

No. LTS S-009/2024

Date 14 November 2024

Subject : Management's Discussion and Analysis and explanation of the nine-month
Period ended 30 September 2024

To : Directors and Managers
The Stock Exchange of Thailand

Executive Summary

Overall performance for 3Q24 showed the significant growth in both revenues and net profit. The income from IT solutions for data center is emerging in this quarter, regardless the slightly decrease of income from large project that we can still maintain the expected progress and according to customer construction time line. These factors result in growth of net profit comparing to both YoY and QoQ.

Company Performance

Overall performance in the nine-month of 2024 showed a strong performance from growth of income from IT solutions for data center, with net profit increasing to Baht 53.4 million from Baht 25.2 million in 9M2023, an increase of 112% YoY. The quarterly performance also showed a net profit increase to Baht 21.1 million from Baht 16.9 million in 2Q24, representing 25% QoQ growth.

Financial Position

As of 30 September 2024, the company has total assets of Baht 460.9 million, an increase of 115.4% (Baht 246.9 million) from YE2023. The significant increase items are ; 1) Total increase of Baht 69 million, 144.3%, of **cash and cash at bank** from IPO in May 2024. 2) Total increase of Baht 172 million, 303.4%, of **trade account receivable** from income of the smart park project which has a longer credit term and income from IT solutions for data center in September 2024.

Therefore, the company has also managed the liquidity by matching up the credit term from suppliers results in an increasing of **account payable** of Baht 61.2 million, 244%, from YE2023.

Shareholders' equity increases by 127%, Baht 173.3 million from YE2023 from IPO and an increase of retained earnings from net profit of the nine-month of Y2024 of Baht 53.4 million.

Overall, the company are maintaining the conservative position of Debt to Equity (D/E) ratio to be below one time. As of 3Q24 D/E ratio is at 0.49

Quarterly Performance

Statement of Profit or Loss and Other comprehensive Income (Loss)	3Q24	2Q24	Increase (Decrease)	%QoQ	3Q23	Increase (Decrease)	%YoY
Revenue from sales and services	161.0	80.3	80.7	100.5	67.2	93.8	139.6
Cost of sales and services	119.3	42.5	76.8	180.7	34.0	85.3	250.9
Gross Profit	41.7	37.8	3.9	10.3	33.2	8.5	25.6
Other income	0.03	0.2	(0.2)	(85.0)	0.34	(0.3)	(91.2)
Gain (loss) arising from change in fair value of derivatives	(1.4)	-	(1.4)	-	-	(1.4)	-
Profit before expenses	40.3	38.0	2.3	6.1	33.5	6.8	20.2
Selling expenses	5.0	5.6	(0.6)	(10.7)	5.0	-	-
Administrative expenses	8.4	10.2	(1.8)	(17.6)	8.0	0.4	5.0
Profit before finance costs and income tax	26.9	22.2	4.7	21.3	20.5	6.4	31.1
Finance cost	0.7	0.8	(0.1)	(12.5)	0.4	0.3	75.0
Profit before income tax	26.2	21.4	4.8	22.6	20.1	6.1	30.2
Income tax	5.1	4.5	0.6	13.3	4.5	0.6	13.3
Profit for the year	21.1	16.9	4.2	25.0	15.6	5.5	35.1
Other comprehensive Income (Loss)							
Actuarial gain (loss)	-	-	-	100.0	-	-	100.0
Tax expense of actuarial gain (loss)	-	-	-	100.0	-	-	100.0
				-			
Total Comprehensive Income (loss)	21.1	16.90	4.2	25.0	15.6	5.5	35.1

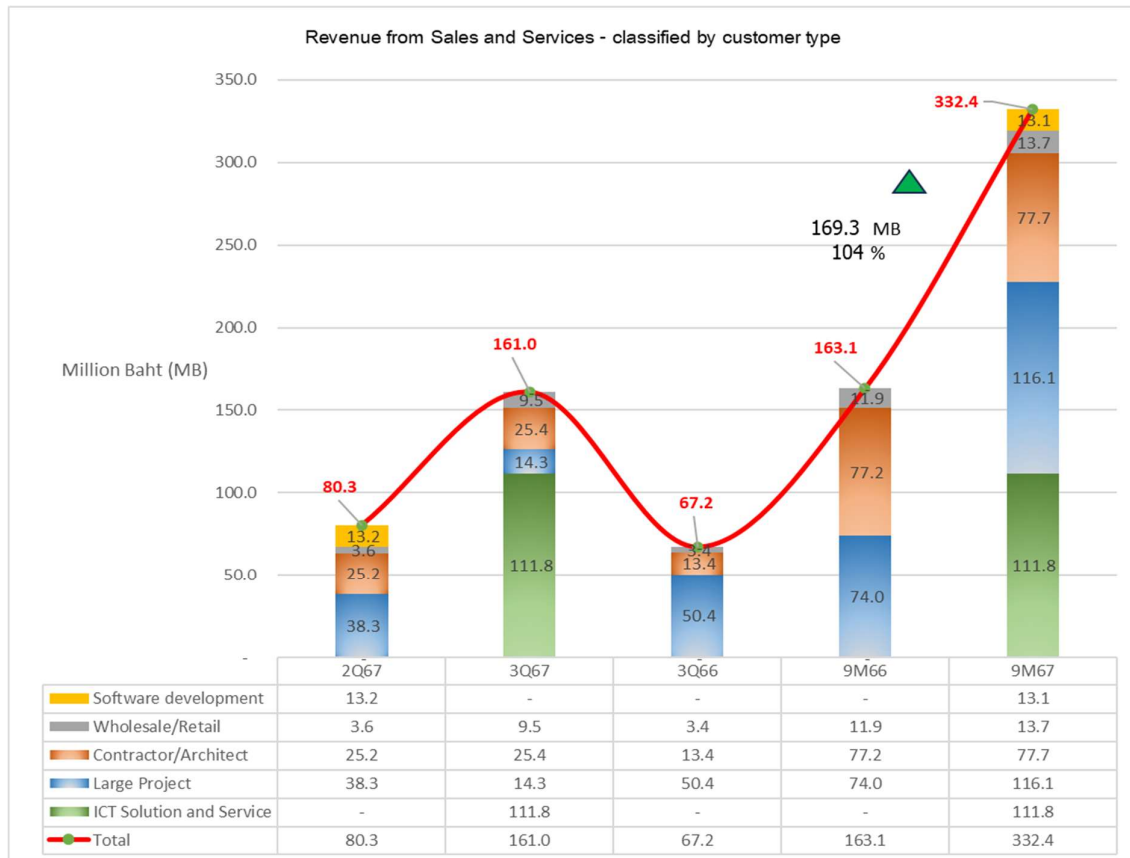
Nine-month Performance

Statement of Profit or Loss and Other comprehensive Income (Loss)	9M2024	9M2023	Increase (Decrease)	%9Mo9M
Revenue from sales and services	332.4	163.1	169.3	103.8
Cost of sales and services	221.2	92.3	128.9	139.7
Gross Profit	111.2	70.8	40.4	57.1
Other income	0.5	1.3	(0.8)	(61.5)
Gain (loss) arising from change in fair value of derivatives	(1.4)	0.4	(1.8)	(450.0)
Profit before expenses	110.3	72.5	37.8	52.1
Selling expenses	15.5	13.2	2.3	17.4
Administrative expenses	26.0	25.2	0.8	3.2
Profit before finance costs and income tax	68.8	34.1	34.7	101.8
Finance cost	2.1	1.2	0.9	75.0
Profit before income tax	66.7	32.9	33.8	102.7
Income tax	13.7	7.7	6.0	77.9
Profit for the year	53.0	25.2	27.8	110.3
Other comprehensive Income (Loss)				
Actuarial gain (loss)	0.3	-	0.3	100.0
Tax expense of actuarial gain (loss)	(0.1)	-	(0.1)	100.0
Total Comprehensive Income (loss)	53.4	25.20	28.2	111.9

Sales and service income

- Income for 9M2024 increasing to Baht 332.4 million from Baht 163.1 million in 9M2023, an increase of 104% (Baht 163.9 million) YoY from increase of income from IT solutions for data center of Baht 111.8 million in 3Q2024 and income from software development of Baht 13.1 million in 2Q2024.

For 3Q24 quarterly income slightly increase to Baht 161 million from Baht 80.3 million in 2Q24, an increase of 100% (Baht 80 million) QoQ, from increase of income from IT solutions for data center.



Cost of sales and service / Gross profit / Gross Profit Margin

- **Cost of sales and service** for 9M2024 is increase to Baht 221.2 million from Baht 92.3 million in 9M2023, an increase of 140% (Baht 128.9 million) YoY.

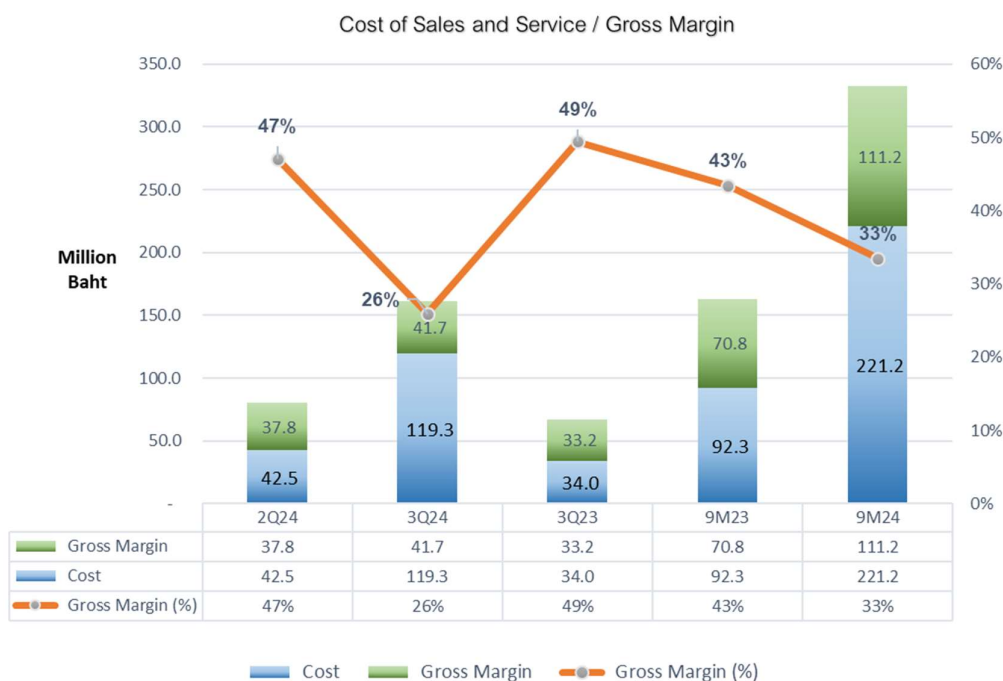
For 3Q24, cost of sales and service is increase to Baht 119.3 million from Baht 42.5 million in 2Q24, an increase of 181% (Baht 76.8 million) QoQ.

The increase of cost of sales and service was according to the increase of income.

- **Gross profit** for 9M2024 is increase to Baht 111.2 million from Baht 70.8 million in 9M2023, an increase of 57% (Baht 40.4 million) YoY.

For 3Q24, gross profit is increase to Baht 41.7 million from Baht 37.8 million in 2Q24, an increase of 10% (Baht 4 million) QoQ. These increases are according to and align with an increase of income.

- **Gross profit margin (GM)** for 9M2024 is decrease to 33% from 43% in 9M2023 due to the lower rate of GM from IT solution for data center when compare with GM from income of lightings products, however, average GM for 9M2024 is higher than 30%.



Selling and Administrative expense / Net Profit

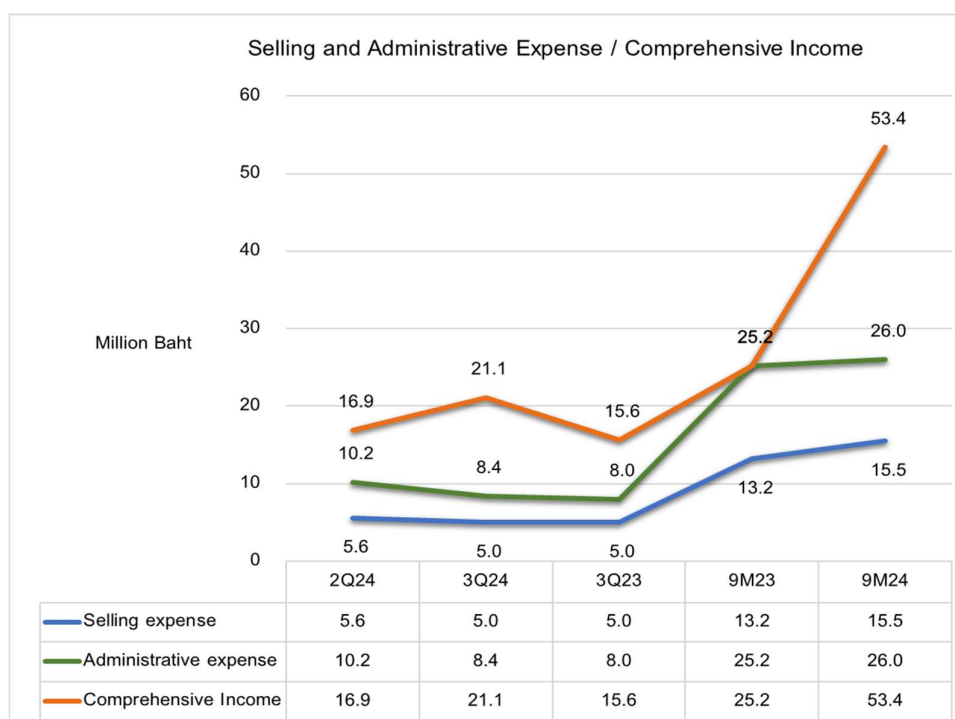
- **Selling expense** for 9M2024 is increase to Baht 15.5 million from Baht 13.2 million in 9M2023, an increase of 17% (Baht 2.3 million) YoY, due to an increase of salary from additional sales staff and an increase of commission expense, which is according to and align with increasement of income.
- **Administrative expense** for 9M2024 is slightly increase to Baht 26 million from Baht 25.2 million in 9M2023, an increase of 3% (Baht 0.8 million) YoY.

For 3Q24 the expense is decrease to Baht 8.4 million from Baht 10.2 million in 2Q24, an increase of 18% (Baht 1.8 million) QoQ, due to the decrease of advertisement regarding the IPO such as the listing expense and advertisement expense during the listing period in 2Q2024.

- **Net profit** for 9M2024 is increase to Baht 53.4 million from Baht 25.2 million in 9M2023, an increase of 112% (Baht 28.2 million) YoY.

For 3Q24 net profit is increase to Baht 21.1 million from Baht 16.9 million in 2Q24, an increase of 25% (Baht 4.2 million) QoQ.

Overall performance for the nine-month of Y2024 shows a growth.



Financial Position

Financial Position	30 September 2024.	31 December 2023.	Increase (decrease)	%Change
Current Assets	413.5	170.6	242.9	142.4
Non-Current Assets	47.4	43.4	4.0	9.2
Total Assets	460.9	214.0	246.9	115.4
Current Liabilities	135.7	62.3	73.4	117.8
Non-Current Liabilities	15.3	151.1	(135.8)	(89.9)
Total Liabilities	151.0	213.4	(62.4)	(29.2)
Shareholders' Equity	309.9	136.6	173.3	126.9

Total Assets

Statement of Financial Position	30 September 2024.	31 December 2023.	Increase (decrease)	%Change
Cash and cash equivalents	117.5	48.1	69.4	144.3
Trade and other receivables - net	228.7	56.7	172.0	303.4
Inventories - net	55.7	56.4	(0.7)	(1.2)
Other current assets	18.8	16.5	2.3	13.9
Investment property	10.8	10.8	-	-
Fixed assets, intangible assets and right-of-use assets - net	8.8	7.8	1.0	12.8
Other non-current assets	20.6	17.7	2.9	16.4
Total Assets	460.9	214.0	246.9	115.4

As of 30 September 2024, the company has total assets of Baht 460.9 million, an increase of 115.4% (Baht 246.9 million) from YE2023. The significant increase items are

- Total increase of Baht 69.4 million, 144%, of **cash and cash at bank** from IPO in May 2024.
- Total increase of Baht 172 million, 303.4%, of **trade account receivable** from income of the smart park project which has a longer credit term and income from IT solutions in June 2024 and income of IT solution for data center in September 2024.

Total Liabilities

Statement of Financial Position	30 September 2024.	31 December 2023.	Increase (decrease)	%Change
Loan from financial institutions	28.2	26.0	2.2	8.5
Trade and other payables	86.2	25.0	61.2	244.8
Lease liabilities	5.0	4.8	0.2	4.2
Income tax payable	5.8	8.4	(2.6)	(31.0)
Other current liabilities	18	8.1	9.9	122.2
Employee benefit obligations	5	5.1	(0.1)	(2.0)
	2.8	-	2.8	-
Total Liabilities	151.0	77.4	70.8	91.5

Remark ** Includes Current and Non Current items

As of 30 September 2024, the company has total liabilities of Baht 151 million, an increase of 91.5% (Baht 70.8 million) from YE2023. The significant increase items are;

- Total increase of Baht 61.2 million, 244.8%, of **trade account payable** from undue credit purchase of goods for the smart park project and IT solutions for data center.
- Total increase of Baht 9.9 million, 122%, of **other current liabilities** from VAT payable due in October 2024 from income of IT solutions for data center of Baht 7.5 million.

Shareholders' equity

As of 30 September 2024, the company has shareholders' equity of Baht 309.9 million, increases by 127%, Baht 173.3 million from YE2023 from IPO and an increase of retained earnings from net profit of the nine-month period of Y2024 of Baht 53.4 million.

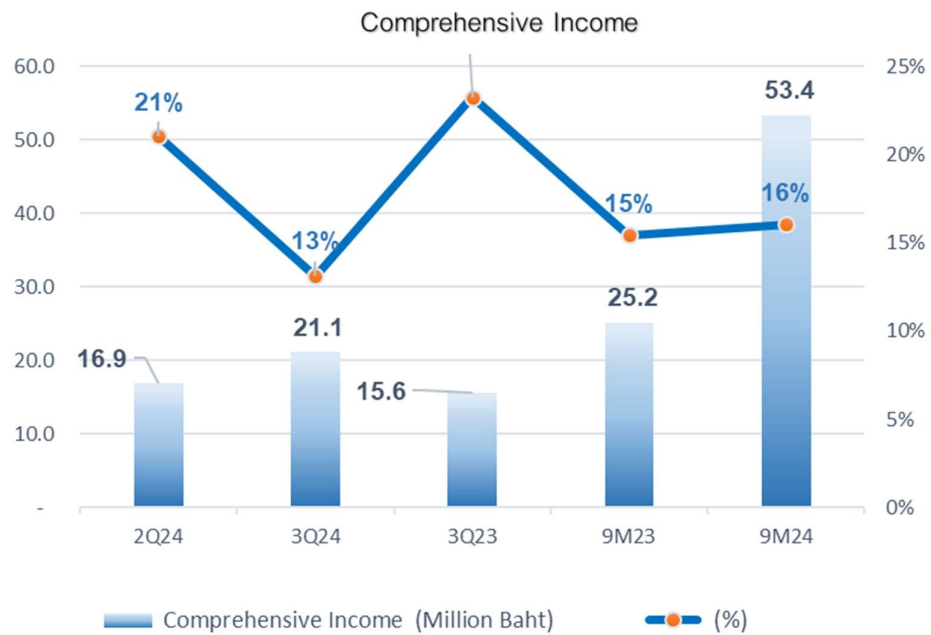
Important Financial Ratios – Quarterly

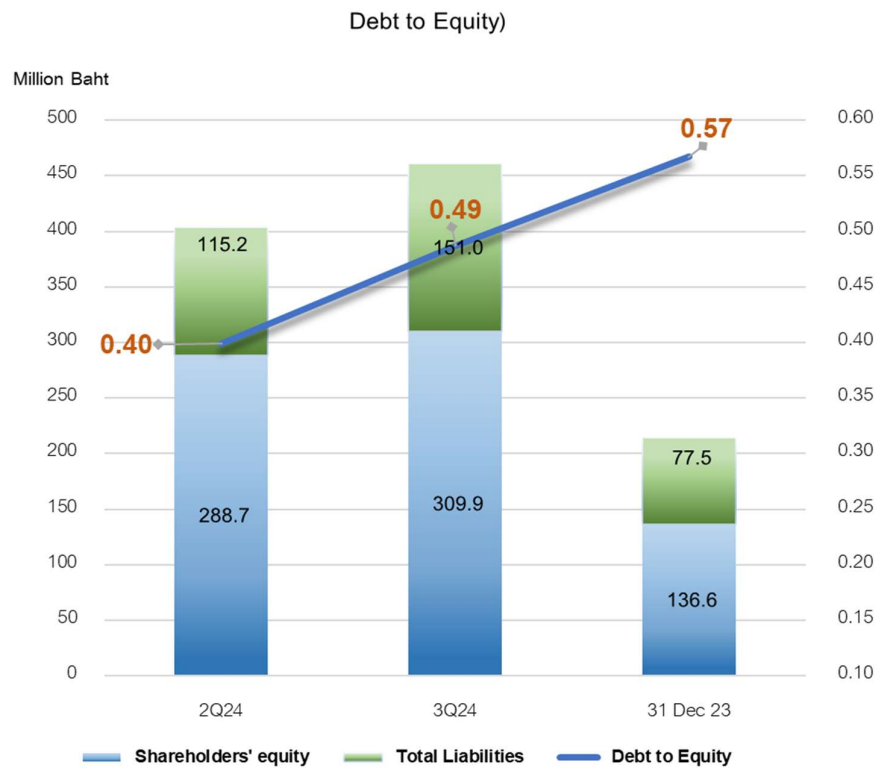
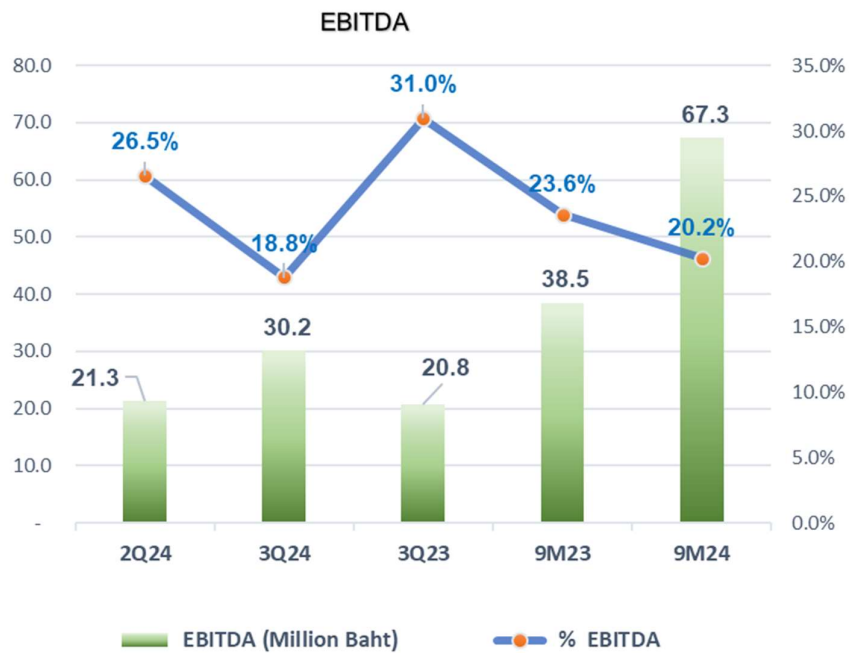
Financial Ratios	3Q24	2Q24	In(De)crease	%QoQ	3Q23	In(De)crease	%YoY
Gross Profit Margin	26%	47%	-21%	-45%	49%	-24%	-48%
Net Profit	13%	21%	-8%	-38%	23%	-10%	-44%
EBITDA	19%	27%	-8%	-29%	31%	-12%	-39%

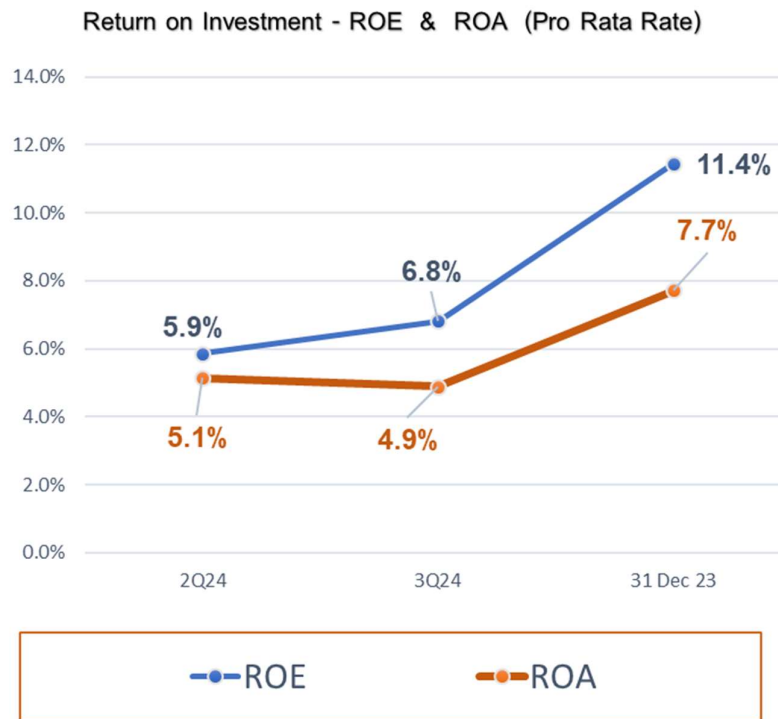
Important Financial Ratios – Nine-month period

Financial Ratios	9M24	9M23	In (De) crease	%9Mo9M
Gross Profit Margin	33%	43%	-10%	-23%
Net Profit	16%	15%	1%	4%
EBITDA	20%	24%	-3%	-14%

Financial Ratios	3Q24	2Q24	In(De)crease	%QoQ	YE2023	In(De)crease	%YE
Debt to Equity ratio (D/E)	0.49	0.40	9%	22%	0.57	-8%	-14%
Return on Asset (ROA)	4.9%	5.1%	-0.3%	-5.1%	7.7%	-2.8%	-36.7%
Return on Equity (ROE)	6.8%	5.9%	1.0%	16.5%	11.4%	-4.6%	-40.4%
*** ROA & ROE Pro Rata Rate							







Sincerely Yours,

Nuchanat Sangchat

Chief Finance Officer