



AVIATION

TECHNOLOGY

SERVICE

# **SKY ICT Public Company Limited**

Management Discussion and Analysis  
For the Second Quarter Ended June 30, 2025



No. SKY-68-08-015

August 14, 2025

Subject: Management Discussion and Analysis for the Second Quarter of 2025  
To: President The Stock Exchange of Thailand  
Attachment: A copy of the financial statements for the second quarter ended June 30, 2025 (1 set)

SKY ICT Public Company Limited and its subsidiaries (“the Group”) are pleased to submit the financial statements for the second quarter ended June 30, 2025, which have been reviewed by the auditor, together with the Management Discussion and Analysis for the information of investors and the general public with details outlined below.

## **Business Overview**

SKY ICT Public Company Limited and its subsidiaries (“the Group”) operate in the information and communication technology (ICT) industry, offering products and services designed to ensure efficient and secure communication and information systems for clients. The Group provides high-quality, industry-recognized base products while customizing solutions to meet the diverse needs of organizations. This includes consulting, design, and installation of physical and data security systems, integrated network controls, and other essential ICT security solutions. These services are tailored to align with each organization’s unique requirements, whether for on-site or network-based ICT security systems. As an “ICT contractor,” the Group addresses the fast-growing and highly competitive business environment by integrating ICT to enhance business efficiency and potential.

The Group’s operations are divided into three main segments:

### **1. Service Business**

#### **1.1. Aviation Service**

The Group integrates modern information technology into airport management, applying new technologies to adapt to the evolving behaviors of airport users. This service facilitates both domestic and international passengers, including advanced systems for passenger screening and data management, ensuring convenience and efficiency for travelers entering and exiting Thailand. The company also develops systems for processing and managing passenger travel data.

#### **1.2. Platform Development and Services**

The Group develops and manages digital content platforms related to travel and tourism, providing interactive information about tourist attractions, key locations, and services. These platforms serve as comprehensive information hubs for tourists and are designed with high efficiency for various user groups. The Group’s specialized teams manage large datasets and develop tailored programs to meet customer demands, ensuring appropriate and innovative solutions.

#### **1.3. Maintenance and Post-Sales Services**

The Group provides comprehensive maintenance services for hardware and software sold to clients, ensuring continuous system efficiency. The company emphasizes round-the-clock support, with teams ready to resolve system issues quickly. Additionally, The Group offers high-speed internet services in rural areas across various provinces.

#### **1.4. Smart Security and Property Management Services**

The Group offers advanced security and property management solutions using cutting-edge technologies such as AI and IoT. These include smart physical and data security systems, Digital Twin technology, and 3D visualization for efficient building management. The company also employs AI for intelligent incident management and uses robots and IoT to optimize operations. With a workforce of over 6,000 employees and more than 400 clients nationwide, The Group integrates advanced technology with quality service to foster safe and thriving communities.



### **1.5. Customer Service Management**

The Group provides comprehensive customer service management solutions, covering both digital and traditional channels. The company excels in resource and customer service management, serving leading public and private organizations. The Group continuously develops its workforce and systems to keep up with rapidly changing technologies and market demands.

### **2. Information and Communication Technology System Integration (ICT-SI)**

The Group operates in the sale and integration of information and communication technology (ICT) systems, offering a full range of services, including consulting, design, installation, and project management for complex and large-scale ICT network projects. These services cater to both public and private sector clients. Most projects undertaken are characterized by high operational complexity (Complexity Projects) and involve collaboration with specialized partners for various software and hardware systems. The Group's expertise in advanced and secure ICT technologies enables the development of diverse solutions that enhance organizational efficiency in data management and workflow processes while ensuring the highest levels of data and physical security.

### **3. Sales of IT-Related Products**

The Group sells a wide range of IT-related products and equipment, including computers, laptops, scanners, printers, printer ink, servers, storage devices, network switches, CCTV cameras, and other items tailored to customer requirements.

## **Economic and Industry Conditions Impacting Operations**

In the second quarter of 2025, the Thai economy continued to expand from the previous quarter, supported by an increase in merchandise exports, particularly in electronics and machinery, in line with the recovery of the global industrial sector and accelerated exports during the temporary easing of U.S. import tariffs. This trend was consistent with the expansion in manufacturing production, especially in the semiconductor and electric vehicle segments. At the same time, the government continued to advance investments in digital infrastructure and promote future technologies such as Artificial Intelligence (AI), Cloud Computing, and Smart City initiatives, creating opportunities for the private sector in technology and intelligent infrastructure businesses.

Overall, demand for digital security and intelligent solutions in both the public and private sectors continued to rise, particularly for Smart City and Intelligent Transportation Systems (ITS) projects, which play a key role in enhancing the country's infrastructure. The expansion of these projects offers opportunities for the Company to further develop its technology and security solution services, which are among its core strengths. In addition, the customer contact center (Call Center) and outsourcing services businesses continued to grow in line with changing consumer behavior and the increasing adoption of automation technologies in service delivery. These trends allow the Company to leverage AI and Big Data Analytics to enhance operational efficiency, reduce costs, and strengthen its competitive advantage.

With a strategy focused on innovation and service development aligned with market demand, the Company is confident in its ability to sustain growth and deliver long-term value to shareholders, despite the volatility of the global economy and the rapid pace of technological change.



## Summary of Key Events and Developments

1) Reference is made to the resolutions of the 2025 Annual General Meeting of Shareholders, convened on 25 April 2025, whereby the shareholders approved, among other matters, the increase of the Company's registered capital and the issuance and allocation of up to 1,800,000 new ordinary shares with a par value of THB 0.50 per share, at an offering price of THB 20.00 per share, totaling THB 36,000,000.00. Such newly issued shares will be allocated to Enoch Communications Co., Ltd. (“Enoch”) as consideration for the business transfer transaction, whereby Enoch will transfer its entire business comprising all assets, liabilities, rights, obligations, and responsibilities, whether existing on the date of transfer or arising in the future including 60,000 ordinary shares in Callvoice Communications Co., Ltd. (“Callvoice”), a subsidiary in which Enoch holds a 60% equity interest, to the Company in lieu of a cash payment.

On May 2, 2025, the Company received a payment of THB 36,000,000.00 from Enoch for 1,800,000 newly issued shares. Subsequently, the Company registered an increase in its paid-up capital of THB 900,000.00, raising it from THB 357,739,952.00 to a new total of THB 358,639,952.00. As a result of this transaction, the Company now holds a 60% stake in Callvoice Communications Co., Ltd. Furthermore, on June 6, 2025, Callvoice Communications Co., Ltd. changed its name to “SKY AI Company Limited”.

2) On May 15, 2025, the Board of Directors approved The Siam Administrative Management Co., Ltd. (“SAMCO”), a subsidiary of the Company held through Metthier Co., Ltd. (“Metthier”), to invest in Apple Cash Company Limited (“Apple Cash”) by purchasing 99,997 shares from Skyhigh Co., Ltd. (“Skyhigh”). Mr. Vorapote Amnueypol (“Mr. Vorapote”), a major shareholder holding 24.54% of the Company’s total issued and paid-up shares (as of May 5, 2025), serves as a director of Apple Cash and holds 90% of the total issued and paid-up shares of Skyhigh.

The investment in Apple Cash, which is a licensed provider of nano-finance services for occupational purposes under regulatory supervision, is intended to support employees within the Group in gaining access to funding sources. This initiative is considered both strategically appropriate and beneficial for the Company’s business operations and employee welfare, based on the following reasons:

1. **Enhancing Employees’ Access to Funding Sources**  
By enabling Group companies to provide lending services in compliance with applicable laws, employees with financial needs can access lawful funding sources at fair interest rates and under conditions suitable for their income levels.
2. **Promoting Employees’ Quality of Life and Financial Stability**  
Having access to reliable funding sources reduces reliance on informal lending channels, which often carry high interest rates and unfair terms, thereby improving employees’ financial stability and focus at work.
3. **Strengthening the Company’s Corporate Image**  
Actively contributing to the tangible improvement of employees’ quality of life reflects the Company’s corporate social responsibility and enhances its reputation among all stakeholders.
4. **Potential Expansion into Other Financial Services**  
With expertise and robust loan management systems, the Company could potentially expand its financial services to external customer groups, thereby increasing revenue and enhancing competitiveness in the long term.



## Summary of Operating Results

Overview of Operating Performance for the second quarter ended June 30, 2025

Unit: Million Baht	Q2/2025	Q1/2025	Q2/2024	QoQ (%)	YoY (%)	6 Months 2025	6 Months 2024	YoY (%)
<b>Total Revenue</b>	2,636	2,384	1,632	10.6	61.5	5,020	3,015	(66.5)
<b>Net Profit</b>	200	205	110	(2.4)	81.8	405	220	(84.1)
<b>Basic Earnings per Share (Baht/Share)</b>	0.24	0.25	0.16	(4.0)	50.0	0.50	0.31	(61.3)

### Net Profit

In the second quarter of 2025, the Group recorded total revenue of THB 2,636 million, representing an increase of THB 1,004 million or 61.5% from the same period of the previous year. This growth was primarily driven by the implementation of new projects in the System Integration (SI) segment, which aligns with the government's economic stimulus policies, as well as a significant expansion in the Smart Security and Facility Management Services segment compared to the same period last year. In addition, the Group consolidated the full-quarter revenue of One to One Professional Co., Ltd. ("OTP") (currently SKY CC Company Limited or "SKY CC"), following the investment on 30 August 2024. As a result, the Group reported a net profit of THB 200 million for the second quarter of 2025, up from THB 110 million in the same quarter of the previous year, representing a growth rate of 81.8%. The net profit margin also increased slightly from 6.8% to 7.6%.

### Revenue

Unit: Million Baht	Q2/2025	Q1/2025	Q2/2024	QoQ (%)	YoY (%)	6 Months 2025	6 Months 2024	YoY (%)
Revenue from System Integration Services	892	675	371	32.1	140.4	1,567	480	226.5
Revenue from Sales	-	-	-	-	100.0	-	9	(100.0)
Revenue from Services	1,737	1,704	1,254	1.9	38.5	3,441	2,515	36.8
<b>Total Revenue</b>	<b>2,629</b>	<b>2,379</b>	<b>1,625</b>	<b>10.5</b>	<b>61.8</b>	<b>5,008</b>	<b>3,004</b>	<b>66.7</b>

**Revenue from System Integration Services** in Q2/2025 amounted to THB 892 million, representing approximately 33.9% of the Group's total revenue. This was an increase of THB 521 million, or 140.4%, from the same period of the previous year, primarily due to the higher value of projects delivered and recognized in Q2/2025 compared to Q2/2024. During the quarter, the Group recognized revenue from the delivery of key projects, as follows:

- Thailand's Central Cloud System for Public Health Project for the National Telecom Public Company Limited.
- Thailand's Central Healthcare Cloud Development Project, Activity 1: Development of the Health Information Exchange Management System for the Office of the National Digital Economy and Society Commission.
- Enterprise Resource Planning (ERP) System for the Provincial Electricity Authority.
- Data Storage System for Export Documents at Risk of Fraud Project for the Customs Department.

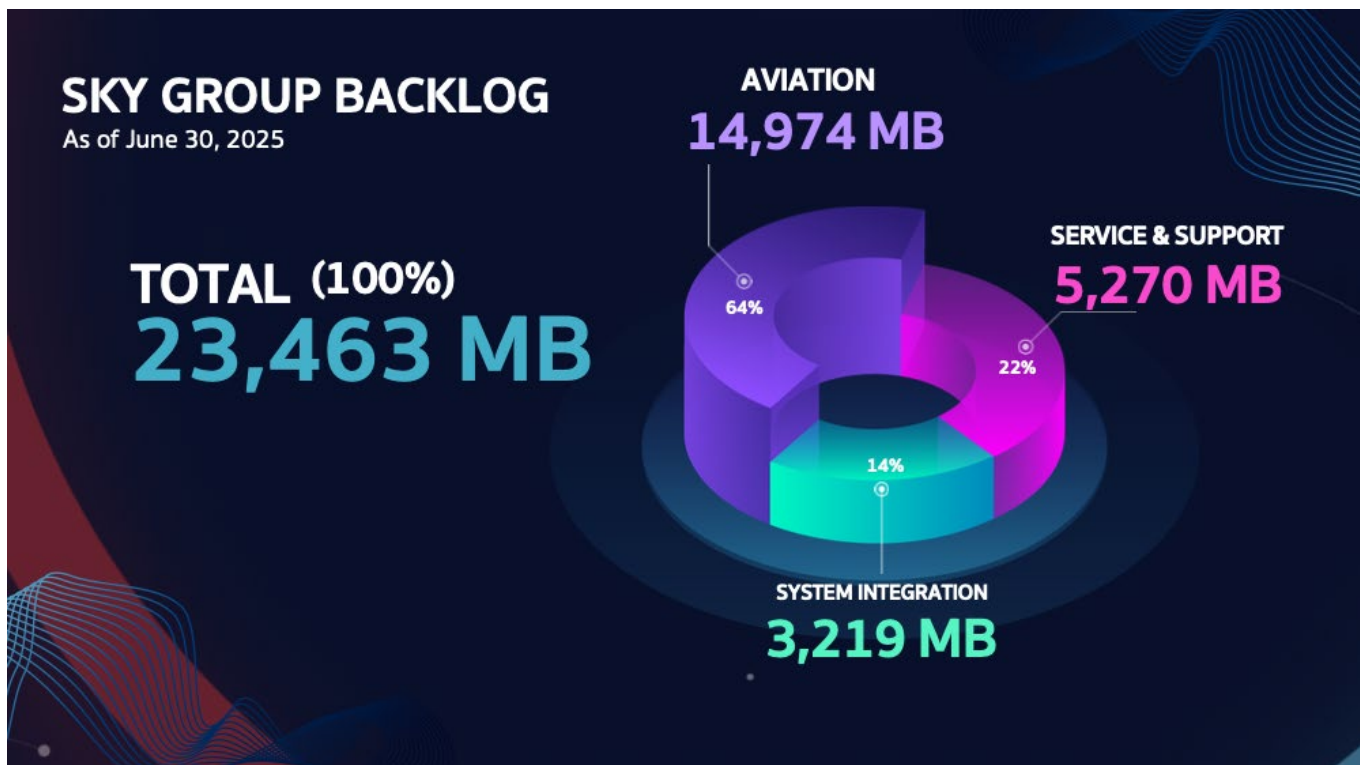
**Revenue from Services** in Q2/2025, revenue from services amounted to THB 1,737 million, accounting for approximately 66.1% of total revenue. This represented an increase of THB 483 million or 38.5% compared to the same period of the previous year, primarily due to the following factors:

- Revenue from Smart Security and Property Management Services increased by THB 212 million, primarily due to the Company's investment in SAMCO, which enabled the expansion of its customer base to new segments such as hospitals, banks, and government agencies. This expansion enhanced the Group's service capabilities and resulted in significant revenue growth in this business segment.

- Revenue from Customer Service Management increased by THB 132 million, as the Company invested in and obtained control of SKY CC on August 30, 2024. This enabled the Company to consolidate the subsidiary's service revenue into the Group's financial statements.
- Revenue from maintenance service agreements and other service revenues, including the project for maintenance of core business application systems (CBS) and related integration systems for the Provincial Electricity Authority, as well as equipment rental, public internet services, CCTV system rental, and CCTV system maintenance, increased by THB 147 million. This growth was driven by an increase in the number of projects and new maintenance service contracts associated with systems previously sold and installed for customers.

### Backlog

As of June 30, 2025, the Group had a total backlog of THB 23,463 million in contracted projects pending revenue recognition. This amount can be categorized by revenue type as follows:



### Cost

Unit: Million Baht	Q2/2025	Q1/2025	Q2/2024	QoQ (%)	YoY (%)	6 Months 2025	6 Months 2024	YoY (%)
Cost of System Integration Services	728	572	309	27.3	135.6	1,301	388	235.3
Cost of Sales	-	-	-	100.0	100.0	-	7	(100.0)
Cost of Services	1,462	1,411	987	3.6	48.1	2,872	1,967	46.0
<b>Total Cost</b>	<b>2,190</b>	<b>1,983</b>	<b>1,296</b>	<b>10.4</b>	<b>69.0</b>	<b>4,173</b>	<b>2,362</b>	<b>76.7</b>
Gross Profit	439	396	329	10.9	33.4	835	642	30.1
<b>Gross Profit Margin (%)</b>	<b>16.7</b>	<b>16.6</b>	<b>20.2</b>			<b>16.7</b>	<b>21.4</b>	

Total cost in Q2/2025 amounted to THB 2,190 million, representing an increase of THB 894 million or 69.0% compared to THB 1,296 million in the same quarter of the previous year. Consequently, the Group's overall gross profit margin declined from 20.2% to 16.7% compared to the same quarter of the previous year, primarily due to the following factors:

- Cost of system integration services increased in line with the growth in revenue from this segment. This was due to the nature of the projects recognized in Q2/2025, which were larger in scale and carried higher gross profit margins compared to the projects recognized in Q2/2024.



- Cost of services increased in line with the growth in service revenue; however, the increase in service cost was proportionally higher than the increase in service revenue. This was primarily due to the operations of SAMCO's smart property management and security services, as well as SKY CC's customer service management business. These services are labor-intensive and subject to annual increases in the minimum wage. In some cases, the Group is unable to pass on these additional labor costs to customers due to fixed service contract terms, resulting in the Group having to absorb the increased costs. Consequently, this led to a lower gross profit margin compared to other project-based businesses within the Group.

### Other Income (Expense)

Unit: Million Baht	Q2/2025	Q1/2025	Q2/2024	QoQ (%)	YoY (%)	6 Months 2025	6 Months 2024	YoY (%)
Other Income	7	5	6	40.0	16.7	12	11	9.1
Other Losses, Net	11	(22)	(15)	150.0	173.3	(11)	(40)	72.5
<b>Total Other Income (Expense)</b>	<b>18</b>	<b>(17)</b>	<b>(9)</b>	<b>205.9</b>	<b>300.0</b>	<b>1</b>	<b>(29)</b>	<b>103.4</b>

Other income (expense) in Q2/2025 increased by THB 27 million or 300.0% compared to other expense of THB 9 million in the same quarter of the previous year. The improvement was primarily due to the recognition of a higher gain from the fair value adjustment of investments in an equity security listed on the Stock Exchange of Thailand, compared to the loss recognized in the corresponding period last year. As a result, other income (expense) in this quarter improved significantly year-over-year.

### Selling, Administrative Expenses, and Finance Costs

Unit: Million Baht	Q2/2025	Q1/2025	Q2/2024	QoQ (%)	YoY (%)	6 Months 2025	6 Months 2024	YoY (%)
Selling Expenses	33	36	35	(8.3)	(5.7)	69	83	(16.9)
Administrative Expenses	168	132	144	27.3	16.7	301	260	15.8
Finance Costs	71	72	74	(1.4)	(4.1)	143	152	(5.9)
<b>Total Expenses</b>	<b>272</b>	<b>240</b>	<b>253</b>	<b>13.3</b>	<b>7.5</b>	<b>513</b>	<b>495</b>	<b>3.6</b>
<b>Expense Ratio to Revenue (%)</b>	<b>10.3</b>	<b>10.1</b>	<b>15.6</b>			<b>10.2</b>	<b>16.5</b>	

The Group's total expenses for Q2/2025 amounted to THB 272 million, representing an increase of THB 19 million or 7.5% compared to the same quarter of the previous year. The breakdown is as follows:

- Selling expenses slightly decreased by THB 2 million or 5.7%, from THB 35 million in Q2/2024 to THB 33 million in Q2/2025. This was primarily due to tighter control and more efficient management of marketing expenditures. Additionally, the inclusion of SKY CC's business in the consolidated financial statements contributed to the overall decline, as its business model typically incurs a relatively low ratio of selling expenses to revenue.
- Administrative expenses increased by THB 24 million or 16.7%, rising from THB 144 million in Q2/2024 to THB 169 million in Q2/2025. The increase was primarily due to administrative expenses of the subsidiaries in which the Company invested in Q3/2024 and in the current quarter, namely SKY CC and SKY AI, respectively.
- Finance costs decreased by THB 3 million or 4.1%, falling from THB 74 million in Q2/2024 to THB 71 million in Q2/2025, mainly due to a reduction in long-term borrowings from scheduled repayments under loan agreements and more effective financial cost management.

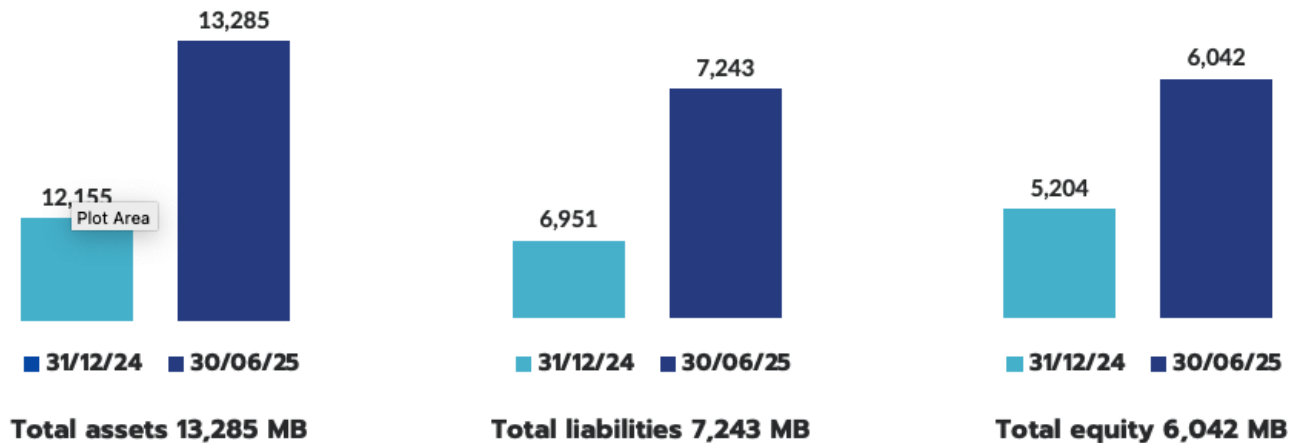
## Share of profit from associates and joint venture

Unit: Million Baht	Q2/2025	Q1/2025	Q2/2024	QoQ (%)	YoY (%)	6 Months 2025	6 Months 2024	YoY (%)
Turnkey Communication Services Public Company Limited (“TKC”)	5	8	16	(37.5)	(68.8)	13	32	(59.4)
Global Sports Ventures Co., Ltd. (“GSV”)	7	22	4	(68.2)	75.0	29	10	190.0
SAL Group (Thailand) Co., Ltd. (“SAL”)	27	77	33	(64.9)	(18.2)	104	92	13.0
<b>Total</b>	<b>39</b>	<b>107</b>	<b>53</b>	<b>(63.6)</b>	<b>(26.4)</b>	<b>146</b>	<b>134</b>	<b>9.0</b>

For Q2/2025, the Group recognized a total share of profit from investments in associates and joint ventures of THB 39 million, representing an decrease of THB 14 million compared to THB 53 million in the same period of the previous year. The details are as follows:

- **Turnkey Communication Services Public Company Limited (“TKC”)** contributed THB 5 million, a decrease of THB 11 million compared to THB 16 million in the same quarter of the previous year. This decline was primarily due to a drop in TKC’s operating performance in Q2/2025.
- **Global Sports Ventures Co., Ltd. (“GSV”)** contributed THB 7 million, an increase of THB 3 million compared to THB 4 million in the same quarter of the previous year. The improvement was driven by higher operating profit from GSV, which is engaged in organizing sports events.
- **SAL Group (Thailand) Co., Ltd. (“SAL”)** contributed THB 27 million, an decrease of THB 6 million compared to THB 33 million in the same quarter of the previous year. This decline was due to the slowdown in Thailand’s tourism sector, which adversely affected the performance of AOT Ground Aviation Services Company Limited (“AOTGA”), SAL’s associate, which provides ground handling services at Don Mueang and Phuket Airports, as well as cargo management at Phuket Airport.

## Summary of Financial Position



Total assets as of June 30, 2025, amounted to THB 13,285 million, representing an increase of THB 1,130 million or 9.3% from THB 12,155 million as of December 31, 2024. Significant changes in assets during the period included:

- 1) Trade and other current receivables, including contract assets, increased by THB 1,246 million, along with an increase of THB 100 million in finance lease receivables. These changes were primarily due to the delivery of large-scale projects, recognition of lease revenue during the period, and billing milestones reached in this quarter.
- 2) Inventories and project advances increased by THB 288 million, driven by ongoing major projects under execution during the current quarter.
- 3) Investments in associates and joint ventures increased by THB 150 million, attributable to the Group’s share of profit from these entities.

- 4) Time deposits not pledged as collateral rose by THB 80 million to enhance liquidity and support efficient treasury management, while pledged bank deposits increased by THB 153 million due to collateral requirements for credit facilities related to newly awarded projects.
- 5) Other current assets increased by THB 74 million, mainly due to input VAT receivables from purchases of goods and services related to current projects.
- 6) Cash and cash equivalents decreased by THB 731 million, mainly due to lower cash flows from operating activities compared to the previous year. This was mainly attributable to investments in several large-scale projects during the first half of 2025.
- 7) Property, plant, and equipment decreased by THB 233 million, primarily due to depreciation expenses for equipment used in the CUPPS and APPS projects.
- 8) Financial assets measured at fair value through profit or loss declined by THB 36 million, resulting from a THB 6 million fair value loss on equity investments in a listed company and the redemption of THB 30 million in fixed-income mutual funds previously held for liquidity management.
- 9) Goodwill increased by THB 29 million as a result of the acquisition of an investment in Callvoice Communications Co., Ltd. (“Callvoice”), which has since been registered under its new name, SKY AI Company Limited (“SKY AI”).

Total liabilities as of June 30, 2025, amounted to THB 7,243 million, representing an increase of THB 292 million or 4.2% from THB 6,951 million as of December 31, 2024. The significant movements in total liabilities during the period were as follows:

- 1) A decrease in long-term borrowings by THB 642 million, primarily related to loans used for the CUPPS and APPS projects, which were repaid to financial institutions in accordance with the scheduled repayment plan.
- 2) Redemption of matured debentures in February 2025 totaling THB 400 million, which were fully settled during the period.
- 3) An increase in short-term borrowings from financial institutions by THB 814 million to support the Group’s working capital needs, particularly for the expanding System Integration (SI) business related to the design and installation of information and communication technology systems.
- 4) Trade and other current payables increased by THB 394 million due to large-scale projects currently in progress during the quarter.
- 5) Derivative liabilities increased by THB 54 million due to the appreciation of the Thai Baht against the US Dollar. Most of these derivative liabilities arose from hedge accounting related to the CUPPS project.

Total shareholders’ equity as of June 30, 2025 amounted to THB 6,042 million, representing an increase of THB 838 million or 16.1% from THB 5,204 million as of December 31, 2024. The key contributors to this increase were as follows:

- 1) The recognition of surplus from the change in shareholding proportion in the subsidiary, Pro Inside Public Company Limited (“PIS”), following its initial public offering (IPO) at a price higher than the Group’s cost of investment, amounting to THB 405 million.
- 2) Net profit of the Group for the six-month period of 2025 was THB 350 million.
- 3) Reversal of the reserve for share repurchase under the employee stock ownership plan (ESOP) of a subsidiary, amounting to THB 37 million, following the successful listing of PIS on the MAI (Market for Alternative Investment) on January 20, 2025.
- 4) The Company’s capital increase of THB 36 million was for the investment in Callvoice Communications Co., Ltd. (“Callvoice”), which has since been renamed SKY AI Company Limited (“SKY AI”).

## Key Financial Ratios

Financial Ratio	Q2/2025	Q1/2025	Q2/2024
<b>Liquidity Ratios</b>			
Current Ratio	1.3	1.3	1.1
Quick Ratio	0.4	0.4	0.3
<b>Activity Ratios</b>			
Average Collection Period (Days)	51	51	57
<b>Leverage Ratios</b>			
Debt to Equity Ratio	1.2	1.2	1.2
Interest Coverage Ratio	4.2	4.4	2.6
Debt Service Coverage Ratio	0.6	0.5	0.6
<b>Profitability Ratios</b>			
Return on Asset (ROA)	8.8%	8.0%	8.6%
Return on Equity (ROE)	11.5%	10.7%	11.8%

### 1. Liquidity Ratios

In Q2/2025, the Company recorded a current ratio of 1.3 times, consistent with the previous quarter and up from 1.1 times in the same quarter of the prior year. This reflects the Company's ability to maintain improved liquidity management and sustain its capacity to meet short-term obligations effectively. The quick ratio remained at 0.4 times, unchanged from the previous quarter and higher than 0.3 times in the same period last year. Although the ratio continues to indicate reliance on cash flows from project operations and customer collections, the Company has implemented proactive liquidity management measures. These include accelerating the customer collection process, managing project costs efficiently, and maintaining credit lines in alignment with incoming cash flows.

### 2. Activity Ratios

In Q2/2025, the average collection period (ACP) was 51 days, unchanged from the previous quarter and an improvement from 57 days in the same quarter of the prior year. This reflects more efficient receivables management compared to last year. Although the Company has experienced an expansion in project operations and a more diverse client base, which could slightly extend the collection cycle, it has successfully maintained it at an appropriate level while ensuring sufficient cash flow to support ongoing operations.

### 3. Leverage Ratios

In Q2/2025, the Company's debt-to-equity ratio stood at 1.2 times, consistent with both Q1/2025 and Q2/2024, reflecting a capital structure well-suited to support business expansion. The interest coverage ratio was 4.2 times, slightly down from 4.4 times in the previous quarter and increase from 2.6 times in the same period last year, but still at a strong level, indicating the Company's solid ability to generate operating profits to cover interest expenses. The debt service coverage ratio was 0.6 times, close to 0.5 times in the previous quarter and unchanged from the prior year, demonstrating the Company's stable capacity to manage cash flows to meet long-term debt obligations.

### 4. Profitability Ratios

Return on Assets (ROA) for Q2/2025 was 8.8%, up from 8.0% in the previous quarter and 8.6% in the same period last year, reflecting more efficient use of assets in generating profits, driven by higher net profit and effective asset management. Return on Equity (ROE) stood at 11.5%, an increase from 10.7% in the previous quarter, though slightly down from 11.8% in the same period last year, but still at a strong level, demonstrating the Company's continued ability to deliver returns to shareholders.



## Factors Impacting Business Operations or Future Growth

The Group recognizes key factors that may impact its operations and future growth, and has proactively developed strategic plans to enhance sustainable growth opportunities while effectively managing associated risks. These efforts aim to strengthen business stability and deliver sustainable returns to shareholders.

1. **Technological Development and Resource Management:** The Group emphasizes continuous investment in emerging technologies and innovation, particularly the application of Artificial Intelligence (AI) and Automation systems to improve operational efficiency and reduce service costs. Management has prepared necessary resources, production capabilities, and technological competencies to ensure the Company's competitive advantage is maintained.
2. **Government Support:** The Thai government's commitment to advancing digital infrastructure, Smart Cities, and Intelligent Transportation Systems (ITS – technologies aimed at enhancing transport efficiency and safety) provides a strong foundation for the Group's growth. These policies create significant opportunities for the Group, particularly in projects involving technology integration and security solutions, which are among the Group's core strengths.
3. **Managing Risks from Global Trade and Export Conditions:** Volatility in the global economy and international trade measures—especially between the U.S. and China—may affect infrastructure investments and IT budgets in both the public and private sectors. The Group closely monitors such developments and adjusts its marketing and risk management strategies to maintain operational efficiency in uncertain conditions.
4. **Cost Management and Labor Handling:** The Group has developed structured cost management and labor planning systems, especially in labor-intensive segments such as smart property management and Call Center services. Investment in automation has also been prioritized to improve efficiency, reduce costs, and support long-term growth.
5. **Employee Skill Development:** As demand for AI and Automation continues to rise, the Company places strong emphasis on upskilling its workforce in IT, data analytics, and high-quality customer service. This ensures the Group can meet evolving customer expectations and industry trends.
6. **Risk Management Related to the Slowdown in Chinese Tourism:** While the overall tourism sector shows continued recovery, Q2/2025 saw a notable decline in tourists from China—one of Thailand's main markets—due to ongoing safety concerns and other external factors. This situation has partially impacted the Group's revenue from Aviation Services. In response, the Group has implemented risk mitigation strategies by diversifying its revenue streams and expanding into other service segments, including ICT system installation, smart property management, Call Center operations, and integrated outsourcing services, all of which have shown strong growth and help reduce dependency on tourism-related income.
7. **Debt Management and Financial Support:** The Company has adopted prudent financial planning to manage its debt obligations and support business expansion. This includes issuing new debentures, leveraging capital raised through subsidiary IPOs, and continuously providing financial support to joint ventures within the Group.
8. **Business Expansion for Risk Diversification:** The Group plans to expand into high-potential technology-related industries to reduce reliance on its core businesses and create new revenue streams. These include ventures involving AI, Big Data, and the Internet of Things (IoT), which will further strengthen the Company's position and long-term competitiveness.

With preparedness across all aspects, the Group remains confident in its ability to navigate challenges and seize opportunities effectively, thereby ensuring long-term growth, stability, and attractive returns for shareholders.



## Sustainability Development

The Group places great importance on sustainable development by conducting business operations in alignment with Environmental, Social, and Governance (ESG) principles. This approach is designed to create long-term value for all stakeholders and align with the evolving priorities of modern investors, who increasingly focus on corporate responsibility toward society and the environment. The Group has implemented a structured corporate sustainability management strategy encompassing risk analysis, target setting, and performance monitoring to support the United Nations Sustainable Development Goals (SDGs), as outlined below:

- 1. Environmental:** The Group is committed to minimizing its environmental impact by promoting responsible resource use, energy efficiency, and participation in natural resource conservation. Key environmental targets include:
  - Reducing electricity consumption per person by 2.5% by 2028 (compared to the 2023 baseline)
  - Reducing water consumption per person by 2.5% by 2028 (compared to the 2023 baseline)
  - Reducing greenhouse gas emissions by 5% by 2029 (compared to the 2024 baseline)
  - Reducing paper usage by 2.5% by 2028 (compared to the 2023 baseline)
- 2. Social:** The Group prioritizes social responsibility by fostering a positive, inclusive, and equitable work environment, upholding human rights, and ensuring equal opportunities for all employees. Core social targets include:
  - Zero human rights complaints
  - Average of no less than 6 training hours per employee per year
  - Employee turnover rate not exceeding 10%
  - Employee engagement level of at least 80%
  - Zero Lost Time Injury Rate (LTIR)
  - At least 50% of employees to be hired locally by 2029 (compared to the 2024 baseline)
- 3. Governance:** The Group is dedicated to enhancing corporate governance, transparency, and anti-corruption practices to build investor trust and ensure stakeholder confidence. Key governance targets include:
  - Achieving a five-star rating in the Corporate Governance Report (CGR) by 2029
  - Gaining certification as a member of the Thai Private Sector Collective Action Against Corruption (CAC) by 2029
  - Promoting business ethics, transparent disclosure, and strict legal compliance

The Group remains committed to advancing sustainability across all dimensions by balancing operational performance with environmental, social, and governance responsibilities. This approach aims to deliver long-term, stable returns to shareholders and all stakeholders.

Please be informed accordingly.

Sincerely yours,

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(MR. SITHIDEJ MAYALARP)  
Director

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