

Dexon Technology Public Company Limited
and its subsidiaries
Review report and consolidated and
separate financial information
For the three-month and nine-month periods ended
30 September 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 September 2024, the related consolidated statements of comprehensive income for the three-month and nine-month periods then ended, and the related consolidated statements of changes in shareholders' equity and cash flows for the nine-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 consolidated statements of comprehensive income for the three-month and nine-month periods ended 30 September 2023, and the consolidated statements of changes in shareholders' equity and consolidated cash flows for the nine-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 13 November 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: 8 November 2024

Dexon Technology Public Company Limited and its subsidiaries

Statement of financial position

As at 30 September 2024

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 September 2024	31 December 2023	30 September 2024	31 December 2023
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		163,871,596	148,946,021	113,974,238	120,033,295
Trade and other receivables	2, 3	95,209,701	141,439,814	82,208,316	138,434,581
Short-term loans to subsidiary	2	-	-	14,561,120	-
Contract assets	4	139,390,055	114,212,377	115,800,201	72,831,538
Inventories	5	69,983,851	60,293,137	70,260,402	60,133,782
Other current financial assets		-	8,736,137	-	-
Other current assets		10,279,505	2,794,107	7,209,079	1,689,180
Total current assets		478,734,708	476,421,593	404,013,356	393,122,376
Non-current assets					
Investments in subsidiaries	6	-	-	132,315,569	116,845,049
Property, plant and equipment	7	472,220,564	426,652,341	475,825,804	433,517,151
Right-of-use assets		18,029,164	20,877,072	14,815,209	18,265,698
Intangible assets	8	61,091,449	61,110,313	60,949,729	60,873,132
Deferred tax assets		6,157,427	5,169,987	5,760,889	4,837,588
Other non-current assets		27,803,964	44,606,865	30,150,489	42,076,149
Total non-current assets		585,302,568	558,416,578	719,817,689	676,414,767
Total assets		1,064,037,276	1,034,838,171	1,123,831,045	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 September 2024

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 September 2024	31 December 2023	30 September 2024	31 December 2023
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans					
from bank	9	83,173,614	57,472,853	83,173,614	57,472,853
Trade and other payables	10	86,974,686	68,901,310	93,878,494	82,754,776
Advance received from customers	2	5,231,672	513,650	4,861,448	230,900
Current portion of lease liabilities		8,331,085	8,901,501	6,491,914	6,680,018
Other current liabilities		4,803,987	3,711,558	2,334,935	2,181,233
Total current liabilities		188,515,044	139,500,872	190,740,405	149,319,780
Non-current liabilities					
Lease liabilities, net of current portion		9,514,896	12,071,386	8,583,055	11,579,542
Provision for long-term employee benefits		30,489,132	24,766,340	28,506,443	23,104,346
Total non-current liabilities		40,004,028	36,837,726	37,089,498	34,683,888
Total liabilities		228,519,072	176,338,598	227,829,903	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 September 2024

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2024	31 December 2023	30 September 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	132,551,382	150,257,178	160,270,716	149,803,049
Other components of shareholders' equity	(259,435)	5,016,138	-	-
Equity attributable to owners of the Company	835,517,804	858,499,173	896,001,142	885,533,475
Non-controlling interests of the subsidiary	400	400	-	-
Total shareholders' equity	835,518,204	858,499,573	896,001,142	885,533,475
Total liabilities and shareholders' equity	1,064,037,276	1,034,838,171	1,123,831,045	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 September 2024

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Profit or loss:					
Revenues					
Service income		184,412,079	116,654,171	148,870,170	95,670,285
Sales income		109,577	-	119,251	23,920
Other income		465,872	243,806	1,256,948	1,158,200
Total revenues		184,987,528	116,897,977	150,246,369	96,852,405
Expenses					
Cost of services		139,611,293	92,170,086	120,452,921	79,637,695
Cost of sales		49,547	-	23,242	19,934
Selling and distribution expenses		14,245,148	14,067,544	11,657,183	13,641,239
Administrative expenses		38,699,628	31,153,872	23,371,942	22,389,884
Total expenses		192,605,616	137,391,502	155,505,288	115,688,752
Operating loss		(7,618,088)	(20,493,525)	(5,258,919)	(18,836,347)
Reversal of expected credit losses		5,137,483	193,224	4,776,681	217,171
Gain (loss) on exchange rate		(4,874,837)	629,658	(4,717,622)	368,824
Finance cost		(1,110,928)	(1,015,000)	(1,072,111)	(949,242)
Profit (loss) before income tax expenses		(8,466,370)	(20,685,643)	(6,271,971)	(19,199,594)
Income tax revenue (expenses)	11, 13	(204,870)	210,789	(173,884)	141,232
Loss for the period		(8,671,240)	(20,474,854)	(6,445,855)	(19,058,362)
Other comprehensive income:					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gain		-	714,593	-	665,078
Income tax relating to item that will not to be reclassified subsequently to profit or loss		-	(142,756)	-	(133,016)
Other comprehensive income not to be reclassified to profit or loss in subsequent period - net of income tax		-	571,837	-	532,062
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>					
Exchange differences on translation of financial statements in foreign currencies		(9,851,944)	1,288,424	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		(9,851,944)	1,288,424	-	-
Other comprehensive income for the period		(9,851,944)	1,860,261	-	532,062
Total comprehensive income for the period		(18,523,184)	(18,614,593)	(6,445,855)	(18,526,300)
Loss per share	12				
Basic loss per share					
Loss attributable to equity holders of the Company		(0.018)	(0.043)	(0.014)	(0.040)

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 nine-month period ended 30 September 2024

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2024	2023	2024	2023
Profit or loss:					
Revenues					
Service income		519,914,221	387,179,682	442,115,060	314,553,001
Sales income		109,577	103,737	207,224	146,457
Other income		1,818,097	1,066,340	3,643,234	3,851,055
Total revenues		<u>521,841,895</u>	<u>388,349,759</u>	<u>445,965,518</u>	<u>318,550,513</u>
Expenses					
Cost of services		357,614,111	295,620,881	302,959,703	247,323,166
Cost of sales		49,547	17,155	49,547	49,990
Selling and distribution expenses		43,125,416	35,153,200	35,902,432	34,133,788
Administrative expenses		110,090,057	89,923,270	69,332,663	71,053,916
Total expenses		<u>510,879,131</u>	<u>420,714,506</u>	<u>408,244,345</u>	<u>352,560,860</u>
Operating profit (loss)		<u>10,962,764</u>	<u>(32,364,747)</u>	<u>37,721,173</u>	<u>(34,010,347)</u>
Reversal of expected credit losses		2,272,036	1,631,606	2,178,476	1,623,059
Gain (loss) on exchange rate		(1,060,768)	371,893	326,412	445,098
Finance cost		(3,114,756)	(5,064,478)	(2,981,549)	(4,921,456)
Profit (loss) before income tax expenses		<u>9,059,276</u>	<u>(35,425,726)</u>	<u>37,244,512</u>	<u>(36,863,646)</u>
Income tax expenses	11, 13	(1,987,415)	(2,937,589)	(1,999,188)	(2,526,809)
Profit (loss) for the period		<u>7,071,861</u>	<u>(38,363,315)</u>	<u>35,245,324</u>	<u>(39,390,455)</u>
Other comprehensive income:					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gain		-	714,593	-	665,078
Income tax relating to item that will not to be reclassified subsequently to profit or loss		-	(142,756)	-	(133,016)
Other comprehensive income not to be reclassified to profit or loss in subsequent period - net of income tax		-	571,837	-	532,062
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>					
Exchange differences on translation of financial statements in foreign currencies		(5,275,573)	3,030,340	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		(5,275,573)	3,030,340	-	-
Other comprehensive income for the period		<u>(5,275,573)</u>	<u>3,602,177</u>	<u>-</u>	<u>532,062</u>
Total comprehensive income for the period		<u>1,796,288</u>	<u>(34,761,138)</u>	<u>35,245,324</u>	<u>(38,858,393)</u>
Earnings (loss) per share	12				
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company		0.015	(0.088)	0.074	(0.090)

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 nine-month period ended 30 September 2024

(Unaudited but reviewed)

(Unit: Baht)

	Consolidated financial statements									
	Equity attributable to owners of the Company					Other components of shareholders' equity				
	Issued and fully paid-up share capital	Share premium	Reserve for share-based payment	Discount on business combination under common control	Retained earnings		Exchange differences on translation of financial statements in foreign currencies	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 September 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 (loss) for the period	-	-	-	-	-	7,071,861	(5,275,573)	1,796,288	-	1,796,288
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	7,071,861	(5,275,573)	1,796,288	-	1,796,288
Dividend paid (Note 14)	-	-	-	-	-	(24,777,657)	-	(24,777,657)	-	(24,777,657)
Balance as at 30 September 2024	238,250,000	474,939,483	13,132,373	(32,504,569)	9,408,570	132,551,382	(259,435)	835,517,804	400	835,518,204

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 nine-month period ended 30 September 2024

(Unit: Baht)

	Separate financial statements					Total shareholders' equity
	Issued and fully paid-up share capital	Share premium	Reserve for share-based payment	Retained earnings		
				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 September 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	-	-	-	-	35,245,324	35,245,324
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	35,245,324	35,245,324
Dividend paid (Note 14)	-	-	-	-	(24,777,657)	(24,777,657)
Balance as at 30 September 2024	238,250,000	474,939,483	13,132,373	9,408,570	160,270,716	896,001,142

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 nine-month period ended 30 September 2024**

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Cash flows from operating activities				
Profit (loss) before tax	9,059,276	(35,425,726)	37,244,512	(36,863,646)
Adjustments to reconcile profit (loss) before tax to net cash provided by (used in) operating activities:				
Depreciation and amortisation	103,974,548	81,420,667	98,860,068	77,993,671
Reversal of expected credit losses	(2,272,036)	(1,631,606)	(2,178,476)	(1,623,059)
Reversal of inventories to net realisable value	(13,522)	(4,813)	(13,522)	(4,813)
Loss on write-off of equipment	52,197	136,542	52,197	136,542
Gain on disposals of equipment	-	(19,136)	-	(19,136)
Loss on write-off of intangible assets	232	-	232	-
Provision for long-term employee benefits	6,608,540	2,494,490	6,287,845	2,318,193
Unrealised loss (gain) on foreign exchange	1,672,766	(1,020,260)	(114,612)	(1,105,671)
Interest income	(602,691)	(44,513)	(295,200)	(21)
Interest expenses	3,114,756	5,064,478	2,981,549	4,921,456
Profit from operating activities before changes in operating assets and liabilities	121,594,066	50,970,123	142,824,593	45,753,516
Decrease (increase) in operating assets				
Trade and other receivables	46,238,942	94,080,668	58,505,492	102,813,379
Contract assets	(25,177,678)	(20,324,407)	(42,968,663)	(14,837,081)
Inventories	(37,255,431)	(21,962,374)	(37,691,337)	(21,232,500)
Other current financial assets	8,736,137	-	-	-
Other current assets	(1,075,310)	(8,508,322)	387,130	(7,625,901)
Other non-current assets	16,802,901	119,677	(3,544,859)	-
Increase (decrease) in operating liabilities				
Trade and other payables	17,393,761	(47,746,430)	11,137,579	(47,679,799)
Advance received from customers	4,718,022	5,294,741	4,630,548	7,033,093
Other current liabilities	1,092,429	(13,767,016)	153,702	(13,739,518)
Payments of long-term employee benefits	(885,748)	-	(885,748)	-
Cash flows from operating activities	152,182,091	38,156,660	132,548,437	50,485,189
Cash received from interest income	602,691	44,513	295,200	21
Cash received from income tax	582,467	-	-	-
Interest paid	(3,795,797)	(4,491,283)	(3,662,590)	(4,348,260)
Corporate income tax paid	(9,384,943)	(10,041,606)	(8,829,519)	(9,507,617)
Net cash flows from operating activities	140,186,509	23,668,284	120,351,528	36,629,333

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 nine-month period ended 30 September 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	(95,247,876)	(145,081,216)	(89,220,751)	(144,519,366)
Cash paid for acquisition of intangible assets	(18,907,562)	(23,610,280)	(18,892,558)	(23,506,973)
Advance payment for right-of-use assets	(692,464)	-	-	-
Cash received from disposal of equipment	-	231,099	-	19,206
Net cash flows used in investing activities	(114,847,902)	(168,460,397)	(108,113,309)	(230,269,112)
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and				
short-term loans from banks	25,700,761	(63,100,808)	25,700,761	(63,100,808)
Increase in short-term loan to subsidiary	-	-	(14,561,120)	-
Repayment of long-term loans from banks	-	(88,564,290)	-	(88,564,290)
Cash paid for lease liabilities	(6,442,369)	(7,406,583)	(4,659,260)	(5,598,163)
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	(5,519,265)	367,428,643	(18,297,276)	369,237,063
Effect of exchange rate to cash and cash equivalents	(4,893,767)	2,892,406	-	-
Net increase (decrease) in cash and cash equivalents	14,925,575	225,528,936	(6,059,057)	175,597,284
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	163,871,596	251,650,639	113,974,238	190,244,376

Supplemental cash flows information

Non-cash items consist of:

Increase in payables for purchasing equipment	-	22,366,620	-	22,621,048
Lease liabilities for right-of-use assets	4,894,656	13,086,331	2,155,710	9,433,044
Transferred intangible assets to equipment	3,417,891	-	3,417,891	-
Transferred inventories to equipment	27,578,239	-	27,578,239	-

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 nine-month periods ended 30 September 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.

1.5 New financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2025

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2025. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users.

The management of the Group believes that adoption of these amendments will 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

Name of related parties	Relationship with the Company
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 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
<u>Transactions with subsidiaries</u>				
(eliminated from consolidated financial statements)				
Revenue from services	-	-	20,320,723	3,092,003
Revenue from sales	-	-	9,674	23,920
Rental income	-	-	258,480	258,480
Management fee	-	-	750,000	750,000
Interest income	-	-	60,439	-
Other income	-	-	13,800	45,069
Purchase of goods	-	-	983,712	-
Purchase of fixed assets	-	-	67,050	261,183
Cost of services	-	-	7,464,226	3,598,009
<u>Transactions with related parties</u>				
Revenue from services	-	1,332,616	-	1,332,616
Purchase of goods	-	227,412	-	227,412
Purchase of fixed assets	174,400	143,840	174,400	143,840
Cost of services	32,586	2,336,692	24,855	2,269,065
Selling expenses	53,835	-	53,835	-

	(Unit: Baht)			
	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
<u>Transactions with subsidiaries</u>				
(eliminated from consolidated financial statements)				
Revenue from services	-	-	65,951,375	11,621,153
Revenue from sales	-	-	97,647	42,720
Rental income	-	-	775,440	775,440
Management fee	-	-	2,250,000	2,250,000

(Unit: Baht)

For the nine-month periods ended 30 September

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Interest income	-	-	60,439	-
Other income	-	-	49,140	45,069
Purchase of goods	-	-	2,282,707	-
Purchase of fixed assets	-	-	227,814	261,183
Cost of services	-	-	11,975,013	13,321,174
<u>Transactions with related parties</u>				
Revenue from services	-	1,357,630	-	1,339,630
Purchase of goods	-	445,620	-	445,620
Purchase of fixed assets	541,293	310,520	174,400	310,520
Cost of services	1,660,382	5,515,998	1,566,086	5,448,371
Selling expenses	167,465	-	167,465	-
Administrative expenses	213,431	-	124,040	-

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

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2024	31 December 2023	30 September 2024	31 December 2023
<u>Trade receivables - related parties (Note 3)</u>				
Subsidiaries	-	-	18,089,061	41,353,678
Less: Allowance for expected credit losses	-	-	(169,738)	(472,780)
Total trade receivables - related parties, net	-	-	17,919,323	40,880,898
<u>Other receivables - related parties (Note 3)</u>				
Subsidiaries	-	-	413,191	1,113,956
Related parties	-	53,600	-	53,600
Total other receivables - related parties	-	53,600	413,191	1,167,556
<u>Prepaid expense - related parties (Note 3)</u>				
Subsidiaries	-	-	138,600	-
Related parties	-	236,773	-	236,773
Total prepaid expense - related parties	-	236,773	138,600	236,773
<u>Advance payment - related parties (Note 3)</u>				
Related parties	-	877,255	-	70,769
Total advance payment - related parties	-	877,255	-	70,769
<u>Interest receivable - related parties (Note 3)</u>				
Subsidiaries	-	-	60,439	-
Total interest receivable - related parties	-	-	60,439	-

(Unaudited but reviewed)

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2024	31 December 2023	30 September 2024	31 December 2023
<u>Contract assets - related parties (Note 4)</u>				
Subsidiaries	-	-	31,254,715	9,075,852
Total contract assets - related parties	-	-	31,254,715	9,075,852
<u>Trade payables - related parties (Note 10)</u>				
Subsidiaries	-	-	975,123	3,778,765
Related parties	-	273,871	-	273,871
Total trade payables - related parties	-	273,871	975,123	4,052,636
<u>Other payables - related parties (Note 10)</u>				
Subsidiaries	-	-	14,675,455	15,408,205
Related person	369,988	392,123	-	-
Total other payables - related parties	369,988	392,123	14,675,455	15,408,205
<u>Accrued expense - related parties</u>				
Subsidiaries	-	-	6,086,568	809,518
Total accrued expense - related parties	-	-	6,086,568	809,518
<u>Advance received from customers - related parties</u>				
Subsidiaries	-	-	719,690	-
Total advance received from customers - related parties	-	-	719,690	-

Short-term loans to subsidiary

The balance of short-term loans to subsidiary between the Company and the subsidiary and the movement are as follows:

(Unit: Baht)

		Separate financial statements			
	Relationship	Balance as at			Balance as at
		31 December	During the period		30 September
Loans to		2023	Increase	Decrease	2024
Dexon Technology Europe GmbH	Subsidiary	-	14,561,120	-	14,561,120
Total		-	14,561,120	-	14,561,120

As at 30 September 2024, short-term loans to subsidiary carried interest at a rate of 5.725% per annum and due at call (31 December 2023: None).

Directors and management's benefits

(Unit: Baht)

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Short-term employee benefits	7,227,151	12,401,118	7,116,394	12,401,118
Post-employment benefits	466,127	174,544	457,820	174,544
Total	7,693,278	12,575,662	7,574,214	12,575,662

(Unit: Baht)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Short-term employee benefits	22,050,360	28,195,016	21,713,839	28,195,016
Post-employment benefits	1,610,541	523,632	1,585,302	523,632
Total	23,660,901	28,718,648	23,299,141	28,718,648

3. Trade and other receivables

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2024	2023	2024	2023
Trade receivables - related parties (Note 2)				
Aged on the basis of due dates				
Not yet due	-	-	9,518,125	23,972,573
Past due				
Up to 3 months	-	-	8,570,936	17,381,105
Total	-	-	18,089,061	41,353,678
Less: Allowance for expected credit losses	-	-	(169,738)	(472,780)
Total trade receivables - related parties, net	-	-	17,919,323	40,880,898

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2024	31 December 2023	30 September 2024	31 December 2023
Trade receivables - unrelated parties				
Aged on the basis of due dates				
Not yet due	58,914,734	74,072,433	35,262,432	56,544,193
Past due				
Up to 3 months	20,999,364	48,276,533	17,237,452	26,478,592
3 - 6 months	240,938	417,567	-	-
6 - 12 months	1,017,179	3,532,767	-	1,487,100
Total	81,172,215	126,299,300	52,499,884	84,509,885
Less: Allowance for expected credit losses	(523,681)	(2,787,743)	(523,681)	(2,399,115)
Total trade receivables - unrelated parties, net	80,648,534	123,511,557	51,976,203	82,110,770
Other receivables				
Other receivables - related parties (Note 2)	-	53,600	413,191	1,167,556
Other receivables - unrelated parties	1,700,124	1,422,876	753,036	212,189
Total other receivables	1,700,124	1,476,476	1,166,227	1,379,745
Prepaid expenses				
Prepaid expenses - related parties (Note 2)	-	236,773	138,600	236,773
Prepaid expenses - unrelated parties	12,189,959	14,309,105	10,414,238	12,726,978
Total prepaid expenses	12,189,959	14,545,878	10,552,838	12,963,751
Advance payment				
Advance payment - related parties (Note 2)	-	877,255	-	70,769
Advance payment - unrelated parties	671,084	1,028,648	533,286	1,028,648
Total advance payment	671,084	1,905,903	533,286	1,099,417
Interest receivable				
Interest receivable - related parties (Note 2)	-	-	60,439	-
Total interest receivable	-	-	60,439	-
Trade and other receivables - net	95,209,701	141,439,814	82,208,316	138,434,581

4. Contract assets

(Unit: Baht)

	Consolidated		Separate	
	financial statements		Financial statements	
	30 September	31 December	30 September	31 December
	2024	2023	2024	2023
Contract assets - related parties (Note 2)	-	-	31,254,715	9,075,852
Contract assets - unrelated parties	139,390,055	114,212,377	84,545,486	63,755,686
Total	139,390,055	114,212,377	115,800,201	72,831,538

Contract assets are unbilled revenue from customers. As from 30 September 2024 to the date of the report, the contract assets were invoiced amounting to Baht 37.07 million (the Company only: Baht 31.45 million). The Group is in the process of invoicing to customers amounting to Baht 102.32 million for the completed works (the Company only: Baht 84.35 million). The majority can be invoiced within 31 December 2024.

5. Inventories

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2024	2023	2024	2023
Inventories - cost	69,983,851	60,306,659	70,260,402	60,147,304
Reduce cost to net realisable value	-	(13,522)	-	(13,522)
Inventories - net	69,983,851	60,293,137	70,260,402	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 September	31 December	30 September	31 December	30 September	31 December
	2024	2023	2024	2023	2024	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” in Germany which was incorporated in Germany, 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 nine-month period ended 30 September 2024 are summaries below:

	(Unit: Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2024	426,652,341	433,517,151
Addition during the period - at cost	126,244,006	120,216,881
Write-off during the period - net book value		
as at write-off date	(52,197)	(52,197)
Depreciation for the period	(80,196,523)	(77,856,031)
Translation adjustments	(427,063)	-
Net book value as at 30 September 2024	472,220,564	475,825,804

8. Intangible assets

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

	(Unit: Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2024	61,110,313	60,873,132
Acquisition during the period - at cost	15,489,671	15,474,667
Write-off during the period - net book value		
as at write-off date	(232)	(232)
Depreciation for the period	(15,503,577)	(15,397,838)
Translation adjustments	(4,726)	-
Net book value as at 30 September 2024	61,091,449	60,949,729

9. Bank overdrafts and short-term loans from bank

(Unit: Baht)

	Interest rate (% per annum)		Consolidated financial statements		Separate financial statements	
	30 September	31 December	30 September	31 December	30 September	31 December
	2024	2023	2024	2023	2024	2023
Bank overdrafts	MOR - 1.80	-	28,200,760	-	28,200,760	-
Promissory notes	MLR - 2.50	MLR - 2.50	54,972,854	57,472,853	54,972,854	57,472,853
Total			83,173,614	57,472,853	83,173,614	57,472,853

Bank overdrafts and 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

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	30 September	31 December	30 September	31 December
	2024	2023	2024	2023
Trade payables				
Trade payables - related parties (Note 2)	-	273,871	975,123	4,052,636
Trade payables - unrelated parties	28,786,355	28,145,233	24,952,482	26,019,580
Total trade payables	28,786,355	28,419,104	25,927,605	30,072,216
Other payables				
Other payables - related person and parties (Note 2)	369,988	392,123	14,675,455	15,408,205
Other payables - unrelated parties	11,067,316	10,000,505	9,691,721	9,322,240
Accrued expenses	46,751,027	30,089,578	43,583,713	27,952,115
Total other payables	58,188,331	40,482,206	67,950,889	52,682,560
Total trade and other payables	86,974,686	68,901,310	93,878,494	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 (revenue) for the three-month and nine-month periods ended 30 September 2024 are made up as follows:

	(Unit: Baht)			
	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Current income tax:				
Interim corporate income tax charge	314,224	(20,898)	261,858	37,545
Deferred tax:				
Relating to origination and reversal of temporary differences	(109,354)	(189,891)	(87,974)	(178,777)
Income tax expense (revenue) reported in profit or loss	204,870	(210,789)	173,884	(141,232)

	(Unit: Baht)			
	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Current income tax:				
Interim corporate income tax charge	2,974,855	2,014,779	2,922,489	1,516,160
Deferred tax:				
Relating to origination and reversal of temporary differences	(987,440)	922,810	(923,301)	1,010,649
Income tax expense reported in profit or loss	1,987,415	2,937,589	1,999,188	2,526,809

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 September						
Consolidated financial statements						
Loss for the periods		Weighted average number of ordinary shares		Loss per share		
2024	2023	2024	2023	2024	2023	
(Baht)	(Baht)	(shares)	(shares)	(Baht)	(Baht)	
Basic loss per share						
Loss attributable to equity holders of the Company						
(8,671,240)	(20,474,854)	476,500,000	476,500,000	(0.018)	(0.043)	

For the three-month periods ended 30 September						
Separate financial statements						
Loss for the periods		Weighted average number of ordinary shares		Loss per share		
2024	2023	2024	2023	2024	2023	
(Baht)	(Baht)	(Shares)	(Shares)	(Baht)	(Baht)	
Basic loss per share						
Loss attributable to equity holders of the Company						
(6,445,855)	(19,058,362)	476,500,000	476,500,000	(0.014)	(0.040)	

For the nine-month periods ended 30 September						
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						
7,071,861	(38,363,315)	476,500,000	437,695,036	0.015	(0.088)	

For the nine-month periods ended 30 September						
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						
35,245,324	(39,390,455)	476,500,000	437,695,036	0.074	(0.090)	

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 nine-month period ended 30 September 2024		24,777,657	0.052

For the three-month period ended 30 September 2023

Consolidated financial statements

[illegible]

(Unit: Baht)

For the nine-month period ended 30 September 2024

Consolidated financial statements													
	Advance inspection technology												
	Conventional		Advance		Research and development		Asset Integrity Management Service		Training services		Total		Eliminations
	Non-destructive Inspection	Overseas	Non-destructive Testing Technology	Overseas	Advance In-line Inspection Technology	Overseas	Domestic	Overseas	Domestic	Overseas	Sales	Total	
Revenues from sales and service	75,465,506	51,500	112,719,567	51,406,475	233,958,490	44,814,723	14,663,806	6,403,714	5,987,327	512,856,136	207,224	600,918,708	(80,894,910)
Cost of sales and services	(55,737,891)	(35,200)	(75,768,596)	(39,027,721)	(179,176,401)	(27,876,321)	(15,884,125)	(3,731,530)	(3,587,287)	(376,549,243)	(49,547)	(441,447,624)	83,783,966
Segments operating profit (loss)	19,727,615	16,300	36,950,971	12,378,754	54,782,089	16,938,402	(1,220,319)	2,672,184	2,400,040	3,262,599	157,677	159,471,084	2,869,056
Unallocated income (expenses)													
Other income													1,818,097
Selling and distribution expenses													(43,125,416)
Administrative expenses													(110,080,057)
Reversal of expected credit losses													2,272,036
Loss on exchange rate													(1,060,768)
Finance cost													(3,114,756)
Income tax expenses													(1,987,415)
Profit for the period													7,071,861
Timing of revenue recognition													
At a point in time											207,224	207,224	(97,647)
Overtime	75,465,506	51,500	112,719,567	51,406,475	233,958,490	44,814,723	14,663,806	6,403,714	5,987,327	512,856,136	-	600,711,484	(80,797,263)
	75,465,506	51,500	112,719,567	51,406,475	233,958,490	44,814,723	14,663,806	6,403,714	5,987,327	512,856,136	207,224	600,918,708	(80,894,910)
													520,023,798

(Unit: Baht)

For the nine-month period ended 30 September 2023

Consolidated financial statements														
	Advance inspection technology													
	Conventional Non-destructive Inspection		Advance Non-destructive Testing Technology		Advance In-line Inspection Technology		Research and development innovation		Asset Integrity		Total			
									Management Service		Advance Inspection			
									Domestic	Overseas	Domestic	Overseas	Domestic	Overseas
Revenues from sales and service	79,485,024	72,900	112,183,896	32,769,151	44,957,465	88,568,474	28,687,402	-	9,355,528	505,850	317,027,766	412,769,952	(25,486,533)	387,283,419
Cost of sales and services	(66,286,162)	(45,493)	(94,309,239)	(27,816,785)	(41,434,914)	(69,026,891)	(16,717,785)	-	(5,221,851)	(293,801)	(244,821,266)	(49,990)	24,534,570	(295,638,036)
Segment operating profit	13,198,862	27,407	27,874,657	4,952,366	3,522,551	19,541,583	11,969,617	-	4,133,677	212,049	72,206,500	96,467	92,597,346	91,645,383
Unallocated income (expenses)														
Other income														1,066,340
Selling and distribution expenses														(35,153,200)
Administrative expenses														(89,923,270)
Reversal of expected credit losses														1,631,606
Gain on exchange rate														371,893
Finance cost														(5,064,478)
Income tax expenses														(2,937,589)
Loss for the period														(38,363,315)
Timing of revenue recognition														
At a point in time														103,737
Overtime														387,179,682
														387,283,419

16. Commitments and contingent liabilities

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2024	31 December 2023	30 September 2024	31 December 2023
Bank guarantees				
Contractual performance guarantees	22,524,778	38,367,597	22,524,778	38,367,597
Electricity guarantees	634,000	508,000	634,000	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 8 November 2024, a meeting of the Company's Board of Directors No. 5/2024 resolved to approve the management of the Company to negotiate with the seller to acquire the manufacturing business in overseas. Currently, the Group is in the process to negotiate with the seller to acquire such company.

19. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 8 November 2024.