credit risk, the expected credit loss rate is based on discounted cashflow according to the schedule to be billed. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts.

For other financial assets carried at amortised cost and FVOCI, the Company applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

The Company assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted present value of estimated cash shortfall. The cash shortfall is the difference between all contractual cash flows that are due to the Company and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Company reflects the following:

* probability-weighted estimated uncollectible amounts
* time value of money; and
* supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment (and reversal of impairment) losses are recognised in profit or loss as a separate line item.

**4.6 Building improvement and equipment**

Building improvement and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical costs includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset’s carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

The Company will recognised other repairs and maintenance to profit or loss when incurred.

Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives, as follows:

|  |  |
| --- | --- |
| Building improvement | Lease period |
| Project equipment | Contract period |
| Office furniture | 5 years |
| Tools and office equipment | 3 - 5 years |

The assets’ residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each financial year-end.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in other gains (losses), net.

**4.7 Intangible assets**

*Acquired intangible assets*

The assets with limited life are measured at cost less accumulated amortisation and impairment losses. The amortisation is calculated using the straight-line method their estimated useful lives, as follows:

Computer Software 10 years

**4.8 Leases**

**Leases - where the Company is the lessee**

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

* fixed payments (including in-substance fixed payments), less any lease incentives receivable
* variable lease payment that are based on an index or a rate
* amounts expected to be payable by the lessee under residual value guarantees
* the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
* payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee’s incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

* the amount of the initial measurement of lease liability
* any lease payments made at or before the commencement date less any lease incentives received
* any initial direct costs, and
* restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office furniture.

**Leases - where the Company is the lessor**

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Rental income under operating leases (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature.

**4.9 Financial liabilities**

1. Classification

Financial instruments issued by the Company are classified as either financial liabilities or equity securities by considering contractual obligations.

* Where the Company 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 Company’s own equity instruments.
* Where the Company 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.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

1. Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

1. Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Company assesses whether the renegotiation/modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated/modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

**4.10 Current and deferred income taxes**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

*Current tax*

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation.   
It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

*Deferred income tax*

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**4.11 Employee benefits**

a) Short-term employee benefits

Liabilities for short-term employee benefits such as wages, salaries and bonuses that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees’ service up to the end of the reporting period. They are measured at the amount expected to be paid.

b) Provident fund

The Company pays contributions to a separate fund on a voluntary basis. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

c) Retirement benefit

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee’s latest compensation at retirement.

The obligation is calculated regularly by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are recognised directly to other comprehensive income in the period in which they arise. They are included in other components of equity in the statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

d) Termination benefits

The Company recognises termination benefits at the earlier of (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for the related restructuring. Benefits due more than 12 months are discounted to their present value.

e) Employee joint investment program

The Company pays contributions to securities’ company to buy parent’s shares for employees. The contributions from employees and the Company are separated and administered by securities’ company. The Company has no obligations to make additional payments when already paid such contributions. The contributions are charged to the statement of comprehensive income.

f) Employee stock ownership plan

The Company grants employees of the Company and its related parties to purchase ordinary share of the Company in the amount which approximates fair value prices of which is reflected by the determined conditions specified by the Company. The employees have a right to sell the shares to the Company if the Company doesn’t achieve the target in the determined time of the program. The payment of this program is recognised as liabilities on the statement of financial position. The liabilities will be reversed to the company’s ordinary share when the program is completed.

**4.12 Share-based payment**

*Employee stock options*

The Company receives services from employees as consideration for equity instruments (options) of the Company. The fair value of the options is recognised as an expense over the vesting period, with a corresponding increase in equity. The fair value of the options is determined by:

* including any market performance conditions (e.g. the entity’s share price);
* including the impact of any non-vesting conditions (for example, the requirement for employees to save or holdings shares for a specific period of time); and
* excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period).

Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest.

At the end of each reporting period, the Company reviews the number of options that are expected to vest. It recognises the impact of the revision, if any, in profit or loss with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital and share premium.

**4.13 Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

**4.14 Share capital**

Ordinary shares are classified as equity

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

**4.15 Revenue recognition**

Revenue are recorded net of value added tax. They are recognised in accordance with the provision of goods or services, provided that collectability of the consideration is probable.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfilment of the obligation to the customer.

**a) Services**

The Company recognised service contracts with a continuous service provision as revenue on a straight-line basis over the contract term, regardless of the payment pattern.

*Contract assets and contract liabilities*

A contract asset is recognised where the Company recorded revenue for fulfillment of a contractual performance obligation before the customer paid consideration or before the requirements for billing.

A contract liability is recognised when the customer paid consideration or a receivable from the customer that is due before the Company fulfilled a contractual performance obligation.

For each customer contract, contract liabilities is set off against contract assets.

**b) IT consulting services**

The IT consulting division provides business IT management, design, implementation and support services under fixed-price contracts. Revenue from providing services is recognised in the accounting period in which the services are rendered. Revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided, because the customer receives and uses the benefits simultaneously.

Some contracts include multiple deliverables, such as the sale of hardware and related installation services. However, the installation is simple, does not include an integration service and could be performed by another party. It is therefore accounted for as a separate performance obligation.

Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on their relative stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost plus margin. If contracts include the installation of hardware, revenue for the hardware is recognised at a point in time when the hardware is delivered, the legal title has passed and the customer has accepted the hardware.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

In the case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the Company exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

If the contract includes an hourly fee, revenue is recognised in the amount to which the Company has completed service to the client.

**c) Revenue from construction**

Under the contracts, the Company’s construction activities create or enhance an asset or work in progress that the customer controls as the asset is created or enhanced, and hence revenue is recognised over time by reference to the progress towards completing the construction works. Under this method, the revenue recognised is based on the latest estimate of the total value of the contract.

Claims, variations and liquidated damages are accounted for as variable consideration and are included in contract revenue provided that it is highly probable that a significant reversal will not occur in the future.

*Percentage of completion*

Revenue from construction contracts or construction-type service contracts or service contracts where a defined output is promised, recognised service contracts with a fixed-price contract i.e. signal testing services, installation services, consultation services, and others. The Company recognised revenue over time by reference to stage of completion as customer take benefits from services, immediately by apply method that more appropriate either

1) Output method by reference to the physical stage of progress of project or

2) Input method by reference to

2.1) The percentage of direct cost incurred until the reporting date relative to total estimated direct cost or

2.2) The percentage of direct hour incurred until the reporting date relative to total estimated direct hour.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the year in which the circumstances that give rise to the revision become known by management.

**4.16 Dividend**

Dividend distributed to the Company’s shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

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| **5 Financial risk management** |

**5.1 Financial Risk**

The Company exposes to a variety of financial risk: market risk (including interest rate risk), credit risk and liquidity risk. The Company’s overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company’s financial performance.

**5.1.1 Market risk**

**a) Foreign exchange risk**

The Company operates internationally and is exposed to foreign currency risks, primarily the US Dollar from trading transactions.

The Company does not apply hedge accounting.

*Exposure*

The Company exposure to foreign currency risk at the end of the reporting period, expressed in Baht are as follows:

|  | **31 December** | **31 December** |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **US Dollar** | **US Dollar** |
|  | **Baht** | **Baht** |
|  |  |  |
| Trade and other payables | 52,106,772 | 2,667,611 |

The aggregate net foreign gains/losses recognised in profit or loss were:

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| Net foreign exchange gain included in  other gains/(losses) | (2,950,175) | (345,865) |
|  |  |  |
| Total foreign exchange gain recognised in profit  before income tax for the year | (2,950,175) | (345,865) |

*Sensitivity*

As shown in the table above, the Company is primarily exposed to changes in Baht/US$ exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from financial assets and financial liabilities denominated in US Dollar.

|  |  |  |
| --- | --- | --- |
|  | **Impact to net profit** | |
|  | **2024**  **Baht** | **2023**  **Baht** |
|  |  |  |
| US Dollar to Baht exchange rate   - increase 10% (2023: 10%)\* | 5,210,677 | 266,761 |
| US Dollar to Baht exchange rate   - decrease 10% (2023: 10%)\* | (5,210,677) | (266,761) |

\* Indicate other factors constant

**b) Interest rate risk**

The Company’s income and operating cash flows are substantially independent of changes in market interest rates. The Company is exposed to interest rate risk relates primarily to its deposits at financial institutions, short-term borrowings from financial institutions. Most of the Company’s financial assets and liabilities are short-term with bearing floating interest rates or fixed interest rates which are close to the market rate. The Company assesses that the interest rate risk is insignificant as the interests from financial assets and financial liabilities are not significantly different. However, the Company will use interest rate swap to management the risk when necessary.

The Company does not apply hedge accounting.

**5.1.2 Credit risk**

Credit risk arises from cash and cash equivalents as well as credit exposures to customers, including outstanding receivables, lease receivables and contract assets.

**a) Risk management**

Credit risk is managed on a group basis. For banks and financial institutions, only independently rated parties with a minimum rating of ‘BBB-’ or higher are accepted.

If customers are independently rated, these rating are used. Otherwise, if there is no independent rating, taking into account its financial position, past experience and other factors. Individual risk limits are set based on assessments in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by line management.

**b) Security**

For some trade receivables the Company may obtain security in the form of guarantees, or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement.

**c) Impairment of financial assets**

The Company has three types of financial assets; trade receivables, lease receivables, and contract assets that are subject to the expected credit loss model:

While cash and cash equivalents are also subject to the impairment requirements of TFRS 9, management considered that the identified impairment loss was immaterial.

*Trade receivables, lease receivables, and contract assets*

The Company applies the TFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables, lease receivables, and contract assets.

To measure the expected credit losses, trade receivables, lease receivables, and contract assets have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of   
36 month before 31 December 2024 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the GDP and inflation rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Trade receivables, lease receivables, and contract assets are written-off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Company, and a failure to make contractual payments or cannot be contacted for a period greater than 365 days past due.

Impairment losses on trade receivables, lease receivables, and contract assets are presented as net impairment losses within profit before finance costs and income taxes. Subsequent recoveries of amounts previously written off are credited against the same line item.

Trade receivables with low credit risk, the expected credit loss rate is based on discounted cashflow according to the schedule to be billed. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts.

**5.1.3 Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. At the end of the reporting period, the Company held cash and deposits at call of Baht 138.26 million (2023: Baht 78.45 million) that are expected to be readily available for managing liquidity risk.

Due to the dynamic nature of the underlying businesses, the Company’s treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors i) rolling forecasts of the Company’s liquidity reserve (comprising the undrawn borrowing facilities below); and ii) cash and cash equivalents on the basis of expected cash flows. In addition, the Company’s liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary, monitoring balance sheet liquidity ratios and maintaining financing plans.

**a) Financing arrangements**

The Company had access to the following undrawn credit facilities as at 31 December:

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
| **Floating rate** |  |  |
| Expiring within one year |  |  |
| - Bank overdraft and bill facility | 2,000,000 | 12,000,000 |
| Expiring beyond one year |  |  |
| - Financial institutions’ loans | 428,048,201 | 168,349,348 |
|  |  |  |
|  | 430,048,201 | 180,349,348 |

The bank overdraft and the unsecured bill acceptance facilities may be drawn at any time and may be terminated by the financial institutions without notice. The unsecured bill acceptance facility may be drawn at any time and is subject to annual review.

**b) Maturity of financial liabilities**

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

|  | **Within**  **1 year**  **Baht** | **1 - 5 years**  **Baht** | **Total**  **Baht** | **Carrying**  **amount**  **Baht** |
| --- | --- | --- | --- | --- |
| **At 31 December 2024** |  |  |  |  |
| Short-term borrowings from  financial institutions | 352,236,771 | - | 352,236,771 | 346,350,464 |
| Trade and other payables | 193,038,741 | 74,291,497 | 267,330,238 | 267,330,238 |
| Lease liabilities | 5,213,720 | 11,184,633 | 16,398,353 | 14,569,945 |
| Long-term borrowings from |  |  |  |  |
| financial institutions | 173,800,010 | 34,988,681 | 208,788,691 | 189,136,984 |
|  |  |  |  |  |
|  | 724,289,242 | 120,464,811 | 844,754,053 | 817,387,631 |
|  |  |  |  |  |
| **At 31 December 2023** |  |  |  |  |
| Short-term borrowings from  financial institutions | 271,190,242 | - | 271,190,242 | 267,150,652 |
| Trade and other payables | 146,176,368 | 50,542 | 146,226,910 | 146,226,910 |
| Lease liabilities | 4,279,228 | 14,415,580 | 18,694,808 | 16,053,365 |
|  |  |  |  |  |
|  | 421,645,838 | 14,466,122 | 436,111,960 | 429,430,927 |

**5.2 Capital management**

**5.2.1 Risk management**

The objectives when managing capital are to:

* safeguard their ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders, and
* maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital based on gearing ratio which is determined by dividing net debt with equity.

The credit rating was unchanged and the gearing ratios at 31 December were as follows:

|  |  |  |
| --- | --- | --- |
|  | **2024**  **Baht** | **2023**  **Baht** |
|  |  |  |
| Net debt | 1,428,437,717 | 776,431,656 |
| Equity | 326,078,369 | 363,663,900 |
|  |  |  |
| **Net debt to equity ratio** | 4.38 | 2.14 |

***Loan covenants***

Under the terms of the major borrowing facilities, the Company is required to comply with the following financial covenants:

* the debt-to-equity ratio must not be more than 0 to 3,
* the DSCR ratio must be not less than 1.25

At 31 December 2024, The Company was unable to maintain financial ratio as required by a debt covenant under a long-term borrowing contract with a commercial bank. By terms under the contract, the bank has the right to call for repayment of total borrowing amount in case of a breach on debt covenant. Therefore, total long-term borrowing amounting to Baht 140 million is classified as current portion at year end to reflect the condition under the borrowing contract.

Nevertheless, in February 2025 the Company already received waiver letters from the bank stating that the bank will not ask for settlement of the borrowings before timing in the original payment schedule.

|  |
| --- |
| **6 Fair value** |

Fair values are categorised into hierarchy based on inputs used as follows:

Level 1: The fair value of financial instruments is based on the current bid price by reference to the Stock Exchange of Thailand.

Level 2: The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.

Level 3: The fair value of financial instruments is not based on observable market data.

Fair values of financial assets and financial liabilities have similar value with carrying amounts as most of financial assets and financial liabilities are short term financial instruments. Except other financial assets measured through comprehensive income which measured at fair value level 3 and long-term borrowing from financial institution which measured at fair value level 2 which disclosed in Note 23, the Company does not have financial assets and financial liabilities which measured at fair value.

|  |
| --- |
| **7 Critical accounting estimates and judgements** |

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**a) Total contract costs estimation**

The Company recognises total contract costs estimation by estimating total contract costs for each construction contract. The Company has estimated total contract costs by the Company’s management and project manager. The estimation of total contract costs are subject to change if the content of the work has been changed.

**b) Impairment of financial assets**

The loss allowances for financial assets are based on assumptions about default risk and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Company’s past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

|  |
| --- |
| **8 Segment information** |

The Company’s strategic steering committee, consisting of the chief executive officer and the person taking the highest responsibility in finance and accounting, examines the Company’s performance. The committee has identified two of reportable segments reportable segments of the Company’s businesses which are system integration business and sales and services business. The main geographic which the Company operates is Thailand.

The steering committee primarily uses a measure of segments’ revenue and gross profit to assess the performance of the operating segments.

Financial information by business segments is as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **For the year ended 31 December 2024** | | |
|  | **System**  **integration** | **Sales and**  **services** | **Total** |
|  | **Baht** | **Baht** | **Baht** |
|  |  |  |  |
| Revenue by segments | 928,514,267 | 541,992,506 | 1,470,506,773 |
|  |  |  |  |
| Gross profit | 182,980,790 | 139,151,975 | 322,132,765 |
| Other income |  |  | 1,542,139 |
| Other gains, net |  |  | 1,162,391 |
| Selling expenses |  |  | (50,117,506) |
| Administrative expenses |  |  | (114,417,024) |
| Finance costs |  |  | (20,379,067) |
|  |  |  |  |
| Profit before income tax |  |  | 139,923,698 |
| Income tax expense |  |  | (36,482,417) |
|  |  |  |  |
| Profit for the year |  |  | 103,441,281 |

|  |  |  |  |
| --- | --- | --- | --- |
|  | **For the year ended 31 December 2023** | | |
|  | **System**  **integration** | **Sales and**  **services** | **Total** |
|  | **Baht** | **Baht** | **Baht** |
|  |  |  |  |
| Revenue by segments | 752,850,523 | 322,334,442 | 1,075,184,965 |
|  |  |  |  |
| Gross profit | 202,873,054 | 67,506,413 | 270,379,467 |
| Other income |  |  | 1,566,902 |
| Other losses, net |  |  | (253,334) |
| Selling expenses |  |  | (46,871,684) |
| Administrative expenses |  |  | (75,053,664) |
| Finance costs |  |  | (16,051,050) |
|  |  |  |  |
| Profit before income tax |  |  | 133,716,637 |
| Income tax expense |  |  | (29,689,477) |
|  |  |  |  |
| Profit for the year |  |  | 104,027,160 |

**Information about major customers**

The details of major customers can be analysed by segment as follow:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **System** | **Sales and** |  |
|  | **integration** | **services** | **Total** |
|  | **Baht** | **Baht** | **Baht** |
|  |  |  |  |
| **For the year ended 31 December 2024** |  |  |  |
|  |  |  |  |
| Major customer 1 | 396,105,061 | 45,504,580 | 441,609,641 |
| Major customer 2 | 193,963,000 | 115,722,431 | 309,685,431 |
|  |  |  |  |
| **For the year ended 31 December 2023** |  |  |  |
|  |  |  |  |
| Major customer 1 | 356,004,685 | 14,431,042 | 370,435,727 |
| Major customer 2 | 158,677,901 | 14,837,944 | 173,515,845 |
| Major customer 3 | - | 118,753,181 | 118,753,181 |

|  |
| --- |
| **9 Revenue disaggregation by timing of revenue recognition** |

|  |  |  |  |
| --- | --- | --- | --- |
|  | **For the year ended 31 December 2024** | | |
|  | **System**  **integration**  **services** | **Sales and**  **services** | **Total** |
|  | **Baht** | **Baht** | **Baht** |
|  |  |  |  |
| **Timing of revenue recognition** |  |  |  |
| At a point in time | - | 8,349,428 | 8,349,428 |
| Over time | 928,514,267 | 533,643,078 | 1,462,157,345 |
|  |  |  |  |
| **Total revenue** | 928,514,267 | 541,992,506 | 1,470,506,773 |

|  |  |  |  |
| --- | --- | --- | --- |
|  | **For the year ended 31 December 2023** | | |
|  | **System**  **integration**  **services** | **Sales and**  **services** | **Total** |
|  | **Baht** | **Baht** | **Baht** |
|  |  |  |  |
| **Timing of revenue recognition** |  |  |  |
| At a point in time | - | 458,655 | 458,655 |
| Over time | 752,850,523 | 321,875,787 | 1,074,726,310 |
|  |  |  |  |
| **Total revenue** | 752,850,523 | 322,334,442 | 1,075,184,965 |

|  |
| --- |
| **10 Cash and cash equivalents** |

|  |  |  |  |
| --- | --- | --- | --- |
|  |  | **2024** | **2023** |
|  |  | **Baht** | **Baht** |
|  |  |  |  |
| Cash on hand |  | 712,826 | 537,199 |
| Cash at banks |  | 137,551,025 | 77,913,512 |
|  |  |  |  |
|  |  | 138,263,851 | 78,450,711 |

**11 Trade and other current receivables**

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| Trade receivables - third parties | 59,391,788 | 214,960,257 |
| Trade receivables - related parties (Note 31) | 7,596,774 | 14,254,221 |
|  |  |  |
| Total trade receivables | 66,988,562 | 229,214,478 |
| Other receivables - third parties | 7,151,656 | 1,213,434 |
| Other receivables - related parties (Note 31) | 9,345,170 | 1,715,114 |
| Accrued interest income | 319,293 | 85,288 |
| Prepaid expenses | 4,973,141 | 2,462,572 |
|  |  |  |
| Total trade and other current receivables | 88,777,822 | 234,690,886 |

Outstanding trade receivables as at 31 December can be analysed by their aging from the transaction date as follows:

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| Not yet due | 47,730,919 | 75,150,385 |
| Overdue: |  |  |
| Up to 3 months | 17,652,643 | 76,467,796 |
| 3 - 6 months | - | 77,543,914 |
| 6 - 9 months | - | 52,383 |
| 9 - 12 months | 1,605,000 | - |
|  |  |  |
| Total trade receivables | 66,988,562 | 229,214,478 |

As of 31 December 2024, the Company did not recognise expected credit loss of trade receivables with overdue within 9 to 12 months amounting to Baht 1,605,000 since it is in the process of amending documents from the Company transformation to public company and expected to receive payment in the first quarter 2025.

|  |
| --- |
| **12 Lease receivables** |

Lease receivables are as follows:

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| Lease receivables | 39,069,333 | - |
| Less Unearned interest income | (967,998) | - |
|  |  |  |
| Lease receivables, net | 38,101,335 | - |
| Current portion within 1 year | 16,705,656 | - |
|  |  |  |
| Non-current portion over 1 year but less than 5 years | 21,395,679 | - |

As of 31 December 2024, all the finance lease receivables have not yet due, so there is no expected credit loss recognised during the year.

|  |
| --- |
| **13 Contract assets** |

The Company has recognised the following assets related to contracts with customers:

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| **Current** |  |  |
| Contract assets | 784,310,264 | 379,232,505 |
| Incremental costs of obtaining a contract | 139,134 | - |
|  |  |  |
| Total current contract assets | 784,449,398 | 379,232,505 |
|  |  |  |
| **Non-current** |  |  |
| Contract assets | 4,285,908 | 19,877,839 |
| Incremental costs of obtaining a contract | 198,097 | - |
| Less Expected credit loss | (91,820) | (552,467) |
|  |  |  |
| Total non-current contract assets | 4,392,185 | 19,325,372 |

Contract assets are unbilled revenue where the Company recorded revenue for fulfilment of a contractual performance obligation before the customer paid consideration or before the requirements for billing. The contract assets increase from number of projects and revenue recognised during the year.

Outstanding contract assets as at 31 December can be analysed by their aging from the transaction date as follows:

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| Within to 3 months | 487,937,557 | 117,967,585 |
| 3 - 6 months | 44,325,317 | 55,037,973 |
| 6 - 9 months | 81,492,379 | 51,231,369 |
| 9 - 12 months | 102,985,572 | 120,634,524 |
| Over 12 months | 71,855,347 | 54,238,893 |
|  |  |  |
| Total | 788,596,172 | 399,110,344 |
| Less Expected credit loss | (91,820) | (552,467) |
|  |  |  |
| Total | 788,504,352 | 398,557,877 |

The contract assets are expected to issue invoices within 1 to 13 months (2023: 1 to 18 months). The contract assets are expected to bill over 12 months which arising from contract entered with government sector and have requirement for billing as specified in the contract.

As of 31 December 2024, the Company has expected credit loss from contract assets which expected to received money over 12 months Baht 91,820. During the year 2024, the Company reverse expected credit loss of contract assets for Baht 460,647 (2023: Recognised expected credit loss of Baht 552,467) in the profit or loss which reflected time value of money by using discounted cashflows for the contracts entered with government sector and have requirement for billing over 12 months.

The loss allowances for contract assets as at 31 December reconcile to the opening loss allowances as follows:

|  |  |  |
| --- | --- | --- |
|  | **Contract assets** | |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| **Opening loss allowance at 1 January** | (552,467) | - |
| Increase in loss allowance recognised in profit or loss during the year | - | (552,467) |
| Unused amount reversed recognised in profit or loss during the year | 460,647 | - |
|  |  |  |
| **Closing loss allowance at 31 December** | (91,820) | (552,467) |

**14 Contract liabilities**

The Company has recognised the following liabilities related to contracts with customers:

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| Contract liabilities |  |  |
| - Current | 77,243,171 | 112,131,629 |
| - Non-current | 2,435,803 | 5,952,530 |
|  |  |  |
| Total contract assets | 79,678,974 | 118,084,159 |

In 2024, the revenue recognised relates to carried-forward contract liabilities amounting to Baht 106.77 million (2023: Baht 37.58 million). The contract liabilities decrease from project revenue recognition during the year.

**Unsatisfied long-term contracts**

For financial statements at 31 December 2024, transaction price allocated to the unsatisfied contracts are approximately Baht 1,959 million (2023: Baht 2,072 million) comprised of system integration of Baht 599 million (2023: Baht 965 million), sales and service of Baht 1,360 million (2023: Baht 1,107 million).

For financial statements at 31 December 2024, management expects that 51% of the transaction price allocated to the unsatisfied contracts, respectively (2023: 45%) will be recognised as revenue during the next reporting period amounting to Baht 1,006 million (2023: Baht 922 million). The amount disclosed above does not include variable consideration which is constrained.

|  |
| --- |
| **15 Inventory** |

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| Finished goods | 68,946,390 | 36,416,511 |

The cost of inventories amounting to Baht 248.10 million (2023: Baht 336.13 million) recognised as expense and included in cost in the statement of comprehensive income. In 2024 and 2023, the Company have no inventories shown at net realizable value which is lower than cost.

|  |
| --- |
| **16 Financial assets and liabilities** |

The classification of the Company’s financial assets and financial liabilities are as follows:

|  | **2024** | **2023** |
| --- | --- | --- |
|  | **Baht** | **Baht** |
| **Financial assets** |  |  |
| Financial assets at amortised cost |  |  |
| - Cash and cash equivalents | 138,263,851 | 78,450,711 |
| - Financial assets measured at amortised cost | 667,043 | 375,562 |
| - Trade and other receivables | 83,485,388 | 232,143,026 |
| - Restricted deposit at banks | 128,178,906 | 71,676,751 |
| - Lease receivables | 38,101,335 | - |
|  |  |  |
| Financial assets measured at fair value through |  |  |
| other comprehensive income | - | 200,000 |
|  |  |  |
| **Financial liabilities** |  |  |
| Financial liabilities at amortised cost |  |  |
| - Short-term borrowings from financial institutions | 346,350,464 | 267,150,652 |
| - Long-term borrowings from financial institutions | 189,136,984 | - |
| - Trade and other payables | 267,330,238 | 146,226,910 |
| - Lease liabilities | 14,569,946 | 16,053,365 |

|  |
| --- |
| **17 Advance payment for projects** |

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| Advance payments of materials | 6,718,066 | 16,434,722 |
| Advance payments to subcontracts | 283,790,905 | 43,370,944 |
|  |  |  |
|  | 290,508,971 | 59,805,666 |

|  |
| --- |
| **18 Restricted deposit at banks** |

At 31 December 2024, deposit of Baht 128.18 million (2023: Baht 71.68 million) are pledged with domestic financial institutions as collateral of letter of guarantee for construction project auction and execution, and for as collateral of short-term borrowing from financial institutions.

|  |
| --- |
| **19 Building improvement and equipment** |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Building**  **improvements** | **Project**  **equipment** | **Office**  **furniture** | **Tools and**  **office**  **equipment** | **Total** |
|  | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** |
| **At 1 January 2023** |  |  |  |  |  |
| Cost | - | - | 106,312 | 3,928,163 | 4,034,475 |
| Less Accumulated  depreciation | - | - | (104,233) | (2,225,870) | (2,330,103) |
|  |  |  |  |  |  |
| Net book amount | - | - | 2,079 | 1,702,293 | 1,704,372 |
|  |  |  |  |  |  |
| **For the year ended**  **31 December 2023** |  |  |  |  |  |
| Opening net book amount | - | - | 2,079 | 1,702,293 | 1,704,372 |
| Additions | 6,028,946 | 250,186,314 | 2,200,781 | 4,263,913 | 262,679,954 |
| Disposal, net | - | - | (24) | (9,636) | (9,660) |
| Depreciation | - | (33,502,456) | (29,884) | (860,357) | (34,392,697) |
|  |  |  |  |  |  |
| Closing net book amount | 6,028,946 | 216,683,858 | 2,172,952 | 5,096,213 | 229,981,969 |
|  |  |  |  |  |  |
| **At 31 December 2023** |  |  |  |  |  |
| Cost | 6,028,946 | 250,186,314 | 2,256,821 | 7,870,938 | 266,343,019 |
| Less Accumulated  depreciation | - | (33,502,456) | (83,869) | (2,774,725) | (36,361,050) |
|  |  |  |  |  |  |
| Net book amount | 6,028,946 | 216,683,858 | 2,172,952 | 5,096,213 | 229,981,969 |
|  |  |  |  |  |  |
| **For the year ended**  **31 December 2024** |  |  |  |  |  |
| Opening net book amount | 6,028,946 | 216,683,858 | 2,172,952 | 5,096,213 | 229,981,969 |
| Additions | 479,572 | - | 568,996 | 3,578,403 | 4,626,971 |
| Disposal, net | - | - | (50,826) | (5,281,904) | (5,332,730) |
| Write-off, net | - | - | (3) | (116,540) | (116,543) |
| Transfer-in (out) | (1,552,773) | - | 1,552,773 | - | - |
| Depreciation | (508,833) | (53,545,410) | (845,630) | (1,765,893) | (56,665,766) |
|  |  |  |  |  |  |
| Closing net book amount | 4,446,912 | 163,138,448 | 3,398,262 | 1,510,279 | 172,493,901 |
|  |  |  |  |  |  |
| **At 31 December 2024** |  |  |  |  |  |
| Cost | 4,955,745 | 250,186,314 | 4,315,999 | 3,717,072 | 263,175,130 |
| Less Accumulated  depreciation | (508,833) | (87,047,866) | (917,737) | (2,206,793) | (90,681,229) |
|  |  |  |  |  |  |
| Net book amount | 4,446,912 | 163,138,448 | 3,398,262 | 1,510,279 | 172,493,901 |

The Company is a lessor of project equipment to third parties under operating leases. The carrying amount of the leased assets are as follows:

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| Cost | 250,186,314 | 250,186,314 |
| Less Accumulated depreciation | (87,047,866) | (33,502,456) |
|  |  |  |
| Net book amount | 163,138,448 | 216,683,858 |

Rental income amounting to Baht 56.55 million (2023: Baht 35.23 million) are included in profit or loss in revenue from services.

|  |
| --- |
| **20 Right-of-use assets** |

At 31 December, right-of-use asset balance are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Building** | **Vehicle** | **Office**  **equipment** | **Total** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Net book value as at 1 January 2023 | 4,768,382 | 2,628,427 | - | 7,396,809 |
| Additions | 6,182,769 | 4,224,830 | - | 10,407,599 |
| Depreciation | (1,166,272) | (783,781) | - | (1,950,053) |
|  |  |  |  |  |
| Net book value at 31 December 2023 | 9,784,879 | 6,069,476 | - | 15,854,355 |
|  |  |  |  |  |
| Net book value at 1 January 2024 | 9,784,879 | 6,069,476 | - | 15,854,355 |
| Additions | 1,070,734 | 449,401 | 918,210 | 2,438,345 |
| Depreciation | (2,237,917) | (1,808,075) | (186,686) | (4,232,678) |
|  |  |  |  |  |
| Net book value at 31 December 2024 | 8,617,696 | 4,710,802 | 731,524 | 14,060,022 |

Transactions recognised in profit or loss and cash outflows for leases during the year is as follows:

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| Expense relating to short-term leases | 2,012,140 | 2,467,695 |
| Expense relating to leases of low-value assets | 264,600 | 112,500 |
| Interest expense (included in finance cost) | 1,131,188 | 663,864 |

Cash outflows for leases is as follows:

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| Cash outflow for repayment of lease liabilities | 7,329,692 | 5,024,095 |

|  |
| --- |
| **21 Deferred income tax assets** |

The deferred tax assets and deferred tax liabilities is as follows:

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| Deferred tax assets | 8,312,403 | 6,607,696 |
| Deferred tax liabilities | (5,328,178) | (3,170,870) |
|  |  |  |
| **Deferred tax, net** | 2,984,225 | 3,436,826 |

The movements in deferred tax assets and liabilities are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  | **Charge to other** |  |
|  | **1 January** | **Charge to** | **comprehensive** | **31 December** |
|  | **2024** | **profit or loss** | **income** | **2024** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| **Deferred tax assets** |  |  |  |  |
| Lease liabilities | 3,210,672 | (296,684) | - | 2,913,988 |
| Expected credit loss | 110,493 | (92,129) | - | 18,364 |
| Provision for warranty | 275,453 | 144,261 | - | 419,714 |
| Employee benefit obligations | 2,583,775 | 1,034,574 | (60,169) | 3,558,180 |
| Depreciation | 386,927 | 682,994 | - | 1,069,921 |
| Provision for decommissioning cost | 40,376 | - | - | 40,376 |
| Employee Joint Investment Program | - | 291,860 | - | 291,860 |
|  |  |  |  |  |
|  | 6,607,696 | 1,764,876 | (60,169) | 8,312,403 |
|  |  |  |  |  |
| **Deferred tax liabilities** |  |  |  |  |
| Lease receivables | - | (2,369,562) | - | (2,369,562) |
| Right-of-use | (3,170,870) | 358,867 | - | (2,812,003) |
| Recognition of revenue and cost from  service contract | - | (146,613) | - | (146,613) |
|  |  |  |  |  |
|  | (3,170,870) | (2,157,308) | - | (5,328,178) |
|  |  |  |  |  |
| Total deferred tax, net | 3,436,826 | (392,432) | (60,169) | 2,984,225 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  | **Charge to other** |  |
|  | **1 January** | **Charge to** | **comprehensive** | **31 December** |
|  | **2023** | **profit or loss** | **income** | **2023** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| **Deferred tax assets** |  |  |  |  |
| Lease liabilities | 1,485,160 | 1,725,512 | - | 3,210,672 |
| Expected credit loss | - | 110,493 | - | 110,493 |
| Provision for warranty | 184,748 | 90,705 | - | 275,453 |
| Employee benefit obligations | 1,341,662 | 543,343 | 698,770 | 2,583,775 |
| Depreciation | - | 386,927 | - | 386,927 |
| Provision for decommissioning cost | - | 40,376 | - | 40,376 |
|  |  |  |  |  |
|  | 3,011,570 | 2,897,356 | 698,770 | 6,607,696 |
|  |  |  |  |  |
| **Deferred tax liabilities** |  |  |  |  |
| Right-of-use | (1,479,361) | (1,691,509) | - | (3,170,870) |
|  |  |  |  |  |
|  | (1,479,361) | (1,691,509) | - | (3,170,870) |
|  |  |  |  |  |
| Total deferred tax, net | 1,532,209 | 1,205,847 | 698,770 | 3,436,826 |

|  |
| --- |
| **22 Trade and other current payables** |

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| Trade payables - third parties | 169,794,074 | 27,553,091 |
| Trade payables - related parties (Note 31) | 37,147,624 | 52,450,952 |
| Other payables - third parties | 1,429,043 | 1,517,381 |
| Other payables - related parties (Note 31) | 58,959,497 | 64,705,486 |
| Accrued expenses - third parties | 400,798,213 | 133,843,768 |
| Accrued expenses - related parties (Note 31) | 39,147,603 | 14,098,485 |
|  |  |  |
| Total | 707,276,054 | 294,169,163 |

|  |
| --- |
| **23 Borrowings** |

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| **Current** |  |  |
| Short-term borrowings from financial institutions | 346,350,464 | 267,150,652 |
| Current portion of long-term borrowings from financial institutions | 157,379,846 | - |
| Current portion of lease liabilities | 4,336,383 | 3,282,932 |
|  |  |  |
| Total current borrowings | 508,066,693 | 270,433,584 |
|  |  |  |
| **Non-current** |  |  |
| Lease liabilities | 10,233,563 | 12,770,433 |
| Long-term borrowings from financial institutions | 31,757,138 | - |
|  |  |  |
| Total non-current borrowings | 41,990,701 | 12,770,433 |
|  |  |  |
| **Total borrowings** | 550,057,394 | 283,204,017 |

Movements of long-term borrowings from financial institution for the year ended 31 December 2024 are as follows:

|  |  |
| --- | --- |
|  | **2024** |
|  | **Baht** |
|  |  |
| Opening net book value | - |
| Additions | 216,580,944 |
| Repayments | (27,106,460) |
| Payment of front-end fee | (350,000) |
| Amortisation of front-end fee | 12,500 |
|  |  |
| Closing net book value | 189,136,984 |

Long-term borrowings from financial institution were secured by bank savings accounts which has interest rate from MLR - 2% to MLR - 1% per annum and is due for repayment by November 2029.

Borrowings with secured assets at 31 December 2024 are as follows:

|  |  |  |
| --- | --- | --- |
|  | **Borrowings**  **Amount** | **Secured**  **assets** |
|  |  |  |
| Short-term borrowings from financial institutions | 346,350,464 | Bank savings |
| Long-term borrowings form financial institutions | 189,136,984 | Bank savings |

At 31 December 2024, the carrying amounts and fair values of long-term borrowings from financial institutions are as follows:

|  |  |
| --- | --- |
|  | **Baht** |
|  |  |
| Book values | 189,136,984 |
| Fair values | 189,776,143 |

The fair values are based on discounted cash flows using a discount rate based upon the borrowing rate of 7.18% and are within the level 2 of the fair value hierarchy.

The effective interest rates as of 31 December are as follows:

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Per annum** | **Per annum** |
|  |  |  |
| Short-term borrowings from financial institutions | 5.00% to 6.05% | 5.16% to 6.27% |
| Long-term borrowings from financial institutions | 5.15% to 7.05% | - |
| Lease liabilities | 5.88% to 7.70% | 5.88% to 7.70% |

The movement of lease liabilities are as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **2024** | | | **2023** | | |
|  | **Other parties** | **Related party** | **Total** | **Other parties** | **Related party** | **Total** |
|  | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |  |  |
| Opening net book value | 6,184,510 | 9,868,855 | 16,053,365 | 2,657,423 | 4,768,379 | 7,425,802 |
| Addition | 2,438,345 | - | 2,438,345 | 4,224,830 | 6,182,769 | 10,407,599 |
| Cash outflows: |  |  |  |  |  |  |
| Repayments of lease liabilities | (2,186,864) | (1,734,900) | (3,921,764) | (697,743) | (1,082,293) | (1,780,036) |
| Repayments of interest expense | (511,148) | (620,040) | (1,131,188) | (213,682) | (450,182) | (663,864) |
| Non-cash changes: |  |  |  |  |  |  |
| Amortised deferred interest | 511,148 | 620,040 | 1,131,188 | 213,682 | 450,182 | 663,864 |
|  |  |  |  |  |  |  |
| Closing net book value | 6,435,991 | 8,133,955 | 14,569,946 | 6,184,510 | 9,868,855 | 16,053,365 |

The maturity of lease liabilities are as follow:

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| Current portion of lease liabilities | 4,336,383 | 3,282,932 |
| Lease liabilities | 10,233,563 | 12,770,433 |
|  |  |  |
|  | 14,569,946 | 16,053,365 |

|  |
| --- |
| **24 Employee benefit obligations** |

The movements in the employee benefit obligations for the years are as follows:

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| At 1 January | 18,048,244 | 9,718,034 |
| Current service cost | 4,635,026 | 2,785,973 |
| Interest cost | 608,226 | 335,272 |
|  |  |  |
|  | 23,291,496 | 12,839,279 |
|  |  |  |
| Remeasurements: |  |  |
| Gain from change in demographic assumptions | (2,278,407) | - |
| Loss from change in financial assumptions | 2,371,117 | 131,790 |
| Experience (gain) loss | (393,556) | 3,362,061 |
|  |  |  |
| Other: |  |  |
| Employee transferring from related parties | (63,515) | 1,715,114 |
|  |  |  |
| At 31 December | 22,927,135 | 18,048,244 |

The significant actuarial assumptions used were as follows:

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **%** | **%** |
|  |  |  |
| Discount rate | 2.54 | 3.37 |
| Salary growth rate | 6.00 | 6.00 |
| Turnover rate | 2.39 to 28.65 | 1.91 to 22.92 |

Sensitivity analysis for each significant assumption used is as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  |  | **Impact on retirement benefits** | | | |
|  | **Change in assumption** | | **Increase in assumption** | | **Decrease in assumption** | |
|  | **2024** | **2023** | **2024** | **2023** | **2024** | **2023** |
|  |  |  |  |  |  |  |
| Discount rate | 0.50% | 0.50% | Decrease by 5.78% | Decrease by 6.34% | Increase by  6.27% | Increase by  6.91% |
| Salary growth rate | 1.00% | 1.00% | Increase by  12.50% | Increase by  13.92% | Decrease by 10.88% | Decrease by 12.00% |
| Turnover rate | 20.00% | 20.00% | Decrease by  8.72% | Decrease by  8.13% | Increase by  10.46% | Increase by  9.52% |

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the retirement benefits recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

The weighted average duration of the defined benefit obligation is 15 years (2023: 17 years).

Expected maturity analysis of undiscounted retirement are as follows:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Less than**  **1 year** | **Between**  **1 - 2 years** | **Between**  **2 - 5 years** | **Over**  **5 years** | **Total** |
|  | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |  |
| **At 31 December 2024** |  |  |  |  |  |
| Retirement benefits | - | - | 1,243,648 | 129,894,813 | 131,138,461 |
|  |  |  |  |  |  |
| **At 31 December 2023** |  |  |  |  |  |
| Retirement benefits | - | - | 1,305,656 | 146,871,802 | 148,177,458 |

|  |
| --- |
| **25 Share capital** |

The movements of share capital for year ended 31 December are as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Authorised shares** | | **Issued and paid-up** | | | |
|  | **Number of** | **Ordinary**  **shares** | **Number of** | **Ordinary**  **shares** | **Share**  **premium** | **Total** |
|  | **Shares** | **Baht** | **shares** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |  |  |
| At 1 January 2023 | 1,500,000 | 150,000,000 | 1,500,000 | 144,150,000 | 10,725,000 | 154,875,000 |
| Receive subscription | - | - | - | 5,850,000 | 8,775,000 | 14,625,000 |
| Increase in ordinary |  |  |  |  |  |  |
| shares | 500,000 | 50,000,000 | 500,000 | 50,000,000 | - | 50,000,000 |
|  |  |  |  |  |  |  |
| At 31 December 2023 | 2,000,000 | 200,000,000 | 2,000,000 | 200,000,000 | 19,500,000 | 219,500,000 |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| At 1 January 2024 | 2,000,000 | 200,000,000 | 2,000,000 | 200,000,000 | 19,500,000 | 219,500,000 |
| Change in par value  from Baht 100  per share to  Baht 0.50 per share | 398,000,000 | - | - | - | - | - |
| Increase in ordinary |  |  |  |  |  |  |
| Shares | 140,000,000 | 70,000,000 | - | - | - | - |
|  |  |  |  |  |  |  |
| At 31 December 2024 | 540,000,000 | 270,000,000 | 400,000,000 | 200,000,000 | 19,500,000 | 219,500,000 |

The total number of authorised ordinary shares is 540,000,000 shares (31 December 2023: 2,000,000 shares) with a par value of Baht 0.50 per share (31 December 2023: Baht 100 per share).

**2024**

On 19 January 2024, at the Extraordinary General Meeting approved the change in par value of the shares from the price of Baht 100 per share to Baht 0.50 per share, resulting in increased of the Company’s shares from 2,000,000 shares to 400,000,000 shares.

In addition, at the Extraordinary General Meeting passed a resolution to approve the increase in the authorised share capital from Baht 200,000,000 to Baht 270,000,000 by issuing new 140,000,000 ordinary shares with par value of Baht 0.50 per share.

**2023**

During the year 2023, The Company called for paid-up share capital 130,000 shares of Baht 112.50 per share, which is representing 45% of the share price. The Company received full paid-up share capital amounting to Baht 14,625,000 and recognised share premium amounting to Baht 8,775,000.

At the Extraordinary General Meeting on 23 June 2023, the Board of Directors passed a resolution to approve an increase in ordinary shares totalling Baht 50,000,000, comprising 500,000 ordinary shares at par value Baht 100 each. In August 2023, the shares were fully paid up and the Company registered the increased share capital with the Ministry of Commerce on 5 July 2023.

**Reserve for repurchase shares**

The movements of reserve for repurchase shares for year ended 31 December are as follows:

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| 1 January | 36,834,400 | 17,875,000 |
| Reversal | (283,050) | - |
| Additions | - | 18,959,400 |
|  |  |  |
| 31 December | 36,551,350 | 36,834,400 |

**2024**

During the year 2024, the Company made a reversal of the reserve for repurchase shares of Baht 283,050 since an employee of the related company resigned before the vesting period. However, the parent company purchased all shares of the resigned employee.

The management expected to complete vesting conditions in 2024 so the Company classified the reserve for repurchase share in current liabilities amounting to Baht 36.55 million.

**2023**

In October 2022, the Company granted the rights to employees of the Company and its related parties to buy new ordinary shares 130,000 shares with par value of Baht 100 per share at Baht 250 per share. The employees are not able to sell such shares before the conditions stated in the contract achieve. The Company does not recognise expenses to the financial statements as the exercise price of ordinary shares is higher than the fair value, which the Company recognised reserve for repurchase shares of Baht 17,875,000.

During the year 2023, the Company provided an additional reserve for repurchase shares of Baht 14,625,000 in an amount equal to the subscription proceeds. According to the agreement of share allocation to employees, employees have rights to sell the shares back to the Company at the exercise price if the Company cannot achieve the conditions in the stipulated timeline. They will be reversed at the end of the program.

Moreover, in July 2023, the Company granted the right to employees of the Company and its related parties to buy new issued ordinary shares according to their existing holding interests of 43,344 shares with par value of Baht 100 per share at price Baht 100 per share. The exercise price is lower than its fair value at the grant date. The shares have same conditions with the shares granted to the employees in October 2022. As a result, the Company additionally recognised reserve for repurchase shares in amount equal to the additional subscription proceeds of Baht 4,334,400.

|  |
| --- |
| **26 Share-based payment** |

**Share-based payment**

As disclosed in Notes 25, in July 2023, the Company granted the rights to employees of the Company and its related parties to buy newly issued shares at price Baht 100 per share, which is lower than its fair value at the grant date. In the financial statements, the Company recognised expenses from share-based payment in profit or loss of Baht 2,449,461 for the year ended 31 December 2024   
(31 December 2023: Baht 1,493,625). Additionally, the Company recognised distribution to shareholders, deducting in equity, of Baht 2,865,771 and an increase in reserve for share-based payments in equity of Baht 5,315,232 in the statement of financial position as at 31 December 2024 (31 December 2023: Baht 1,757,175 Baht 3,250,800).The Company recognised the transactions over the vesting period from the grant date in July 2023 to December 2024, period during which is that the management expects to achieve the condition stipulated in the agreement.

In addition, in 2023, the related party granted the rights to employees of the Company to but newly issued shares of the related party at price of Baht 100 per share, which is lower than its fair value at the grant date. In the financial statements for the year ended 31 December 2023, the Company recognised expenses from share-based payment in profit or loss and contribution from shareholders, increase in equity, amounting to Baht 7,333,567.

The movements of reserve for share-based payments and distribution to shareholders for year ended 31 December 2024.

|  |  |  |
| --- | --- | --- |
|  | **Reserve for**  **share-based**  **payment** | **Distribution to**  **shareholders** |
|  | **Baht** | **Baht** |
|  |  |  |
| 1 January | 3,250,800 | 1,757,175 |
| Additions | 5,315,232 | 2,865,771 |
|  |  |  |
| 31 December | 8,566,032 | 4,622,946 |

**Employee Joint Investment Program**

The Company joined an Employee Joint Investment Program (EJIP) as per the passed resolution of Board of Directors no.12/2023 meeting of Parent’s Company on 14 November 2023. The EJIP is the stock accumulating program to purchase Parent Company’s shares, monthly, as a reward for employees. The program starts from 1 January 2024 to 31 December 2026, three years period. For the period ended   
31 December 2024, the Company recognised expenses of Baht 10,565,856. Additionally, the Company paid share contributions to the program manager for Baht 7,209,609 during the year 2024.

|  |
| --- |
| **27 Legal reserve** |

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| 1 January | 20,000,000 | 13,700,000 |
| Appropriation during the period | 7,000,000 | 6,300,000 |
|  |  |  |
| 31 December | 27,000,000 | 20,000,000 |

**2024**

The meeting of Board of Directors on 13 May 2024 passed a resolution to approve increasing in legal reserve amounting to Baht 7,000,000.

**2023**

The meeting of Board of Directors on 31 March 2023 and 11 November 2023 passed a resolution to approve increasing in legal reserve amounting to Baht 1,300,000 and 5,000,000 respectively.

Under the Public Limited Company Act., B.E. 2535, the Company is required to set aside as a legal reserve at least 5 percent of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10 percent of the authorised capital. The legal reserve is non-distributable.

|  |
| --- |
| **28 Expense by nature** |

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| Consumable materials and subcontractors | 874,744,502 | 605,925,670 |
| Employee benefit expense | 193,139,261 | 137,781,876 |
| Management remunerations (Note 31) | 32,858,323 | 35,956,949 |
| Depreciation (Note 19, 20) | 60,898,444 | 36,342,750 |
| Amortisation | 311,890 | 175,392 |

|  |
| --- |
| **29 Income tax** |

Income tax expense for the year comprises the following:

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
| Current tax: |  |  |
| Current tax on profits for the year | 36,089,985 | 30,895,324 |
|  |  |  |
| **Total current tax** | 36,089,985 | 30,895,324 |
|  |  |  |
| Deferred income tax: |  |  |
| Change in deferred tax assets (Note 21) | 392,432 | (1,205,847) |
|  |  |  |
| **Total deferred income tax** | 392,432 | (1,205,847) |
|  |  |  |
| **Total income tax expense** | 36,482,417 | 29,689,477 |

The tax on the Company’s profit before tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the Company as follows:

|  | **2024** | **2023** |
| --- | --- | --- |
|  | **Baht** | **Baht** |
|  |  |  |
| Profit before tax | 139,923,698 | 133,716,637 |
|  |  |  |
| Tax calculated at a tax rate of 20% (2023: 20%) | 27,984,740 | 26,743,327 |
| Tax effect of: |  |  |
| Expenses not deductible for tax purpose | 9,030,762 | 3,277,625 |
| Expenses additionally deductible for tax purpose | (533,085) | (331,475) |
|  |  |  |
| Tax charge | 36,482,417 | 29,689,477 |

The weighted average applicable tax rate was 26.07% (2023: 22.20%).

|  |
| --- |
| **30 Earnings per share** |

Basic earnings per share is calculated by dividing the profit attributable to shareholders by the weighted average number of ordinary shares in issue during the year.

|  |  |  |
| --- | --- | --- |
| **For the years ended 31 December** | **2024** | **2023** |
|  |  |  |
| Profit attributable to shareholders (Baht) | 103,441,281 | 104,027,160 |
|  |  |  |
| Weighted average number of ordinary shares (Shares) | 400,000,000 | 369,184,284 |
|  |  |  |
| Basic earnings per share (Baht) | 0.26 | 0.28 |

The Company recalculated earnings per share for the year ended 2023 for comparative purposes using the weighted average number of ordinary shares and considered that it has a bonus element in a right issue to existing shareholders since the beginning of 2023 to be in line with the change in the par value and number of issued and shares subscription in accordance with the resolution of the Extraordinary General Meeting of Shareholders on 23 June 2023. Moreover, on 19 January 2024, the Company changed par value of its ordinary shares from Baht 100 per share to Baht 0.50 per share. For comparative purposes, the weighted average number of shares for the year ended 31 December 2024 and 2023 is adjusted to reflect the change of the par value.

The Company did not issue dilutive common shares during the reporting period. Therefore, diluted earnings per share are not presented.

|  |
| --- |
| **31 Related party transactions** |

Individuals and entities that directly or indirectly control or are controlled by or are under common control with the Company, including associates and individuals or entities having significant influence over the Company, key management personnel, including directors and officers of the Company and close members of the family of these individuals and entities associated with these individuals also constitute related parties. In considering each possible related-party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The majority of the Company’s shareholders is Sky ICT Public Company Limited which owns 91.40% of the Company’s shares.

**a) Transaction with related parties**

Transactions with related persons or related parties for the year ended 31 December are as follows:

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| **Revenue from sales and services** |  |  |
| Parent | 26,344,641 | 71,611,219 |
| Related parties | 442,105,742 | 42,789,527 |
|  |  |  |
|  | 468,450,383 | 114,400,746 |
|  |  |  |
| **Other income** |  |  |
| Parent | - | 230,400 |
|  |  |  |
| **Cost of sales and services** |  |  |
| Parent | 43,187,721 | 20,414,776 |
| Related parties | 104,239,281 | 186,892,777 |
|  |  |  |
|  | 147,427,002 | 207,307,553 |
|  |  |  |
| **Selling and administrative expenses** |  |  |
| Parent | 13,536,863 | 7,940,850 |
| Related party | 5,986,184 | 2,516,992 |
|  |  |  |
|  | 19,523,047 | 10,457,842 |
|  |  |  |
| **Finance costs** |  |  |
| Parent | - | 252,163 |

**b) Outstanding balances**

The outstanding balances at the end of the reporting period with related person or related parties are as follows:

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| **Trade receivables** |  |  |
| Parent | 5,913,849 | 1,414,221 |
| Related parties | 1,682,925 | 12,840,000 |
|  |  |  |
|  | 7,596,774 | 14,254,221 |
|  |  |  |
| **Other receivables** |  |  |
| Parent | 9,345,170 | 1,418,684 |
| Related parties | - | 296,430 |
|  |  |  |
|  | 9,345,170 | 1,715,114 |
|  |  |  |
| **Inventories** |  |  |
| Parent | 348,111 | - |
| Related parties | - | 27,364 |
|  |  |  |
|  | 348,111 | 27,364 |
|  |  |  |
| **Contract assets** |  |  |
| Parent | 16,484,168 | 22,031,352 |
| Related parties | 54,497,419 | 4,000,000 |
|  |  |  |
|  | 70,981,587 | 26,031,352 |
|  |  |  |
| **Other assets** |  |  |
| Related parties | 151,470 | 151,470 |
|  |  |  |
| **Advance payment for projects** |  |  |
| Related parties | 1,885 | 572,500 |
|  |  |  |
| **Contract liabilities** |  |  |
| Parent | 554,497 | 827,771 |
| Related parties | 2,491,032 | 2,526,529 |
|  |  |  |
|  | 3,045,529 | 3,354,300 |

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| **Trade payables** |  |  |
| Parent | 15,376,970 | - |
| Related parties | 21,770,654 | 52,450,952 |
|  |  |  |
|  | 37,147,624 | 52,450,952 |
|  |  |  |
| **Other payables** |  |  |
| Parent | 2,448,282 | 1,282,197 |
| Related party | 56,511,215 | 63,423,289 |
|  |  |  |
|  | 58,959,497 | 64,705,486 |
|  |  |  |
| **Accrued expenses** |  |  |
| Parent | 297,620 | 2,183,221 |
| Related party | 38,849,983 | 11,915,264 |
|  |  |  |
|  | 39,147,603 | 14,098,485 |
|  |  |  |
| **Lease liabilities** |  |  |
| Related party (Note 23) | 8,133,955 | 9,868,855 |

**c) Loans to parent**

The movements of loans to parent can be analysed as follows:

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| Opening book amount | - | - |
| Additions | - | 100,000,000 |
| Repayments | - | (100,000,000) |
|  |  |  |
| Closing book amount | - | - |

**d) Borrowings from related parties**

The movements of borrowings from related parties are as follows:

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| Opening book amount | - | 20,250,000 |
| Additions | - | 80,000,000 |
| Repayments | - | (100,250,000) |
|  |  |  |
| Closing book amount | - | - |

**e) Key management remunerations**

Key management includes directors and members of the executive committee. The compensation paid or payable to key management are as follows:

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| Salaries and other short-term benefits | 24,747,520 | 26,239,811 |
| Share-based payment | 6,611,614 | 8,511,967 |
| Retirement benefits | 1,499,189 | 1,205,171 |
|  |  |  |
| Total | 32,858,323 | 35,956,949 |

|  |
| --- |
| **32 Commitments and contingencies** |

The Company had commitment as follows:

a) The Company has contingent liabilities in respect of letters of guarantee issued by commercial banks which were secured by pledge of right to receive deposits from saving account and fixed accounts and has collateral by Sky ICT PCL. as a parent company.

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| Collateral for sales and hire of work contracts | 484,898,525 | 454,983,310 |
| Collateral for advance receipts under contract | 189,498,450 | 7,786,000 |
|  |  |  |
| Total | 674,396,975 | 462,769,310 |

b) The Company has commitment in respect of short-term lease and services agreement. The future aggregate minimum lease payments under the short-term lease and services agreements are as follows:

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| Not later than 1 year | 1,478,884 | 2,262,174 |
| Later than 1 year but not later than 5 years | 2,464,101 | 3,587,385 |
|  |  |  |
| Total | 3,942,985 | 5,849,559 |

|  |
| --- |
| **33 Other information** |

The Company has a telecommunication licenses from NBTC regulations.

The service income by revenue type under telecommunication license are as follows:

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| Revenue under telecommunication licence type 1 | 118,753,181 | 118,753,181 |
|  |  |  |
|  | 118,753,181 | 118,753,181 |

Additionally, the deductible expenses according to NBTC regulations on Universal Service Obligation fee are as follows:

|  |  |  |
| --- | --- | --- |
|  | **2024** | **2023** |
|  | **Baht** | **Baht** |
|  |  |  |
| Deductible expenses | 32,055,385 | 32,526,879 |
|  |  |  |
|  | 32,055,385 | 32,526,879 |

|  |
| --- |
| **34 Dividends** |

On 23 May 2024, the Extraordinary General Meeting of Shareholders no.1/2024 of the Company approved the payment of interim dividend from the retained earnings and business operation for the three-month period ended 31 March 2024 at Baht 0.18 per share of fully paid-up share capital, totalling of Baht 72,000,000.   
The dividend was fully paid on 29 May 2024.

At the meeting of Board of Directors on 13 August 2024, the Board of Directors approved the payment of interim dividend from the retained earnings and business operation for the six-month period ended 30 June 2024 at Baht 0.18 per share of fully paid-up share capital, totalling of Baht 72,000,000.   
The dividend was fully paid on 23 August 2024.

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| **35 Litigation** |

On 2 October 2023, the Company was sued by private companies in the civil court amounting to Baht 15 million for damages from the work contract. Currently, the case is postponed preliminary examination by the court. From the assessment of the Company’s management and legal advisor, the outcome of the lawsuit cannot presently be determined and accordingly, no provision for the possible liability has been made in the financial statements.

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| --- |
| **36 Subsequent events** |

On 20 January 2025, the Company’s ordinary shares are first day traded in Stock Exchange of Thailand (SET) with an offering price of Baht 3.00 per share, for 140,000,000 shares in the initial public offering.