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| **1 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 2021.

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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| **2 Accounting policies** |

The accounting policies used in the preparation of the interim financial information are consistent with those used in the financial statements for the year ended 31 December 2022, except for the new and amended Thai Financial Reporting Standards effective for the accounting periods beginning on 1 January 2023 which do not have material impacts on   
the Company.

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| **3 Accounting estimates** |

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

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| **4 Segment and revenue information** |

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the Chairman of Executive Committee and the Managing Director who make decisions about the allocation of resources to the segment and assess its performances.

The Company operates under 2 operating segments as follows:

1. **Services segment**
   1. Services and construction of ventilation, and air conditioning systems, electricity systems and plumbing systems
   2. Maintenance services.
2. **Sales segment**

2.1 Sales and installation of ventilation, and air conditioning, electricity systems and plumbing systems equipment.

The material segments’ revenue and profits are presented as follow:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **For the three-month period ended 31 March** | | | | | | |
|  | **Services segment** | | **Sales segment** | | **Total** | | |
|  | **Unaudited** | **Unaudited** | **Unaudited** | **Unaudited** | **Unaudited** | **Unaudited** |
|  | **2023** | **2022** | **2023** | **2022** | **2023** | **2022** |
|  | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** | **Baht** |
|  |  |  |  |  |  |  |
| Revenue from sales and rendering services | 226,275,254 | 167,694,215 | 72,764,236 | 64,237,487 | 299,039,490 | 231,931,702 |
| Cost of sales and rendering services | (200,743,748) | (147,749,247) | (72,337,056) | (56,251,336) | (273,080,804) | (204,000,583) |
|  |  |  |  |  |  |  |
| Gross profit | 25,531,506 | 19,944,968 | 427,180 | 7,986,151 | 25,958,686 | 27,931,119 |
| Other income |  |  |  |  | 231,103 | 1,053,877 |
| Selling expenses |  |  |  |  | (4,926,783) | (4,346,810) |
| Administrative expenses |  |  |  |  | (13,854,962) | (12,536,994) |
| Finance costs |  |  |  |  | (433,835) | (1,006,903) |
|  |  |  |  |  |  |  |
| Net profit before income tax |  |  |  |  | 6,974,209 | 11,094,289 |
| Income tax expense |  |  |  |  | (1,559,444) | (2,608,470) |
|  |  |  |  |  |  |  |
| Net profit for the period |  |  |  |  | 5,414,765 | 8,485,819 |
|  |  |  |  |  |  |  |
| Timing of revenue recognition: |  |  |  |  |  |  |
| At a point in time | - | - | 72,764,236 | 64,237,487 | 72,764,236 | 64,237,487 |
| Over time | 226,275,254 | 167,694,215 | - | - | 226,275,254 | 167,694,215 |
|  |  |  |  |  |  |  |
|  | 226,275,254 | 167,694,215 | 72,764,236 | 64,237,487 | 299,039,490 | 231,931,702 |

**Major customers information**

Details of major customers for the three-month period ended 31 March are as follows:

|  |  |  |
| --- | --- | --- |
|  | **Unaudited** | **Unaudited** |
|  | **31 March** | **31 March** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| Customer 1 | 193,685,020 | 219,347,452 |
| Customer 2 | 94,095,909 | - |
|  |  |  |
| Total | 287,780,929 | 223,434,302 |

|  |
| --- |
| **5 Fair value** |

The fair value of the Company’s financial assets and liabilities corresponds with their carrying amounts, since the maturity dates fall within one year. The fair value of the short-term borrowings from financial institutions and the current portion of long-term borrowings from financial institutions is close to the carrying amounts because the effective interest rates are comparable to market interest rates. The fair value of the long-term borrowings from financial institutions is close to the carrying amount because these are floating-rate loans.

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 or closing price by reference to the Stock   
 Exchange of Thailand or the Thai Bond Dealing Centre.

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.

There were no transfers between levels during the period.

|  |
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| **6 Trade receivables and** **other receivables** |

|  |  |  |
| --- | --- | --- |
|  | **Unaudited** | **Audited** |
|  | **31 March** | **31 December** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| Trade receivables - third parties | 286,918,268 | 212,948,967 |
| Less Loss allowance | (2,303,321) | (2,303,321) |
|  |  |  |
| Total trade receivables, net | 284,614,947 | 210,645,646 |
| Other receivables - third parties | 750,132 | 1,174,541 |
| Other receivables - employees | - | 38,201 |
| Prepayments | 5,799,040 | 7,430,009 |
| Deposits | 268,400 | 210,075 |
|  |  |  |
|  | | 291,432,519 | 219,498,472 |

**Fair values of trade receivables**

The fair value of trade receivables is close to the carrying amounts because it is current assets.

Trade account receivables can analyse aging as follows:

|  |  |  |
| --- | --- | --- |
|  | **Unaudited** | **Audited** |
|  | **31 March** | **31 December** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| Not yet due | 86,187,321 | 89,863,555 |
| Up to 3 months | 196,156,471 | 112,067,015 |
| 3 - 6 months | - | 8,565,276 |
| 6 - 12 months | 2,121,355 | 149,800 |
| Over 12 months | 2,453,121 | 2,303,321 |
|  |  |  |
|  | 286,918,268 | 212,948,967 |
| Less Loss allowance | (2,303,321) | (2,303,321) |
|  |  |  |
| Total | 284,614,947 | 210,645,646 |

|  |
| --- |
| **7 Contract assets** |

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

|  |  |  |
| --- | --- | --- |
|  | **Unaudited** | **Audited** |
|  | **31 March** | **31 December** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| **Current contract assets** |  |  |
| Contract assets from sales of goods contracts | 5,261,594 | - |
| Contract assets from construction contracts | 410,576,009 | 348,886,840 |
| Less Loss allowance | (287,128) | (287,128) |
|  |  |  |
| Total | 415,550,475 | 348,599,712 |

The detail for contract assets from construction contract were as follows:

|  |  |  |
| --- | --- | --- |
|  | **Unaudited** | **Audited** |
|  | **31 March** | **31 December** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| Contract costs to date | 1,117,408,874 | 784,871,674 |
| Recognised profits to date | 159,163,813 | 122,415,718 |
|  |  |  |
| Contract costs incurred and recognised profits to date | 1,276,572,687 | 907,287,392 |
| Less Progress billings | (865,996,678) | (558,400,552) |
|  |  |  |
| Less Loss allowance | (287,128) | (287,128) |
|  |  |  |
| Total contract assets | 410,288,881 | 348,599,712 |

Contract assets are unbilled revenue from contracts with customers. Contract assets are due within 12 months.

|  |
| --- |
| **8 Inventory** |

|  |  |  |
| --- | --- | --- |
|  | **Unaudited** | **Audited** |
|  | **31 March** | **31 December** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| Work in progress | 12,952,012 | 15,211,014 |
| Finished goods | 65,271,773 | 69,041,724 |
| Goods in transit | 765,613 | 2,091,855 |
|  |  |  |
| **Total** | 78,989,398 | 86,344,593 |

|  |
| --- |
| **9 Leasehold improvements, equipment and right-of-use assets, net** |

Movements of leasehold improvements, equipment and right-of-use assets for the three-month period ended 31 March 2023 are as follows:

|  |  |  |
| --- | --- | --- |
|  | **Leasehold** |  |
|  | **Improvements and equipment** | **Right-of-use assets** |
|  | **Baht** | **Baht** |
|  |  |  |
| **For the three-month period ended 31 March 2023** |  |  |
| Opening net book amount (Audited) | 5,499,891 | 17,982,378 |
| Additions | 294,449 | - |
| Depreciation and amortization charge | (433,829) | (1,607,630) |
|  |  |  |
| Closing net book amount (Unaudited) | 5,360,511 | 16,374,748 |

|  |
| --- |
| **10 Other non-current assets** |

As at 31 March 2023, the Company’s other non-current assets increased mainly from the increase of retention receivables of Baht 8.14 million.

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

|  |  |  |
| --- | --- | --- |
|  | **Unaudited** | **Audited** |
|  | **31 March** | **31 December** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| **Current** |  |  |
| Current portion of long-term borrowings from financial institutions | 11,294,623 | 10,615,395 |
| Current portion of finance lease liabilities | 5,912,239 | 6,137,627 |
|  |  |  |
| **Total current borrowings** | 17,206,862 | 16,753,022 |
|  |  |  |
| **Non-current** |  |  |
| Long-term borrowings from financial institutions | 9,667,125 | 12,928,670 |
| Lease liabilities | 6,381,181 | 7,721,320 |
|  |  |  |
| Total non-current borrowings | 16,048,306 | 20,649,990 |
|  |  |  |
| **Total borrowings** | 33,255,168 | 37,403,012 |

Movements of long-term borrowings from financial institutions and lease liabilities for the three-month period ended   
31 March 2023 are as follows:

|  |  |  |
| --- | --- | --- |
|  | **Long-term** |  |
|  | **borrowings from financial institutions** | **Lease liabilities** |
|  | **Baht** | **Baht** |
|  |  |  |
| **For the three-month period ended 31 March 2023** |  |  |
| Opening net book amount (Audited) | 23,544,065 | 13,858,947 |
| Repayments | (3,053,279) | (1,701,652) |
| Finance costs | 470,962 | 136,125 |
|  |  |  |
| Closing net book amount (Unaudited) | 20,961,748 | 12,293,420 |

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| --- |
| **12 Trade and other payables** |

|  |  |  |
| --- | --- | --- |
|  | **Unaudited** | **Audited** |
|  | **31 March** | **31 December** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| Trade payables - Third parties | 240,809,768 | 308,056,207 |
| Other payables - Third parties | 2,533,328 | 3,384,552 |
| - Related persons (Note 17 (a)) | 157,710 | 131,831 |
| Accrued expenses | 2,855,987 | 4,277,682 |
| Accrued commission | 7,176,784 | 5,497,453 |
| Accrued construction cost | 445,990 | 16,260 |
|  |  |  |
|  | 253,979,567 | 321,363,985 |

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| --- |
| **13 Contract liabilities** |

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

|  |  |  |
| --- | --- | --- |
|  | **Unaudited** | **Audited** |
|  | **31 March** | **31 December** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| **Current contract liabilities** |  |  |
| Contract liabilities from sales of goods contracts | 19,058,999 | 19,626,835 |
|  |  |  |
| Total | 19,058,999 | 19,626,835 |

The detail for contract liabilities from construction contract were as follows:

|  |  |  |
| --- | --- | --- |
|  | **Unaudited** | **Audited** |
|  | **31 March** | **31 December** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| **Current contract liabilites** |  |  |
| Cost of project incurred to date | - | 142,918,336 |
| Profit recognised to date | - | 12,498,424 |
|  |  |  |
| Cost of project incurred adjusted by profit recognised to date | - | 155,416,760 |
| Less: amount collected from customers | - | (155,416,760) |
|  |  |  |
| Total contract liabilities | - | - |

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| --- |
| **14 Other non-current liabilities** |

As at 31 March 2023, the Company’s other non-current liabilities increased mainly from the increase of retention payables of Baht 7.90 million.

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| **15 Income tax** |

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:

|  |  |  |
| --- | --- | --- |
|  | **Unaudited** | **Unaudited** |
| **For the three-month period ended** | **31 March** | **31 March** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| Profit before tax | 6,974,209 | 11,094,289 |
|  |  |  |
| Tax calculated at a tax rate of 20% (2022: 20%) | 1,394,842 | 2,218,858 |
| Tax effect of : |  |  |
| Expenses not deductible for tax purposes | 164,602 | 402,562 |
| Additional expenses deductible for tax purpose | - | (12,950) |
|  |  |  |
| Income tax | 1,559,444 | 2,608,470 |

Income tax expense is 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 three-month period ended   
31 March 2023 is 22.36%, compared to 23.51%, for the three-month period ended 31 March 2022. The effective tax rate was lower than prior period because of the decrease in expenses not deductible for tax purposes.

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| **16 Basic 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.

At the Extraordinary General Meeting of shareholders No.1/2022, held on 22 March 2022, the shareholders approved the change in par value of Baht 100 per share to Baht 0.50 per share. The Company adjust the number of outstanding ordinary shares to reflect the increase in the number of ordinary shares as if the event has occurred at the beginning of the period presented. The number of shares in 2022 was also adjusted for the purposes of comparable earnings per share.

|  |  |  |
| --- | --- | --- |
|  | **Unaudited** | **Unaudited** |
| **For the three-month period ended** | **31 March** | **31 March** |
|  | **2023** | **2022** |
|  |  |  |
| Profit attributable to the ordinary equity holders of the company (Baht) | 5,414,765 | 8,485,819 |
| Weighted average number of ordinary shares issued during the period (Shares) | 430,000,000 | 266,250,000 |
|  |  |  |
| Basic earnings per share (Baht) | 0.01 | 0.03 |

There are no potential dilutive ordinary shares in issue for the period ended 31 March 2023 and 2022.

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| --- |
| **17 Related party transactions** |

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies 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.

Major shareholders of the Company are Mr. Yodsawee Wattanateerakitja and Mr. Santi Maneewong, who aggregately hold 48.84% of the total shares (31 December 2022: 48.84% of the total shares).

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

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

|  |  |  |
| --- | --- | --- |
|  | **Unaudited** | **Audited** |
|  | **31 March** | **31 December** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| **Other payable** |  |  |
| Related persons | 157,710 | 131,831 |

**b) Key management compensation**

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

|  |  |  |
| --- | --- | --- |
|  | **Unaudited** | **Unaudited** |
| **For the three-month period ended** | **31 March** | **31 March** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| Salaries and other short-term benefits | 3,349,232 | 2,471,250 |
| Post-retirement benefit | 122,885 | 105,160 |
|  |  |  |
| Total | 3,472,117 | 2,576,410 |

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| **18 Commitments and contingent liabilities** |

**18.1 Commitments from non-cancellable service contracts**

As at 31 March, the Company has entered non-cancellable service contracts in respect of computer software license and office rental services. The future aggregate minimum lease payments under non-cancellable service contracts are as follows:

|  |  |  |
| --- | --- | --- |
|  | **Unaudited** | **Audited** |
|  | **31 March** | **31 December** |
|  | **2023** | **2022** |
|  | **Baht** | **Baht** |
|  |  |  |
| Not later than 1 year | 2,222,322 | 1,502,322 |
| Later than 1 year but not later than 5 years | - | 315,581 |
|  |  |  |
|  | 2,222,322 | 1,817,903 |

**18.2 Bank guarantees**

As at 31 March 2023, the Company had outstanding letters of guarantee of Baht 65.76 million (31 December 2022: Baht 50.83 million) issued by a bank for purchases of goods. No liabilities are anticipated to be arisen from this commitment.

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| --- |
| **19 Events occurring after the reporting date** |

**Establishment of a subsidiary**

On 23 January 2023, the Board of Directors' meeting approved to establish a new subsidiary, Twenty Four Home Company Limited, with its registered capital of Baht 5,000,000, comprise of 50,000 ordinary shares at par value of Baht 100. The Company acquired 49,997 ordinary shares at a par value of Baht 100 each, totaling Baht 4,999,700, with 99.99% ownership interests. The subsidiary was incorporated for the business of sales and installation of air conditioning system, including services via application and vending machine. The new subsidiary was registered with the Ministry of Commerce on 24 April 2023.

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| **20 Authorisation of financial information** |

This interim financial information was authorised for issue by the Board of Directors on 12 May 2023.