

Dexon Technology Public Company Limited
and its subsidiaries

Review report and consolidated and
separate financial information

For the three-month and six-month periods ended
30 June 2024

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Dexon Technology Public Company Limited

I have reviewed the accompanying consolidated financial information of Dexon Technology Public Company Limited and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the related consolidated statements of comprehensive income for the three-month and six-month periods then ended, and the related consolidated statements of changes in shareholders' equity and cash flows for the six-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Dexon Technology Public Company Limited for the same periods (collectively "the interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

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

Conclusion

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

Other Matter

The consolidated statement of financial position of Dexon Technology Public Company Limited and its subsidiaries, and the separate statement of financial position of Dexon Technology Public Company Limited as at 31 December 2023, presented herein as comparative information, were audited by another auditor who expressed an unmodified opinion on those statements, under his report dated 28 February 2024. The consolidated and separate financial performance and cash flows statements, which comprise the statements of comprehensive income for the three-month and six-month periods ended 30 June 2023, and the statements of changes in shareholders' equity and cash flows for the six-month period then ended of Dexon Technology Public Company Limited and its subsidiaries and of Dexon Technology Public Company Limited, respectively, presented herein as comparative information, were also reviewed by the aforementioned auditor who concluded, under his report dated 15 August 2023, that nothing had come to his attention that caused him to believe that the interim financial information was not prepared, in all material respects, in accordance with Thai Accounting Standard 34 Interim Financial Reporting.



Orawan Techawatanasirikul
Certified Public Accountant (Thailand) No. 4807

EY Office Limited
Bangkok: 14 August 2024

Dexon Technology Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2024

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 June 2024	31 December 2023	30 June 2024	31 December 2023
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		151,044,063	148,946,021	112,056,632	120,033,295
Trade and other receivables	2, 3	107,547,280	141,439,814	72,462,463	138,434,581
Contract assets	4	117,656,453	114,212,377	111,022,181	72,831,538
Inventories	5	65,308,651	60,293,137	64,751,880	60,133,782
Other current financial assets		-	8,736,137	-	-
Other current assets		8,502,017	2,794,107	6,092,812	1,689,180
Total current assets		450,058,464	476,421,593	366,385,968	393,122,376
Non-current assets					
Investments in subsidiaries	6	-	-	132,315,569	116,845,049
Property, plant and equipment	7	462,248,773	426,652,341	466,761,243	433,517,151
Intangible assets	8	64,693,177	61,110,313	64,527,980	60,873,132
Right-of-use assets		19,366,446	20,877,072	16,647,563	18,265,698
Deferred tax assets		6,048,073	5,169,987	5,672,915	4,837,588
Other non-current assets		27,580,897	44,606,865	26,605,630	42,076,149
Total non-current assets		579,937,366	558,416,578	712,530,900	676,414,767
Total assets		1,029,995,830	1,034,838,171	1,078,916,868	1,069,537,143

The accompanying condensed notes to interim financial statements are an integral part of the financial statements.

Dexon Technology Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 June 2024

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2024	31 December 2023	30 June 2024	31 December 2023
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from bank	9	54,972,853	57,472,853	54,972,853	57,472,853
Trade and other payables	10	61,411,596	68,901,310	68,355,584	82,754,776
Advanced received from customers		7,985,092	513,650	7,409,092	230,900
Current portion of lease liabilities		8,117,895	8,901,501	6,461,756	6,680,018
Other current liabilities		4,630,824	3,711,558	2,885,333	2,181,233
Total current liabilities		137,118,260	139,500,872	140,084,618	149,319,780
Non-current liabilities					
Lease liabilities, net of current portion		10,549,896	12,071,386	9,974,758	11,579,542
Provision for long-term employee benefits		28,286,286	24,766,340	26,410,495	23,104,346
Total non-current liabilities		38,836,182	36,837,726	36,385,253	34,683,888
Total liabilities		175,954,442	176,338,598	176,469,871	184,003,668

The accompanying condensed notes to interim financial statements are an integral part of the financial statements.

Dexon Technology Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 June 2024

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered				
476,500,000 ordinary shares of Baht 0.5 each	238,250,000	238,250,000	238,250,000	238,250,000
Issued and fully paid-up				
476,500,000 ordinary shares of Baht 0.5 each	238,250,000	238,250,000	238,250,000	238,250,000
Share premium	474,939,483	474,939,483	474,939,483	474,939,483
Reserve for share-based payment	13,132,373	13,132,373	13,132,373	13,132,373
Discount on business combination				
under common control	(32,504,569)	(32,504,569)	-	-
Retained earnings				
Appropriated - statutory reserve	9,408,570	9,408,570	9,408,570	9,408,570
Unappropriated	141,222,622	150,257,178	166,716,571	149,803,049
Other components of shareholders' equity	9,592,509	5,016,138	-	-
Equity attributable to owners of the Company	854,040,988	858,499,173	902,446,997	885,533,475
Non-controlling interests of the subsidiary	400	400	-	-
Total shareholders' equity	854,041,388	858,499,573	902,446,997	885,533,475
Total liabilities and shareholders' equity	1,029,995,830	1,034,838,171	1,078,916,868	1,069,537,143

The accompanying condensed notes to interim financial statements are an integral part of the financial statements.

Directors

Dexon Technology Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 30 June 2024

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2024	2023	2024	2023
Profit or loss:					
Revenues					
Service income		193,275,978	125,831,540	164,293,730	95,177,877
Sales income		-	-	83,973	15,600
Other income		815,239	129,189	1,317,070	1,130,703
Total revenues		194,091,217	125,960,729	165,694,773	96,324,180
Expenses					
Cost of services		116,399,113	106,622,105	99,061,029	85,319,207
Cost of sales		-	-	23,190	12,901
Selling and distribution expenses		14,339,738	9,830,823	11,052,885	9,452,688
Administrative expenses		34,760,730	28,283,534	22,169,524	20,501,811
Total expenses		165,499,581	144,736,462	132,306,628	115,286,607
Operating profit (loss)		28,591,636	(18,775,733)	33,388,145	(18,962,427)
Expected credit losses		(2,958,143)	387,826	(1,899,073)	792,988
Gain (loss) on exchange rate		(671,511)	1,022,562	668,158	1,012,259
Finance cost		(992,542)	(1,531,174)	(945,524)	(1,472,218)
Profit (loss) before income tax expenses		23,969,440	(18,896,519)	31,211,706	(18,629,398)
Income tax expenses	11, 13	(2,202,386)	(3,085,575)	(2,234,658)	(2,791,264)
Profit (loss) for the period		21,767,054	(21,982,094)	28,977,048	(21,420,662)
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>					
Translation adjustments		854,602	2,500,035	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		854,602	2,500,035	-	-
Other comprehensive income for the period		854,602	2,500,035	-	-
Total comprehensive income for the period		22,621,656	(19,482,059)	28,977,048	(21,420,662)
Earnings (loss) per share					
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company	12	0.046	(0.046)	0.061	(0.045)

The accompanying condensed notes to interim financial statements are an integral part of the financial statements.

Dexon Technology Public Company Limited and its subsidiaries

Statement of comprehensive income

For the six-month period ended 30 June 2024

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Profit or loss:					
Revenues					
Service income		335,502,142	270,525,511	293,244,890	218,882,716
Sales income		-	103,737	87,973	122,537
Other income		1,352,225	822,534	2,386,286	2,692,855
Total revenues		336,854,367	271,451,782	295,719,149	221,698,108
Expenses					
Cost of services		218,002,818	203,450,795	182,506,782	167,685,471
Cost of sales		-	17,155	26,305	30,056
Selling and distribution expenses		28,880,268	21,085,656	24,245,249	20,492,549
Administrative expenses		71,390,429	58,769,398	45,960,721	48,664,032
Total expenses		318,273,515	283,323,004	252,739,057	236,872,108
Operating profit (loss)		18,580,852	(11,871,222)	42,980,092	(15,174,000)
Expected credit losses		(2,865,447)	1,438,382	(2,598,205)	1,405,888
Gain (loss) on exchange rate		3,814,069	(257,765)	5,044,034	76,274
Finance cost		(2,003,828)	(4,049,478)	(1,909,438)	(3,972,214)
Profit (loss) before income tax expenses		17,525,646	(14,740,083)	43,516,483	(17,664,052)
Income tax expenses	11, 13	(1,782,545)	(3,148,378)	(1,825,304)	(2,668,041)
Profit (loss) for the period		15,743,101	(17,888,461)	41,691,179	(20,332,093)
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>					
Translation adjustments		4,576,371	1,741,916	-	-
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax</i>		4,576,371	1,741,916	-	-
Other comprehensive income for the period		4,576,371	1,741,916	-	-
Total comprehensive income for the period		20,319,472	(16,146,545)	41,691,179	(20,332,093)
Earnings (loss) per share	12				
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company		0.033	(0.038)	0.087	(0.043)

The accompanying condensed notes to interim financial statements are an integral part of the financial statements.

Dexon Technology Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the six-month period ended 30 June 2024

(Unit: Baht)

Consolidated financial statements										(Unit: Baht)
Equity attributable to owners of the Company										
	Issued and fully paid-up share capital	Share premium	Reserve for share-based payment	Discount on business combination under common control	Retained earnings		Other comprehensive income	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiary	Total shareholders' equity
					Appropriated - statutory reserve	Unappropriated				
Balance as at 1 January 2023	176,658,400	-	13,132,373	(32,504,569)	7,581,940	102,519,156	5,706,758	273,094,058	400	273,094,458
Profit (loss) for the period	-	-	-	-	-	(17,888,461)	1,741,916	(16,146,545)	-	(16,146,545)
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	(17,888,461)	1,741,916	(16,146,545)	-	(16,146,545)
Increase in share capital	61,591,600	476,418,098	-	-	-	-	-	538,009,698	-	538,009,698
Balance as at 30 June 2023	238,250,000	476,418,098	13,132,373	(32,504,569)	7,581,940	84,630,695	7,448,674	794,957,211	400	794,957,611
Balance as at 1 January 2024	238,250,000	474,939,483	13,132,373	(32,504,569)	9,408,570	150,257,178	5,016,138	858,499,173	400	858,499,573
Profit for the period	-	-	-	-	-	15,743,101	4,576,371	20,319,472	-	20,319,472
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	15,743,101	4,576,371	20,319,472	-	20,319,472
Dividend paid (Note 14)	-	-	-	-	-	(24,777,657)	-	(24,777,657)	-	(24,777,657)
Balance as at 30 June 2024	238,250,000	474,939,483	13,132,373	(32,504,569)	9,408,570	141,222,622	9,592,509	854,040,988	400	854,041,388

The accompanying condensed notes to interim financial statements are an integral part of the financial statements.

(Unaudited but reviewed)

Dexon Technology Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the six-month period ended 30 June 2024

	Separate financial statements					(Unit: Baht)	
	Issued and fully paid-up share capital	Share premium	Reserve for	Retained earnings			Total shareholders' equity
			share-based payment	Appropriated - statutory reserve	Unappropriated		
Balance as at 1 January 2023	176,658,400	-	13,132,373	7,581,940	119,378,822	316,751,535	
Loss for the period	-	-	-	-	(20,332,093)	(20,332,093)	
Other comprehensive income for the period	-	-	-	-	-	-	
Total comprehensive income for the period	-	-	-	-	(20,332,093)	(20,332,093)	
Increase in share capital	61,591,600	476,418,098	-	-	-	538,009,698	
Balance as at 30 June 2023	238,250,000	476,418,098	13,132,373	7,581,940	99,046,729	834,429,140	
Balance as at 1 January 2024	238,250,000	474,939,483	13,132,373	9,408,570	149,803,049	885,533,475	
Profit for the period	-	-	-	-	41,691,179	41,691,179	
Other comprehensive income for the period	-	-	-	-	-	-	
Total comprehensive income for the period	-	-	-	-	41,691,179	41,691,179	
Dividend paid (Note 14)	-	-	-	-	(24,777,657)	(24,777,657)	
Balance as at 30 June 2024	238,250,000	474,939,483	13,132,373	9,408,570	166,716,571	902,446,997	

The accompanying condensed notes to interim financial statements are an integral part of the financial statements.

Dexon Technology Public Company Limited and its subsidiaries**Statement of cash flows****For the six-month period ended 30 June 2024**

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Cash flows from operating activities				
Profit (loss) before tax	17,525,646	(14,740,083)	43,516,483	(17,664,052)
Adjustments to reconcile profit (loss) before tax to net cash provided by (used in) operating activities:				
Depreciation and amortisation	68,245,394	53,880,574	65,459,266	50,432,668
Expected credit losses (reversal)	2,865,447	(1,438,382)	2,598,205	(1,405,888)
Reversal of inventories to net realisable value	(13,522)	(4,813)	(13,522)	(4,813)
Loss on write-off of equipment	45,209	127,579	45,209	127,579
Gain on disposals of equipment	-	(19,136)	-	(19,136)
Loss on write-off of intangible assets	232	-	232	-
Provision for long-term employee benefits	4,405,693	1,662,993	4,191,896	1,545,462
Unrealised gain on foreign exchange	(990,664)	(1,152,368)	(1,983,085)	(1,302,973)
Interest income	(500,734)	(3,903)	(234,762)	(21)
Interest expenses	2,003,828	4,049,478	1,909,438	3,972,214
Profit from operating activities before changes in operating assets and liabilities	93,586,529	42,361,939	115,489,360	35,681,040
Decrease (increase) in operating assets				
Trade and other receivables	31,420,757	68,219,310	65,447,770	90,674,209
Contract assets	(3,444,076)	(24,996,124)	(38,190,643)	(16,771,495)
Inventories	(30,300,682)	(16,860,269)	(29,903,266)	(14,701,278)
Other current financial assets	8,736,137	-	-	-
Other current assets	(1,148,308)	(2,453,596)	(84,308)	(1,794,997)
Other non-current assets	17,025,968	(54,125)	-	-
Increase (decrease) in operating liabilities				
Trade and other payables	(7,426,693)	(24,589,168)	(14,489,965)	(43,697,529)
Advance received from customers	7,471,442	4,659,550	7,178,192	6,542,444
Other current liabilities	919,266	(17,938,848)	704,100	(18,539,240)
Payments of long-term employee benefits	(885,747)	-	(885,747)	-
Cash flows from operating activities	115,954,593	28,348,669	105,265,493	37,393,154
Cash received from interest income	500,734	3,903	234,762	21
Cash received from income tax	582,467	-	-	-
Interest paid	(2,460,994)	(3,476,282)	(2,366,604)	(3,399,017)
Corporate income tax paid	(7,220,233)	(7,161,222)	(6,979,954)	(6,611,958)
Net cash flows from operating activities	107,356,567	17,715,068	96,153,697	27,382,200

The accompanying condensed notes to interim financial statements are an integral part of the financial statements.

Dexon Technology Public Company Limited and its subsidiaries**Statement of cash flows (continued)****For the six-month period ended 30 June 2024**

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Cash flows from investing activities				
Cash paid for investment in subsidiaries	-	-	-	(62,261,979)
Cash paid for acquisition of equipment	(59,926,935)	(66,858,787)	(56,419,283)	(66,270,202)
Cash paid for acquisition of intangible assets	(17,280,407)	(9,900,595)	(17,280,407)	(9,900,595)
Advance payment for right-of-use assets	(614,090)	-	-	-
Cash received from disposal of equipment	-	19,206	-	19,206
Net cash flows used in investing activities	(77,821,432)	(76,740,176)	(73,699,690)	(138,413,570)
Cash flows from financing activities				
Decrease in bank overdrafts and short-term loans from banks	(2,500,000)	(60,600,808)	(2,500,000)	(60,600,808)
Repayment of long-term loans from banks	-	(88,564,290)	-	(88,564,290)
Cash paid for lease liabilities	(4,373,352)	(4,919,982)	(3,153,013)	(3,713,757)
Dividend paid	(24,777,657)	(10,235,600)	(24,777,657)	(10,235,600)
Cash received from issuance of ordinary shares	-	554,324,400	-	554,324,400
Payment for transaction costs related to share issuance	-	(17,588,476)	-	(17,588,476)
Net cash flows from (used in) financing activities	(31,651,009)	372,415,244	(30,430,670)	373,621,469
Effect of exchange rate to cash and cash equivalents	4,213,916	1,697,852	-	-
Net increase (decrease) in cash and cash equivalents	2,098,042	315,087,988	(7,976,663)	262,590,099
Cash and cash equivalents at beginning of period	148,946,021	26,121,703	120,033,295	14,647,092
Cash and cash equivalents at end of period	151,044,063	341,209,691	112,056,632	277,237,191

Supplemental cash flows information

Non-cash items consist of:

Increase in payables for purchasing equipment	-	4,783,734	-	5,031,964
Lease liabilities for right-of-use assets	2,415,272	5,725,652	1,787,133	2,984,286
Transferred intangible assets to equipment	3,417,891	-	3,417,891	-
Transferred inventories to equipment	25,298,690	-	25,298,690	-

The accompanying condensed notes to interim financial statements are an integral part of the financial statements.

Dexon Technology Public Company Limited and its subsidiaries
Condensed notes to interim financial statements
For the three-month and six-month periods ended 30 June 2024

1. General information

1.1 Corporate information

Dexon Technology Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is listed on the Market for Alternative Investment (MAI). The Company’s major shareholders are Ms. Korbkaew Kraowkaew and Dacon Industrial Inspection (Singapore) Pte. Ltd. (incorporated in Singapore), which shareholding is 36.33% and 25.02%, respectively. The Company is principally providing non-destructive inspection services, inspection training across the board of inspection standards, and distributor of tools, spare parts and equipment used for inspection of goods quality. The Company’s registered office is located at 78/4-5 Moo 6, Sukhumvit Road, Ban Chang Sub-district, Ban Chang, Rayong.

1.2 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 *Interim Financial Reporting*, with the Company presenting condensed interim financial statements. The Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements and has presented notes to the interim financial statements on a condensed basis.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial statements.

1.3 Basis of consolidation

The interim consolidated financial information included the financial statements of Dexon Technology Public Company Limited ("the Company") and its subsidiary companies ("the subsidiaries") (collectively as "the Group") and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2023, with no change in shareholding structure of subsidiaries during the current period, except for the registration of the establishment of Dexon Technology Europe GmbH (the subsidiary) as describe in Note 6 to interim consolidated financial statements.

1.4 Accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2023.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2024, do not have any significant impact on the Group's financial statements.

2. Related party transactions

During the period, the Group had significant business transactions with related persons and parties. Such transactions arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company, persons and those related parties. There were no significant changes in the transfer pricing policy of transactions with related parties.

The relationship between the Company and the related parties are summarised below.

Name of related parties	Relationship with the Company
Dexon Technology Pte. Ltd.	Subsidiary
Dexon Training Center Co., Ltd.	Subsidiary
Dexon Mechanical Solutions Co., Ltd.	Subsidiary
Dexon Technology Europe B.V.	Subsidiary
Dexon Technology USA Inc.	Subsidiary
Dexon Technology Europe GmbH*	Subsidiary
Dacon Trading Co., Ltd.	Mutual shareholding and directors
Dacon Services AS	Mutual shareholding and directors

* The subsidiary registered the establishment on 22 March 2024

Summaries significant business transactions with related parties as follows:

	(Unit: Baht)			
	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
<u>Transactions with subsidiaries</u>				
(eliminated from consolidated financial statements)				
Revenue from services	-	-	28,841,029	5,071,582
Revenue from sales	-	-	83,973	15,600
Rental income	-	-	258,480	258,480
Management fee	-	-	750,000	750,000
Other income	-	-	35,340	-
Purchase of goods	-	-	1,298,995	-
Purchase of fixed assets	-	-	111,325	-
Cost of services	-	-	1,621,589	4,709,850
Cost of sales	-	-	23,190	10,499
<u>Transactions with related parties</u>				
Revenue from services	-	25,014	-	7,014
Purchase of goods	-	218,208	-	218,208
Purchase of fixed assets	287,513	66,470	-	66,470
Cost of services	180,263	1,584,839	180,263	1,598,939
Administrative expenses	15,945	-	15,010	-

	(Unit: Baht)			
	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
<u>Transactions with subsidiaries</u>				
(eliminated from consolidated financial statements)				
Revenue from services	-	-	45,630,652	8,529,150
Revenue from sales	-	-	87,973	18,800
Rental income	-	-	516,960	516,960
Management fee	-	-	1,500,000	1,500,000
Other income	-	-	35,340	-
Purchase of goods	-	-	1,298,995	-
Purchase of fixed assets	-	-	160,764	-
Cost of services	-	-	4,510,787	9,723,165
Cost of sales	-	-	26,305	12,430
<u>Transactions with related parties</u>				
Revenue from services	-	25,014	-	7,014
Purchase of goods	-	218,208	-	218,208
Purchase of fixed assets	366,893	166,680	-	166,680
Cost of services	1,627,796	3,179,306	1,541,231	3,179,306
Selling expenses	113,630	-	113,630	-
Administrative expenses	214,122	-	124,040	-

The balances of the accounts between the Group and those related persons and parties are as follows:

	Consolidated financial statements		(Unit: Baht) Separate financial statements	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
<u>Trade receivables - related parties (Note 3)</u>				
Subsidiaries	-	-	7,620,751	41,353,678
Less: Allowance for expected credit losses	-	-	(281,278)	(472,780)
Total trade receivables - related parties, net	-	-	7,339,473	40,880,898
<u>Other receivables - related parties (Note 3)</u>				
Subsidiaries	-	-	1,025,841	1,113,956
Related parties	-	53,600	-	53,600
Total other receivables - related parties	-	53,600	1,025,841	1,167,556
<u>Prepaid expense - related parties (Note 3)</u>				
Subsidiaries	-	-	173,250	-
Related parties	-	236,773	-	236,773
Total prepaid expense - related parties	-	236,773	173,250	236,773
<u>Advance payment - related parties (Note 3)</u>				
Subsidiaries	-	-	262,629	-
Related parties	-	877,255	-	70,769
Total advance payment - related parties	-	877,255	262,629	70,769
<u>Contract assets - related parties (Note 4)</u>				
Subsidiaries	-	-	35,197,115	9,075,852
Related parties	-	-	-	-
Total contract assets - related parties	-	-	35,197,115	9,075,852
<u>Trade payables - related parties (Note 10)</u>				
Subsidiaries	-	-	2,465,076	3,778,765
Related parties	353,648	273,871	46,010	273,871
Total trade payables - related parties	353,648	273,871	2,511,086	4,052,636
<u>Other payables - related parties (Note 10)</u>				
Subsidiaries	-	-	16,062,780	15,408,205
Related person	422,216	392,123	-	-
Total other payables - related parties	422,216	392,123	16,062,780	15,408,205
<u>Accrued expense - related parties (Note 10)</u>				
Subsidiaries	-	-	160,965	809,518
Total other payables - related parties	-	-	160,965	809,518

Directors and management's benefits

(Unit: Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Short-term employee benefits	7,951,973	6,355,108	7,726,209	6,355,108
Post-employment benefits	579,431	174,544	562,499	174,544
Total	8,531,404	6,529,652	8,288,708	6,529,652

(Unit: Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Short-term employee benefits	14,823,209	15,793,898	14,597,445	15,793,898
Post-employment benefits	1,144,414	349,088	1,127,482	349,088
Total	15,967,623	16,142,986	15,724,927	16,142,986

3. Trade and other receivables

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2024	2023	2024	2023
Trade receivables - related parties (Note 2)				
Aged on the basis of due dates				
Not yet due	-	-	6,790,835	23,972,573
Past due				
Up to 3 months	-	-	85,911	17,381,105
3 - 6 months	-	-	744,005	-
Total	-	-	7,620,751	41,353,678
Less: Allowance for expected credit losses	-	-	(281,278)	(472,780)
Total trade receivables - related parties, net	-	-	7,339,473	40,880,898

(Unaudited but reviewed)

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due	61,872,681	74,072,433	36,106,356	56,544,193
Past due				
Up to 3 months	27,258,606	48,276,533	13,936,689	26,478,592
3 - 6 months	3,001,635	417,567	2,946,360	-
6 - 12 months	5,836,260	3,532,767	4,298,190	1,487,100
Total	97,969,182	126,299,300	57,287,595	84,509,885
Less: Allowance for expected credit losses	(5,667,717)	(2,787,743)	(5,188,822)	(2,399,115)
Total trade receivables - unrelated parties, net	92,301,465	123,511,557	52,098,773	82,110,770
Other receivables				
Other receivables - related parties (Note 2)	-	53,600	1,025,841	1,167,556
Other receivables - unrelated parties	1,867,408	1,422,876	390,253	212,189
Total other receivables	1,867,408	1,476,476	1,416,094	1,379,745
Prepaid expenses				
Prepaid expenses - related parties (Note 2)	-	236,773	173,250	236,773
Prepaid expenses - unrelated parties	12,841,555	14,309,105	10,757,025	12,726,978
Total prepaid expenses	12,841,555	14,545,878	10,930,275	12,963,751
Advance payment				
Advance payment - related parties (Note 2)	-	877,255	262,629	70,769
Advance payment - unrelated parties	536,852	1,028,648	415,219	1,028,648
Total advance payment	536,852	1,905,903	677,848	1,099,417
Trade and other receivables - net	107,547,280	141,439,814	72,462,463	138,434,581

4. Contract assets

(Unit: Baht)

	Consolidated		Separate	
	financial statements		Financial statements	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
Contract assets - related parties (Note 2)	-	-	35,197,115	9,075,852
Contract assets - unrelated parties	117,656,453	114,212,377	75,825,066	63,755,686
Total	117,656,453	114,212,377	111,022,181	72,831,538

Contract assets are unbilled revenue from customers. After 30 June 2024 until the date of the report, the contract assets are invoiced amounting to Baht 45.81 million (the Company only: Baht 50.61 million). The Group is in the process of invoicing to customers amounting to Baht 71.85 million for the completed works (the Company only: Baht 60.41 million). The majority can be invoiced within 30 September 2024.

5. Inventories

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
Inventories - cost	65,308,651	60,306,659	64,751,880	60,147,304
Reduce cost to net realisable value	-	(13,522)	-	(13,522)
Inventories - net	65,308,651	60,293,137	64,751,880	60,133,782

6. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements.

(Unit: Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023	30 June 2024	31 December 2023
			(%)	(%)		
Dexon Technology Pte. Ltd.	60,458,952	60,458,952	100.00	100.00	60,458,952	60,458,952
Dexon Training Center Co., Ltd.	1,999,700	1,999,700	99.99	99.99	1,999,700	1,999,700
Dexon Mechanical Solutions Co., Ltd.	4,999,800	4,999,800	99.98	99.98	4,999,800	4,999,800
Dexon Technology Europe B.V.	24,401,320	24,401,320	100.00	100.00	24,401,320	24,401,320
Dexon Technology USA Inc.	33,899,979	33,899,979	100.00	100.00	33,899,979	33,899,979
Dexon Technology Europe GmbH	15,470,520	-	100.00	-	15,470,520	-
Total					141,230,271	125,759,751
Less: Allowance for impairment on investments					(8,914,702)	(8,914,702)
Investments in subsidiaries - net					132,315,569	116,845,049

On 22 March 2024, the Company registered the establishment of “Dexon Technology Europe GmbH” with the registered share capital 400,000 ordinary shares with a par value of Euro 1 per share totaling Euro 400,000 or equivalent to Baht 15,470,520. The Company holds 100% of the shares and Dexon Technology Europe GmbH is regarded as a subsidiary of the Company as from such date.

7. Property, plant and equipment

Movements of property, plant and equipment for the six-month period ended 30 June 2024 are summaries below:

	(Unit: Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2024	426,652,341	433,517,151
Addition during the period - at cost	88,643,516	85,135,864
Write-off during the period - net book value as at write-off date	(45,209)	(45,209)
Depreciation for the period	(53,277,226)	(51,846,563)
Translation adjustments	275,351	-
Net book value as at 30 June 2024	462,248,773	466,761,243

8. Intangible assets

Movements of intangible assets for the six-month periods ended 30 June 2024 are summaries below:

	(Unit: Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2024	61,110,313	60,873,132
Acquisition during the period - at cost	13,862,516	13,862,516
Write-off during the period - net book value as at write-off date	(232)	(232)
Depreciation for the period	(10,287,547)	(10,207,436)
Translation adjustments	8,127	-
Net book value as at 30 June 2024	64,693,177	64,527,980

9. Short-term loans from bank

	Interest rate		Consolidated		Separate	
	(% per annum)		financial statements		financial statements	
	30 June	31 December	30 June	31 December	30 June	31 December
	2024	2023	2024	2023	2024	2023
Promissory notes	MLR - 2.50	MLR - 2.50	54,972,853	57,472,853	54,972,853	57,472,853

Short-term loans from bank of the Company are secured by the mortgage of the land and building of the Company. The loan agreements contain several covenants which, among other things, require the Company to maintain debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreements.

10. Trade and other payables

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2024	2023	2024	2023
Trade payables				
Trade payables - related person and parties (Note 2)	353,648	273,871	2,511,086	4,052,636
Trade payables - unrelated parties	23,124,485	28,145,233	18,051,080	26,019,580
Total trade payables	23,478,133	28,419,104	20,562,166	30,072,216
Other payables				
Other payables - related parties (Note 2)	422,216	392,123	16,062,780	15,408,205
Other payables - unrelated parties	10,218,857	10,000,505	9,316,250	9,322,240
Accrued expenses	27,292,390	30,089,578	22,414,388	27,952,115
Total other payables	37,933,463	40,482,206	47,793,418	52,682,560
Total trade and other payables	61,411,596	68,901,310	68,355,584	82,754,776

11. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month and six-month periods ended 30 June 2024 are made up as follows:

	(Unit: Baht)			
	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Current income tax:				
Interim corporate income tax charge	2,660,631	196,515	2,660,631	(165,706)
Deferred tax:				
Relating to origination and reversal of temporary differences	(458,245)	2,889,060	(425,973)	2,956,970
Income tax expense reported in profit or loss	<u>2,202,386</u>	<u>3,085,575</u>	<u>2,234,658</u>	<u>2,791,264</u>

	(Unit: Baht)			
	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Current income tax:				
Interim corporate income tax charge	2,660,631	2,035,677	2,660,631	1,478,615
Deferred tax:				
Relating to origination and reversal of temporary differences	(878,086)	1,112,701	(835,327)	1,189,426
Income tax expense reported in profit or loss	<u>1,782,545</u>	<u>3,148,378</u>	<u>1,825,304</u>	<u>2,668,041</u>

12. Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing profit (loss) for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

The following table sets forth the computation of basic earnings (loss) per share:

For the three-month periods ended 30 June						
Consolidated financial statements						
Profit (loss) for the periods		Weighted average number of ordinary shares		Earnings (loss) per share		
2024	2023	2024	2023	2024	2023	
(Baht)	(Baht)	(shares)	(shares)	(Baht)	(Baht)	
Basic earnings (loss) per share						
Profit (loss) attributable to equity holders of the Company						
21,767,054	(21,982,094)	476,500,000	476,500,000	0.046	(0.046)	

For the three-month periods ended 30 June						
Separate financial statements						
Profit (loss) for the periods		Weighted average number of ordinary shares		Earnings (loss) per share		
2024	2023	2024	2023	2024	2023	
(Baht)	(Baht)	(Shares)	(Shares)	(Baht)	(Baht)	
Basic earnings (loss) per share						
Profit (loss) attributable to equity holders of the Company						
28,977,048	(21,420,662)	476,500,000	476,500,000	0.061	(0.045)	

For the six-month periods ended 30 June						
Consolidated financial statements						
Profit (loss) for the periods		Weighted average number of ordinary shares		Earnings (loss) per share		
2024	2023	2024	2023	2024	2023	
(Baht)	(Baht)	(shares)	(shares)	(Baht)	(Baht)	
Basic earnings (loss) per share						
Profit (loss) attributable to equity holders of the Company						
15,743,101	(17,888,461)	476,500,000	476,500,000	0.033	(0.038)	

For the six-month periods ended 30 June						
Separate financial statements						
Profit (loss) for the periods		Weighted average number of ordinary shares		Earnings (loss) per share		
2024	2023	2024	2023	2024	2023	
(Baht)	(Baht)	(Shares)	(Shares)	(Baht)	(Baht)	
Basic earnings (loss) per share						
Profit (loss) attributable to equity holders of the Company						
41,691,179	(20,332,093)	476,500,000	476,500,000	0.087	(0.043)	

13. Promotional privileges

The Group received the promotional privileges from the Board of Investment for three certificates No. 2608(1)/2555, No. 63-1366-1-00-2-0, and No. 61-1150-1-00-2-0 for approval on 4 October 2012 for scientific testing services, on 20 August 2018 for scientific testing services, and 24 November 2020 for design training center. Subject to certain imposed conditions, the privileges include the following conditions:

- a) Exemption from import duty on machinery as approved by the Board.
- b) Exemption from corporate income tax earned from promoted business for the period of 8 years counting from the date which the Group first derived revenue from the respective business activities.
- c) 50 percent reduction on the normal rate of corporate income tax for a period of 5 years after the expiration of the corporate income tax exemption period as mentioned above.

14. Dividends payment

Dividends	Approved by	Total dividends (Baht)	Dividend per share (Baht)
Dividends for 2023	Annual General Meeting of the Shareholders on 26 April 2024	24,777,657	0.052
Total dividends for the six-month period ended 30 June 2024		24,777,657	0.052

15. Segment information

The Group is organized into business units based on their services. During the current period, the Group has not changed the organization of their reportable segments from the last annual financial statements.

The following tables present revenues and profit information regarding the Group's operating segments for the three-month and six-month periods ended 30 June 2024.

For the three-month period ended 30 June 2024															(Unit: Baht)		
Consolidated financial statements																	
	Advance inspection technology																
	Conventional Non-destructive Inspection		Advance		Research and development Innovation				Asset Integrity Management Service		Training services		Total				
			Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	Domestic	Overseas	Sales	Elimination	Total		
Revenues from sales and service	26,581,760	-	34,501,114	23,665,198	22,439,626	92,956,331	3,765,302	10,636,294	4,023,141	764,330	192,751,336	5,905,017	-	83,973	225,322,086	(32,046,108)	193,275,978
Cost of sales and services	(19,492,356)	-	(21,167,012)	(18,361,002)	(14,198,544)	(55,432,395)	(2,573,382)	(10,576,811)	(1,969,546)	(429,944)	(124,708,636)	(4,159,514)	-	(23,190)	(148,393,698)	31,984,585	(116,399,113)
Segments operating profit	7,089,402	-	13,334,102	5,304,196	8,241,082	37,523,936	1,191,920	59,483	2,053,595	334,386	66,042,700	1,745,503	-	60,783	76,938,388	(61,523)	76,876,865
Unallocated income (expenses)																	
Other income																	815,239
Selling and distribution expenses																	(14,339,738)
Administrative expenses																	(34,760,730)
Expected credit losses																	(2,958,143)
Loss on exchange rate																	(671,511)
Finance cost																	(992,542)
Income tax expense																	(2,202,386)
Profit for the period																	21,767,054
Timing of revenue recognition																	
At a point in time	-	-	-	-	-	-	-	-	-	-	-	-	-	-	83,973	83,973	(83,973)
Overtime	26,581,760	-	34,501,114	23,665,198	22,439,626	92,956,331	3,785,302	10,636,294	4,023,141	764,330	192,751,336	5,905,017	-	-	225,238,113	(31,962,135)	193,275,978
	26,581,760	-	34,501,114	23,665,198	22,439,626	92,956,331	3,785,302	10,636,294	4,023,141	764,330	192,751,336	5,905,017	-	83,973	225,322,086	(32,046,108)	193,275,978

Consolidated financial statements

Other income	129,189
Selling and distribution expenses	(9,830,823)
Administrative expenses	(28,289,534)
Reversal of expected credit losses	387,826
Gain on exchange rate	1,022,562
Finance cost	(1,531,174)
Income tax expenses	(3,085,575)
Loss for the period	(21,982,094)

Consolidated financial statements

822,534	(21,085,656)
(58,769,398)	1,438,382
(257,765)	(4,049,478)
(3,148,378)	(17,888,461)

16. Commitments and contingent liabilities

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
Bank guarantees				
Contractual performance guarantees	26,631,921	38,367,597	26,631,921	38,367,597
Electricity guarantees	603,400	508,000	603,400	508,000

17. Fair value of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value are not expected to be materially different from the amounts presented in the statement of financial position.

18. Events after the reporting period

On 14 August 2024, a meeting of the Company's Board of Directors No. 4/2024 passed a resolution to approve a short-term loan to a subsidiary, for using in its operations, not exceeding Baht 16 million, and bears interest at a rate of MLR-2% per annum. Such loan is unsecured and will due within 1 year since the agreement date.

19. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 14 August 2024.