|  |
| --- |
| **1 General information** |

PROEN Corp Public Company Limited (the “Company”) is a public limited company. The Company has been listed on the Market for Alternative Investment (MAI). The address of the Company’s registered office is as follows:

72 NT Bangrak Building 4th,18th Fl., Charoen Krung Rd., Bangrak Sub-district, Bangrak District, Bangkok.

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

The Group is principally engaged in the business of IT equipment distributor, providing internet data center services and related services, providing internet security services and construction.

This interim consolidated and separate financial information was authorised for issue by the Board of Directors on 12 November 2024.

This interim consolidated and separate financial information have been reviewed, not audited.

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| **2 Basis of preparation** |

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

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2023.

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

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| **3 Accounting policies** |

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2023.

Certain figures in the comparative information in the statement of comprehensive income for the three-month and nine-month periods ended 30 September 2024 have been reclassified to conform to the presentation of the current period. This reclassification was made to better reflect the nature of the business and its transactions by separately presenting reversal of expected credit losses of 1,071,953 Baht and 1,954,030 Baht, respectively which were previously included in administrative expenses in the consolidated and separate statements of comprehensive income. As a result, administrative expenses increased by 1,071,953 Baht and 1,954,030 Baht, respectively.

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| **4 Adoption of new and amended financial reporting standards and changes in accounting policies** |

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

New and Amended Thai Financial Reporting Standards that are effective for the accounting periods beginning on 1 January 2024 do not have material impact on the Group.

**4.2 Amended financial reporting standard that is effective for the accounting period beginning on or after   
1 January 2025 which are relevant to the Group.**

The following amended TFRSs were not mandatory for the current reporting period and the Group 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 entity’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 entity must only comply with the covenants after the reporting period. However, if the entity 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 an entity classifies a liability as non-current and that liability is subject to covenants with which the entity 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 entity 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 entity’s own equity instrument can only be ignored for the purpose of classifying the liability as current or non-current if the entity 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 entity 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 an entity'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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| **5 Fair value** |

Fair values and carrying amounts of financial assets and liabilities by category with the carrying amount approximates fair value due to short-term nature of financial assets and financial liabilities. Their carrying amount are considered to be the same as their fair value, except for the long-term loans from financial institutions and debenture that have the fair value according to disclosure in Note 11 and financial assets measured at fair value through other comprehensive income are as follows:

|  |  |  |
| --- | --- | --- |
|  | **Consolidated and Separate**  **financial information** | |
|  | **30 September**  **2024**  **Baht** | **31 December**  **2023**  **Baht** |
|  |  |  |
| Level 3 |  |  |
| Assets |  |  |
| Financial assets measured at fair value |  |  |
| through other comprehensive income |  |  |
| - Investment in equity instrument (non-listed) | 69,863,000 | 69,863,000 |
|  |  |  |
| Total | 69,863,000 | 69,863,000 |

|  |
| --- |
| **6 Segment and revenue information** |

The Group has three segments report which are comprised of IT equipment distribution, internet data center and related services and construction. The Group is operating in Thailand only. Therefore, the Group considers that there is only one geographic area.

Reporting segments are referred from the Group’s internal report which is reviewed by chief operating decision-maker. Chief executive officer and chief financial officer decision-maker are the chief executive who makes decisions about resource allocation and assesses the segment performance by considering from revenue and segment results.

The Board of Directors consider the following reporting segments.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated financial information** | | | |
|  | **For the nine-month period ended 30 September 2024** | | | |
|  | **IT equipment distribution** | **Internet data center and related services** | **Construction** | **Total** | |
|  | **Baht** | **Baht** | **Baht** | **Baht** | |
| Revenue |  |  |  |  | |
| Gross segment revenues | 44,277,182 | 222,543,361 | 144,862,556 | 411,683,099 | |
| Revenue from inter - segment | - | (2,224,419) | - | (2,224,419) | |
|  |  |  |  |  | |
| Net revenue | 44,277,182 | 220,318,942 | 144,862,556 | 409,458,680 | |
|  |  |  |  |  | |
| Segment results | 4,316,753 | 71,659,717 | 7,989,669 | 83,966,139 | |
|  |  |  |  |  | |
| Other income |  |  |  | 4,588,118 | |
| Unallocated costs |  |  |  | (132,353,493) | |
| Finance costs |  |  |  | (5,671,721) | |
|  |  |  |  |  | |
| Loss before income tax |  |  |  | (49,470,957) | |
| Income tax revenue |  |  |  | 9,947,783 | |
|  |  |  |  |  | |
| Net loss |  |  |  | (39,523,174) | |
|  |  |  |  |  | |
| **Timing of revenue recognition** |  |  |  |  | |
| At a point in time | 44,277,182 | - | - | 44,277,182 | |
| Over time | - | 220,318,942 | 144,862,556 | 365,181,498 | |
|  |  |  |  |  | |
| Total revenue | 44,277,182 | 220,318,942 | 144,862,556 | 409,458,680 | |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated financial information** | | | |
|  | **For the nine-month period ended 30 September 2023** | | | |
|  | **IT equipment distribution** | **Internet data center and related services** | **Construction** | **Total** | |
|  | **Baht** | **Baht** | **Baht** | **Baht** | |
| Revenue |  |  |  |  | |
| Gross segment revenues | 143,918,463 | 292,390,379 | 128,269,433 | 564,578,275 | |
| Revenue from inter - segment | - | (1,934,427) | - | (1,934,427) | |
|  |  |  |  |  | |
| Net revenue | 143,918,463 | 290,455,952 | 128,269,433 | 562,643,848 | |
|  |  |  |  |  | |
| Segment results | 17,087,788 | 95,028,772 | 9,102,625 | 121,219,185 | |
| Other income |  |  |  | 2,635,775 | |
| Unallocated costs |  |  |  | (88,029,662) | |
| Finance costs |  |  |  | (20,734,123) | |
| Share of profits from investments  in associates |  |  |  | (2,841,662) | |
|  |  |  |  |  | |
| Profit before income tax |  |  |  | 12,249,513 | |
| Income tax expense |  |  |  | (3,238,962) | |
|  |  |  |  |  | |
| Net profit |  |  |  | 9,010,551 | |
|  |  |  |  |  | |
| **Timing of revenue recognition** |  |  |  |  | |
| At a point in time | 143,918,463 | - | - | 143,918,463 | |
| Over time | - | 290,455,952 | 128,269,433 | 418,725,385 | |
|  |  |  |  |  | |
| Total revenue | 143,918,463 | 290,455,952 | 128,269,433 | 562,643,848 | |

**Information about major customers**

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

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **IT equipment distribution** | **Internet data center and related services** | **Construction** | **Total** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| **For the nine-month period ended** |  |  |  |  |
| **30 September 2024** |  |  |  |  |
|  |  |  |  |  |
| Major customer 1 | 1,449,990 | 103,733,400 | - | 105,183,390 |
| Major customer 2 | - | - | 56,052,616 | 56,052,616 |
| Major customer 3 | - | - | 28,765,020 | 28,765,020 |
|  |  |  |  |  |
| **For the nine-month period ended** |  |  |  |  |
| **30 September 2023** |  |  |  |  |
|  |  |  |  |  |
| Major customer 1 | 12,968,925 | 108,904,549 | - | 121,873,474 |
| Major customer 2 | - | - | 48,774,136 | 48,774,136 |
| Major customer 3 | 39,967,429 | - | - | 39,967,429 |

|  |
| --- |
| **7 Trade and other receivables** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **30 September** | **31 December** | **30 September** | **31 December** |
|  | **2024** | **2023** | **2024** | **2023** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
| **Trade receivables** |  |  |  |  |
| Trade receivables - third parties | 200,768,397 | 235,594,612 | 96,849,878 | 162,204,825 |
| Trade receivables - related parties (Note 18) | - | - | 258,031 | 487,205 |
|  |  |  |  |  |
| Total trade receivables | 200,768,397 | 235,594,612 | 97,107,909 | 162,692,030 |
| Less Expected credit loss | (60,185,886) | (41,045,780) | (29,935,082) | (26,790,882) |
|  |  |  |  |  |
| Trade receivables, net | 140,582,511 | 194,548,832 | 67,172,827 | 135,901,148 |
|  |  |  |  |  |
| **Other receivables** |  |  |  |  |
| Retention receivable from construction contract | 49,130,527 | 52,515,838 | 41,360,372 | 47,230,795 |
| Advance payments for construction contract | 13,478,334 | 22,398,786 | 9,467,648 | 14,060,147 |
| Advance payments for goods and services | 18,587,571 | 3,641,668 | 11,013,204 | 3,612,792 |
| Advance payments for building construction | - | 8,908,082 | - | 8,908,082 |
| Accrued income | 5,271,799 | 22,531,060 | 24,925,751 | 16,450,392 |
| Prepayments | 22,975,161 | 14,944,334 | 16,741,709 | 11,935,953 |
| Accrued interest income | 5,240,851 | 2,281,778 | 15,645,554 | 7,208,251 |
| Other receivables | - | - | 127,653 | - |
| Advance payments | 333,779 | 378,799 | 262,424 | 375,067 |
|  |  |  |  |  |
| Other receivables, net | 115,018,022 | 127,600,345 | 119,544,315 | 109,781,479 |
|  |  |  |  |  |
| Total trade and other receivables, net | 255,600,533 | 322,149,177 | 186,717,142 | 245,682,627 |

As at 30 September 2024 and 31 December 2023, trade receivables, included in trade and other current receivables in statements of financial position, can analyse aging as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **30 September** | **31 December** | **30 September** | **31 December** |
|  | **2024** | **2023** | **2024** | **2023** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Current | 73,359,348 | 56,588,643 | 22,329,018 | 49,918,302 |
| Up to 3 months | 22,489,420 | 29,664,444 | 17,966,697 | 29,894,536 |
| 3 - 6 months | 795,734 | 31,656,051 | 795,734 | 13,799,420 |
| 6 - 12 months | 3,069,597 | 64,471,688 | 3,069,597 | 30,120,884 |
| Over 12 months | 101,054,298 | 53,213,786 | 52,946,863 | 38,958,888 |
|  |  |  |  |  |
| Total trade account receivables | 200,768,397 | 235,594,612 | 97,107,909 | 162,692,030 |
| Less Expected credit loss on trade receivables | (60,185,886) | (41,045,780) | (29,935,082) | (26,790,882) |
|  |  |  |  |  |
| Trade receivables, net | 140,582,511 | 194,548,832 | 67,172,827 | 135,901,148 |

Trade receivables aged over 12 months which has not set expected credit loss is receivables from construction contract which is in the process to rapayment. The Group will receive the full amount when the electrical installation is completely tested and the project passes the work inspection by the committee. Management expects to receive the remaining balance within December 2024.

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| **8 Contract assets** |

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 management expects to issue invoices for the contract assets as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **30 September** | **31 December** | **30 September** | **31 December** |
|  | **2024** | **2023** | **2024** | **2023** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Up to 1 month | 41,244,207 | 85,794,298 | 2,367,500 | 23,295,521 |
| Up to 3 months | 27,801,304 | 57,438,243 | 6,981,427 | 7,585,329 |
| 3 - 6 months | 14,561,902 | 1,186,812 | 1,136,397 | 1,161,965 |
| 6 - 12 months | 7,413,592 | 161,094,028 | 6,529,772 | 157,644,644 |
| Over 12 months | 206,195,229 | 76,094,548 | 177,252,870 | 50,626,419 |
| Less Expected credit loss on contract assets | (391,067) | (123,017) | - | - |
|  |  |  |  |  |
| Total | 296,825,167 | 381,484,912 | 194,267,966 | 240,313,878 |

The contract assets which expected to issue invoices over 12 months are assets arising from contract entered with government sector and have requirement for billing as specified in the contract.

|  |
| --- |
| **9 Inventories** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **30 September** | **31 December** | **30 September** | **31 December** |
|  | **2024** | **2023** | **2024** | **2023** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Construction material | 19,322,680 | 170,912 | - | - |
| Finished goods | 20,405,797 | - | 13,950,901 | - |
|  |  |  |  |  |
| Total inventories | 39,728,477 | 170,912 | 13,950,901 | - |
| Less Allowance for diminution in value of inventories | - | - | - | - |
|  |  |  |  |  |
| Inventories, net | 39,728,477 | 170,912 | 13,950,901 | - |

|  |
| --- |
| **10 Property, plant, equipment, and intangible assets** |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | | **Separate**  **financial information** | | |
|  | **Property** |  | **Right** | **Property** |  | **Right** |
|  | **plant, and** | **Intangible** | **of use** | **plant, and** | **Intangible** | **of use** |
|  | **equipment** | **assets** | **assets** | **equipment** | **assets** | **assets** |
|  | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |  |  |
| **For the nine-month period** |  |  |  |  |  |  |
| **ended 30 September 2024** |  |  |  |  |  |  |
| Opening net book amount | 568,309,385 | 4,836,770 | 13,456,525 | 566,892,628 | 4,760,029 | 8,937,206 |
| Additions | 162,742,556 | 41,000 | 24,442,268 | 162,491,509 | - | 24,442,268 |
| Depreciation/amortization | (14,416,885) | (263,411) | (9,814,357) | (14,137,492) | (233,024) | (8,787,793) |
| Reverse impairment charge | - | (318,022) | - | - | (318,022) | - |
|  |  |  |  |  |  |  |
| Closing net book amount | 716,635,056 | 4,296,337 | 28,084,436 | 715,246,645 | 4,208,983 | 24,591,681 |

Borrowing costs of Baht 26.37 million (30 September 2023: Baht 9.58 million) were capitalised in property, plant and equipment that purchased during the period. The Group uses a capitalisation rate of 6.46% per annum (30 September 2023: 6.59% per annum) in calculating the cost for the capitalisation.

At 30 September 2024, the land and buildings at net book value of Baht 86 million (31 December 2023: Baht 87.40 million) in the consolidated and separate financial statements are mortgaged as collateral for long-term borrowings from financial institutions (Note 11).

|  |
| --- |
| **11 Borrowings** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **30 September** | **31 December** | **30 September** | **31 December** |
|  | **2024** | **2023** | **2024** | **2023** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Current |  |  |  |  |
| Bank overdrafts | 13,273,603 | 2,288,330 | 13,115,780 | - |
| Short-term borrowings from financial institutions | 43,000,000 | 52,000,000 | 28,000,000 | 9,000,000 |
| Current portion of long-term borrowings |  |  |  |  |
| from financial institutions | 39,474,796 | 13,246,726 | 38,059,238 | 10,968,709 |
| Current portion of debentures | 100,464,771 | 498,853,654 | 100,464,771 | 498,853,654 |
|  |  |  |  |  |
| Total current borrowings | 196,213,170 | 566,388,710 | 179,639,789 | 518,822,363 |
|  |  |  |  |  |
| **Non-current** |  |  |  |  |
| Long-term borrowings from financial institutions | 185,341,667 | 174,276,255 | 184,773,781 | 173,142,894 |
| Debenture | 300,798,120 | - | 300,798,120 | - |
|  |  |  |  |  |
| Total non-current borrowings | 486,139,787 | 174,276,255 | 485,571,901 | 173,142,894 |
|  |  |  |  |  |
| **Total borrowings** | 682,352,957 | 740,664,965 | 665,211,690 | 691,965,257 |

The borrowings are secured by saving and fixed deposits of the Company, land and building of the Company (Note 10), land and building of Director, and secured by Director of the Company, Director of the Company’s subsidiary, the Company’s parent, the Company’s subsidiary and Thai Credit Guarantee Corporation.

**11.1 Long-term borrowings from financial institutions**

The movements in long-term borrowings from financial institutions are analysed as follows:

|  |  |  |
| --- | --- | --- |
|  | **Consolidated**  **financial information** | **Separate**  **financial information** |
|  | **Baht** | **Baht** |
| **For the nine-month period ended 30 September 2024** |  |  |
| Opening balance | 187,522,981 | 184,111,603 |
| Additional of loan | 50,304,626 | 50,000,000 |
| Repayment of loan | (13,063,847) | (11,327,652) |
| Amortization of front-end fee | 52,703 | 49,068 |
|  |  |  |
| Closing balance | 224,816,463 | 222,833,019 |
| Current portion | (39,474,796) | (38,059,238) |
|  |  |  |
| Non-current portion | 185,341,667 | 184,773,781 |

**11.2 Debenture**

The movements in debenture are analysed as follows:

|  |  |
| --- | --- |
|  | **Consolidated and Separate**  **financial information** |
|  | **Baht** |
| **For the nine-month period ended 30 September 2024** |  |
| Opening balance | 498,853,654 |
| Additional of debenture | 3,480,497 |
| Repayment of debenture | (100,097,217) |
| Repayment of front-end fee | (2,760,488) |
| Amortization of front-end fee | 1,786,445 |
|  |  |
| Closing balance | 401,262,891 |
| Current portion | (100,464,771) |
|  |  |
| Non-current portion | 300,798,120 |

At the meeting of the debenture holders meeting No. 1/2024 on 4 March 2024, approved to change the repayment terms of debenture amounting to Baht 500 million, by changing the interest rate from 6.50% to 7% per year and the term of repayment which was due date on 30 March 2024 to be follows:

* 1st installment: repayment of Baht 100 million, due date on 30 March 2024
* 2nd installment: repayment of Baht 100 million, due date on 30 March 2025
* 3rd installment: repayment of Baht 300 million, due date on 30 March 2026

The Company assessed the amendment of the new term and determined that it meets definition of loan modification. Accordingly, the Company recognised loss from loan modification of Baht 3.48 million in other gains (losses). The loss arising from difference between the original carrying value and the new financial liability, calculating based on the present value of the modified contractual cash flows discounted at its original effective interest rate and adjusted with the related charge.

The carrying amounts and fair values of certain long-term borrowings and debenture are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated information** | | | |
|  | **Carrying amounts** | | **Fair values** | |
|  | **30 September** | **31 December** | **30 September** | **31 December** |
|  | **2024** | **2023** | **2024** | **2023** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Long-term from financial institutions borrowings | 224,816,463 | 187,522,981 | 215,200,181 | 178,605,427 |
| Debenture | 401,262,891 | 498,853,654 | 395,865,638 | 495,937,664 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Separate financial information** | | | |
|  | **Carrying amounts** | | **Fair values** | |
|  | **30 September** | **31 December** | **30 September** | **31 December** |
|  | **2024** | **2023** | **2024** | **2023** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Long-term from financial institutions borrowings | 222,833,019 | 184,111,603 | 213,198,981 | 175,218,252 |
| Debenture | 401,262,891 | 498,853,654 | 395,865,638 | 495,937,664 |

The fair value is based on future cash flow according to loan contract using a discount rate based upon the borrowing rate which the Company expects to pay as date of statement of financial position and are within level 2 of the fair value hierarchy.

|  |
| --- |
| **12 Lease liabilities** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **30 September** | **31 December** | **30 September** | **31 December** |
|  | **2024** | **2023** | **2024** | **2023** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
|  |  |  |  |  |
| Current portion of lease liabilities | 12,274,721 | 9,742,703 | 11,126,001 | 8,633,751 |
| Lease liabilities | 15,797,372 | 4,241,379 | 14,018,186 | 1,595,614 |

The movement of lease liabilities for the nine-month period ended 30 September 2024 can be analysed as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Consolidated financial information** | | |
|  | **Lease payables** | **Deferred interest** | **Lease liabilities** |
|  | **Baht** | **Baht** | **Baht** |
|  |  |  |  |
| Opening net book | 14,505,115 | (521,033) | 13,984,082 |
| Cash outflows: |  |  |  |
| Addition | 26,261,280 | (1,819,012) | 24,442,268 |
| Repayment | (11,062,338) | 708,081 | (10,354,257) |
|  |  |  |  |
| Closing net book value | 29,704,057 | (1,631,964) | 28,072,093 |

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Separate financial information** | | |
|  | **Lease payables** | **Deferred interest** | **Lease liabilities** |
|  | **Baht** | **Baht** | **Baht** |
|  |  |  |  |
| Opening net book | 10,582,272 | (352,907) | 10,229,365 |
| Cash outflows: |  |  |  |
| Addition | 26,261,280 | (1,819,012) | 24,442,268 |
| Repayment | (10,113,028) | 585,582 | (9,527,446) |
|  |  |  |  |
| Closing net book value | 26,730,524 | (1,586,337) | 25,144,187 |

|  |
| --- |
| **13 Trade and other payables** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **30 September** | **31 December** | **30 September** | **31 December** |
|  | **2024** | **2023** | **2024** | **2023** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| **Trade accounts payable** |  |  |  |  |
| Trade accounts payable - third parties | 203,850,733 | 171,156,879 | 132,811,675 | 157,512,999 |
| Trade accounts payable - related parties (Note 18) | - | - | - | 161,597 |
|  |  |  |  |  |
| Total trade accounts payable | 203,850,733 | 171,156,879 | 132,811,675 | 157,674,596 |
|  |  |  |  |  |
| **Other accounts payable** |  |  |  |  |
| Accrued expenses | 30,825,107 | 30,498,064 | 19,746,179 | 38,490,935 |
| Accrued cost of services | 10,178,525 | 10,386,525 | 10,178,525 | 10,386,525 |
| Accrued cost of construction contracts | 80,855,266 | 149,704,781 | 58,273,013 | 91,712,228 |
| Unearned income | 22,430,710 | 6,628,522 | 20,596,257 | 6,195,192 |
| Advance received for services | 29,519,367 | 24,166,948 | 29,519,367 | 24,166,948 |
| Retention payable | 2,941,540 | 2,180,907 | - | - |
| Other payables | 4,411,085 | 16,995,257 | 2,022,563 | 16,709,266 |
| Interest payable | 27,124 | 8,203,145 | - | 8,174,800 |
|  |  |  |  |  |
| Total other accounts payable | 181,188,724 | 248,764,149 | 140,335,904 | 195,835,894 |
|  |  |  |  |  |
| Total trade and other payables | 385,039,457 | 419,921,028 | 273,147,579 | 353,510,490 |

|  |
| --- |
| **14 Share capital** |

Movements of share capital for nine-month periods ended 30 September 2024 and 2023 are as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Authorized** | | **Issued and paid-up** | | **Share** | |
|  | **share capital** | | **share capital** | | **premium** | |
|  | **Shares** | **Baht** | **Shares** | **Baht** | | **Baht** |
|  |  |  |  |  | |  |
| At 1 January 2023 | 474,000,000 | 237,000,000 | 316,000,000 | 158,000,000 | | 228,732,200 |
| Increase the registered capital | - | - | 30,317,500 | 15,158,750 | | 93,984,350 |
|  |  |  |  |  | |  |
| At 30 September 2023 | 474,000,000 | 237,000,000 | 346,317,500 | 173,158,750 | | 322,716,550 |
|  |  |  |  |  | |  |
| At 1 January 2024 | 474,000,000 | 237,000,000 | 346,317,500 | 173,158,750 | | 322,716,550 |
| Increase the registered capital | 391,796,902 | 195,898,451 | 46,250,569 | 23,125,285 | | 21,408,563 |
|  |  |  |  |  | |  |
| At 30 September 2024 | 865,796,902 | 432,898,451 | 392,568,069 | 196,284,035 | | 344,125,113 |

On March 22, 2024, the warrant holders exercised their warrants (PROEN-W1) totalling 1,261 units to purchase 1,261 ordinary shares at the exercise price of Baht 3.60 per unit in total amount of Baht 4,540. The Company received full payment and realized as a share subscription received in advance and registered the capital increase with Ministry of Commerce at April 2, 2024.

The Board of director's Meeting No. 3/2024 held on May 9, 2024 approved to increase the registered capital from Baht 237,000,000 to Baht 432,898,451 by issuing 391,796,902 new ordinary shares with a par value of Baht 0.50 per share to support offering to existing shareholders in the original proportion (Rights Offering) and support the exercise of the warrants to purchase shares of the Company's newly issued ordinary shares No. 2.

On August 8, 2024, the Board of Directors' Meeting No. 4/2024 acknowledged the resolution to approve the issuance of 46,249,308 new ordinary shares to existing shareholders in proportion to their shareholding (Rights Offering). These ordinary shares have a par value of Baht 0.50 per share and are offered at a price of Baht 1 per share, totaling Baht 46,249,308. The company recorded the net share issuance expenses, net of tax, of Baht 1,720,000 as a deduction from the share premium account. The Company has received full payment for these shares and registered the capital increase with the Ministry of Commerce on July 25, 2024.

**14.1 Warrants to purchase ordinary share**

Changes to warrants to purchase ordinary shares for the nine-month period ended 30 September 2024 are as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Determined exercising date** | | **31 December**  **2023** |  |  | **30 September**  **2024** |
|  | **First**  **Exercise Date** | **Last**  **Exercise Date** | **Number of Remaining**  **shares** | **Exercise during the period** | **Number of expired shares** | **Number of Remaining**  **shares** |
|  |  |  |  |  |  |  |
| PROEN-W1 | 29/12/2022 | 22/03/2024 | 127,509,772 | 1,261 | 127,508,511 | - |

|  |
| --- |
| **15 Legal reserve** |

The movements of legal reserve can be analysed as follows:

|  |  |
| --- | --- |
|  | **Baht** |
| **For the nine-month period ended 30 September 2024** |  |
| Opening balance | 12,090,000 |
| Appropriation during the period | 234,000 |
|  |  |
| Closing balance | 12,324,000 |

Under Public Limited Companies Act, B.E. 2535(1992), the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) at each dividend declaration until the reserve is not less than 10% of the registered capital of the Company.

|  |
| --- |
| **16 Income taxes expense** |

Income tax expense is recognized based on management’s estimate of the weighted average effective annual income tax rate expected for the full financial year. The estimated average annual tax rate used for the period ended 30 September 2024 for consolidated financial information and separate financial information is 20.11% and 22.27% per annum, respectively   
(30 September 2023: 26.44% and 20.01% per annum).

|  |
| --- |
| **17 Earnings per share** |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
| **For the nine-month period ended** | **30 September** | **30 September** | **30 September** | **30 September** |
|  | **2024** | **2023** | **2024** | **2023** |
|  |  |  |  |  |
| **Basic earnings per share** |  |  |  |  |
| Net profit (loss) attributable to ordinary |  |  |  |  |
| shareholders of the Company (Baht) | (38,823,344) | 9,263,548 | (5,619,837) | 6,111,558 |
| Weighted average number of ordinary shares  outstanding (shares) | 358,624,707 | 327,250,306 | 358,624,707 | 327,250,306 |
|  |  |  |  |  |
| Basic earnings per share (Baht per share) | (0.11) | 0.03 | (0.02) | 0.02 |
|  |  |  |  |  |
| **Diluted earnings per share** |  |  |  |  |
| Net profit (loss) attributable to ordinary |  |  |  |  |
| shareholders of the Company (Baht) | (38,823,344) | 9,263,548 | (5,619,837) | 6,111,558 |
| Weighted average number of ordinary shares and  potential ordinary shares used as the  denominator (shares) | 358,624,707 | 341,445,334 | 358,624,707 | 341,445,334 |
|  |  |  |  |  |
| Diluted earnings per share (Baht per share) | (0.11) | 0.03 | (0.02) | 0.02 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
| **For the three-month period ended** | **30 September** | **30 September** | **30 September** | **30 September** |
|  | **2024** | **2023** | **2024** | **2023** |
|  |  |  |  |  |
| **Basic earnings per share** |  |  |  |  |
| Net profit (loss) attributable to ordinary |  |  |  |  |
| shareholders of the Company (Baht) | (17,941,585) | 5,425,404 | (8,944,925) | 2,898,216 |
| Weighted average number of ordinary shares outstanding (shares) | 381,384,046 | 346,159,414 | 381,384,046 | 346,159,414 |
|  |  |  |  |  |
| Basic earnings per share (Baht per share) | (0.05) | 0.02 | (0.02) | 0.01 |
|  |  |  |  |  |
| **Diluted earnings per share** |  |  |  |  |
| Net profit (loss) attributable to ordinary |  |  |  |  |
| shareholders of the Company (Baht) | (17,941,585) | 5,425,404 | (8,944,925) | 2,898,216 |
| Weighted average number of ordinary shares and  potential ordinary shares used as the  denominator (shares) | 381,384,046 | 360,310,761 | 381,384,046 | 360,310,761 |
|  |  |  |  |  |
| Diluted earnings per share (Baht per share) | (0.05) | 0.02 | (0.02) | 0.01 |

According to Note 14, the Company registered the capital increase to existing shareholders which is offering price below its fair value, considered as bonus shares. The Company has adjusted weighted average number of shares in order to calculate earnings per share for the period ended 30 September 2024 and 2023. Accordingly, basic earnings per share reflect a change in the number of shares.

There are no potential dilutive ordinary shares issue during the years.

|  |
| --- |
| **18 Related party transactions** |

The major shareholders of the Company are Wealth Water House Co., Ltd. and Mr. Kittipan Sribuaiam which own 24.24% and 14.32% of the Company’s shares, respectively. The remaining 61.44% of the shares are widely held.

The following material transactions were carried out with related parties:

1. **Revenue from sales and services**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
| **For the nine-month periods ended** | **30 September**  **2024** | **30 September**  **2023** | **30 September**  **2024** | **30 September**  **2023** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| **Sales of goods and services** |  |  |  |  |
| Subsidiaries | - | - | 990,894 | 629,652 |
| Parent company | 22,900 | 22,500 | 22,900 | 22,500 |
|  |  |  |  |  |
|  | 22,900 | 22,500 | 1,013,794 | 652,152 |
|  |  |  |  |  |
| **Management fee income** |  |  |  |  |
| Subsidiaries | - | - | 9,899,680 | 1,781,231 |
|  |  |  |  |  |
| **Rental income** |  |  |  |  |
| Subsidiaries | - | - | 476,752 | 156,600 |
|  |  |  |  |  |
| **Interest income** |  |  |  |  |
| Subsidiaries | - | - | 7,124,755 | 7,532,831 |
| Related company | 2,815,068 | 1,130,137 | 2,815,068 | 1,130,137 |
|  |  |  |  |  |
|  | 2,815,068 | 1,130,137 | 9,939,823 | 8,662,968 |
|  |  |  |  |  |
| **Dividend income** |  |  |  |  |
| Subsidiaries | - | - | - | 1,000,000 |

1. **Purchases of goods and services**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
| **For the nine-month periods ended** | **30 September**  **2024** | **30 September**  **2023** | **30 September**  **2024** | **30 September**  **2023** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
| **Costs of goods and services** |  |  |  |  |
| Subsidiaries | - | - | 1,233,525 | 1,304,775 |
|  |  |  |  |  |
| **Management fee expense** |  |  |  |  |
| Subsidiaries | - | - | 4,410,945 | 6,779,233 |
|  |  |  |  |  |
| **Rental expense** |  |  |  |  |
| Director | 337,719 | 184,211 | 337,719 | 184,211 |
|  |  |  |  |  |
| **Other expense** |  |  |  |  |
| Subsidiaries | - | - | 35,000 | - |

1. **Outstanding balances arising from purchases of goods and services**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **30 September** | **31 December** | **30 September** | **31 December** |
|  | **2024** | **2023** | **2024** | **2023** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| **Trade accounts receivable (Note 7)** |  |  |  |  |
| Subsidiaries | - | - | 258,031 | 487,205 |
| Parent company | - | - | - | - |
|  |  |  |  |  |
|  | - | - | 258,031 | 487,205 |
|  |  |  |  |  |
| **Other receivable** |  |  |  |  |
| Subsidiaries | - | - | 127,664 | - |
|  |  |  |  |  |
| **Accrued income** |  |  |  |  |
| Subsidiaries | - | - | 20,640,828 | 11,935,221 |
| Parent company | 2,700 | 1,333 | 2,700 | 1,333 |
|  |  |  |  |  |
|  | 2,700 | 1,333 | 20,643,528 | 11,936,554 |
|  |  |  |  |  |
| **Prepaid rental** |  |  |  |  |
| Director | 92,105 | - | 92,105 | - |
|  |  |  |  |  |
| **Interest receivable** |  |  |  |  |
| Subsidiaries | - | - | 10,431,544 | 4,950,298 |
| Related company | 4,900,685 | 2,085,616 | 4,900,685 | 2,085,616 |
|  |  |  |  |  |
|  | 4,900,685 | 2,085,616 | 15,332,229 | 7,035,914 |
|  |  |  |  |  |
| **Trade accounts payable (Note 13)** |  |  |  |  |
| Subsidiaries | - | - | - | 161,597 |
|  |  |  |  |  |
| **Accrued expense** |  |  |  |  |
| Subsidiaries | - | - | 1,396,112 | 18,685,677 |

1. **Short-term loans to** **subsidiary**

The movements of short-term loans to subsidiary can be analysed as follows:

|  |  |
| --- | --- |
|  | **Separate**  **financial information** |
|  | **Baht** |
|  |  |
| **For the nine-month period ended 30 September 2024** |  |
| Opening balance | 104,765,368 |
| Additions during the period | 72,061,000 |
| Repayment during the period | (58,157,105) |
|  |  |
| Closing balance | 118,669,263 |

Short-term loans to subsidiary were given on commercial terms and conditions. The related interest income was Baht 7,124,755 in the separate financial information. The short-term loans to subsidiary bear interest rate at 8.00% per annum and due for repayment from October to December 2024.

1. **Short-term loans to** **related company**

The movements of short-term loans to related company can be analysed as follows:

|  |  |
| --- | --- |
|  | **Consolidated and Separate**  **financial information** |
|  | **Baht** |
| **For the nine-month period ended 30 September 2024** |  |
| Opening balance | 25,000,000 |
| Additions during the period | - |
|  |  |
| Closing balance | 25,000,000 |

Short-term loans to related company were given on commercial terms and conditions. The related interest income was Baht 2,815,068 in the consolidated and separate financial information. The short-term loans to related company bear interest rate at 15.00% per annum and due for repayment in June 2025.

1. **Key management compensation**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
| **For the nine-month periods ended** | **30 September**  **2024** | **30 September**  **2023** | **30 September**  **2024** | **30 September**  **2023** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Short-term employee benefits | 18,101,547 | 15,663,776 | 11,686,270 | 12,795,042 |
| Post-employee benefits | 2,040,432 | 2,074,371 | 1,551,357 | 2,074,371 |
|  |  |  |  |  |
|  | 20,141,979 | 17,738,147 | 13,237,627 | 14,869,413 |

|  |
| --- |
| **19 Commitments and contingencies** |

1. **Capital expenditure commitments**

Capital expenditure contracted as at the statement of financial position date but not recognised as liabilities is as follows:

|  |  |  |
| --- | --- | --- |
|  | **Consolidated and separate**  **financial information** | |
|  | **30 September** | **31 December** |
|  | **2024**  **Baht** | **2023**  **Baht** |
|  |  |  |
| Building and equipment | 47,792,540 | 247,618,503 |

1. **Guarantees**

At 30 September 2024, the Company has obligation to secure overdraft facilities of subsidiary of Baht 5 million (2023: Baht 5 million) and letter guarantees facilities of subsidiary of Baht 58.39 million (2023: Baht 21.55 million).

1. **Bank guarantees**

At 30 September 2024, the Group has outstanding bank guarantees as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Consolidated**  **financial information** | | **Separate**  **financial information** | |
|  | **30 September**  **2024** | **31 December**  **2023** | **30 September**  **2024** | **31 December**  **2023** |
|  | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |
| Bank guarantee | 210,326,450 | 165,328,447 | 150,196,220 | 120,791,410 |

|  |
| --- |
| **20 Subsequence event** |

**Issuance of warrants to purchase ordinary shares (PROEN-W2)**

On June 12, 2024, the Extraordinary General Meeting no.1/2024 of the Company, shareholders approved to issue warrants (PROEN-W2) to purchase ordinary shares for existing shareholders. On October 15, 2024, the warrants are allocated to existing shareholders. The preliminary features of the PROEN-W2 are:

|  |  |
| --- | --- |
| Number of warrants issued and offered | 98,140,515 units |
| Method of allotment of warrants | 4 shares: 1 warrant |
| Offering price (Baht per unit) | Baht 0 per unit |
| Tenor of warrants | Within 2 years after being allocated |
|  | (from 15 October 2024 to 14 October 2026) |
| Warrants allocation date | 15 October 2024 |
| Exercise ratio | 1 warrant unit: 1 newly issued ordinary share |
| Exercise price | Baht 1 per share (at the par value of Baht 0.50) |
| Excise period | Warrant holders will be able to exercise the warrants within 14 October 2026 |
| Expiration of the exercise period | 15 October 2026 |
| Record date | 30 September 2024 |