



# AVIATION TECHNOLOGY SERVICE

**SKY ICT Public Company Limited**

Management Discussion and Analysis

For the year ended December 31, 2024





No. SKY-68-02-091

February 28, 2025

Subject: Management Discussion and Analysis for the Year 2024  
To: President The Stock Exchange of Thailand  
Attachment: A copy of the financial statements for the year ended December 31, 2024 (1 set)

SKY ICT Public Company Limited and its subsidiaries (“SKY Group”) are pleased to present the financial statements for the year ended December 31, 2024, which have been reviewed by the auditor, along with the Management Discussion and Analysis. This comprehensive information is provided to keep our investors and stakeholders well-informed, with details outlined below.

## **Business Overview**

SKY ICT Public Company Limited and its subsidiaries (“SKY 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,” SKY 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**

SKY 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**

SKY 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. SKY 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**

SKY 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, SKY Group offers high-speed internet services in rural areas across various provinces.

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

SKY 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, SKY Group integrates advanced technology with quality service to foster safe and thriving communities.

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

SKY 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. SKY 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)**

SKY 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**

SKY 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 2024, Thailand's economic and political landscape showed positive signals for the Group's business operations. The strong recovery of the tourism sector and continuous growth in private consumption were supported by government investments in digital infrastructure, aligning with the expansion of the information technology (IT) industry, which is one of the company's core businesses. Under the administration of a stable government with policies focused on digital economic development and promoting investment in advanced technology, the company has been presented with opportunities to expand its market for IT solutions and smart security services. Additionally, demand for security services and facility management continued to grow significantly, while comprehensive Call Center and housekeeping services gained increasing attention in an increasingly competitive business environment. The Group also recognizes opportunities arising from growing investments across various industries, which have driven demand for modern security services, office cleaning solutions, and IT management services—all of which align with the company's areas of expertise. Furthermore, the government's pro-tourism initiatives, such as visa-free entry for Chinese tourists, have contributed to a steady increase in the number of travelers. This surge in passenger traffic at various airports has led to a rise in aviation-related service revenue, further driving the company's business growth.

In 2025, Thailand's economy is expected to continue benefiting from the expansion of the digital industry and government policies prioritizing advanced technology development, such as artificial intelligence (AI), cloud computing, and cybersecurity. These factors play a crucial role in enhancing the country's IT capabilities. At the same time, the demand for digital security solutions and intelligent systems in both the public and private sectors is expected to grow steadily, particularly in Smart City development projects and Intelligent Transportation Systems (ITS). This presents a significant opportunity for the company to expand its technology and security solutions, further strengthening its market position. Additionally, the Call Center and Outsourcing Services sectors continue to experience robust growth, driven by shifting consumer behavior and the increasing adoption of automation technologies. This trend enables the company to leverage AI and Big Data Analytics to enhance service efficiency and gain a competitive edge. With a strategy centered on innovation and service development that meets market demands, the company is confident in its ability to sustain long-term growth while delivering stable and valuable returns to investors.

## Summary of Key Events and Developments

On August 14, 2024, at the 5<sup>th</sup> meeting of the Board of Directors for 2024, a resolution was passed to approve an investment in One to One Professional Company Limited (“OTP”) by purchasing common shares from Peer For You Public Company Limited (“PEER”). SKY ICT Public Company Limited (“the Company”) and Turnkey Communication Services Public Company Limited (“TKC”) will jointly acquire 5,600,000 shares of OTP, equivalent to 70% of the total issued and paid-up shares, from PEER. The breakdown of the shares and the purchase price is as follows:

1. The Company will pay a cash consideration of 90,000,000 baht, along with an additional amount equal to 45% of OTP’s net working capital as of June 30, 2024, valued at 12,407,150.82 baht.
2. TKC will pay a cash consideration of 50,000,000 baht, along with an amount equal to 25% of OTP’s net working capital as of June 30, 2024, valued at 6,892,861.57 baht.

Following the transaction, OTP will become a subsidiary of the Company, with the Company holding 45% of OTP’s shares and TKC holding 25%. Additionally, the Company holds an 18.8% stake in TKC.

The nature of OTP’s business involves providing outsourced contact center services, which include fully-managed contact center and customer relationship management services (Fully-Outsourced Contact Center and Customer Management Services). OTP also offers equipment and software leasing for contact center systems, staffing solutions for customer service representatives to work at client-operated service centers, maintenance services for contact center systems, and turnkey total solutions for the design, development, and installation of modern contact center systems capable of supporting multi-channel communication.

The Company recognizes the future growth potential of OTP’s contact center business, driven by the continuous and rapid increase in digital communication services. Therefore, the Company believes that acquiring and holding shares in OTP represents a valuable investment opportunity. The contact center industry is significantly impacted by advancements in technology and innovation, transforming business operations and consumer behavior. For example, the growing trend of using artificial intelligence (AI) to replace traditional customer service representatives allows the Company to stay at the forefront of innovation and apply cutting-edge technologies in the contact center business. OTP’s ongoing development of AI capabilities enhances its competitiveness, enabling it to offer services that meet current and future customer demands. This positions OTP for continuous growth, generating substantial returns for both the Company and TKC.

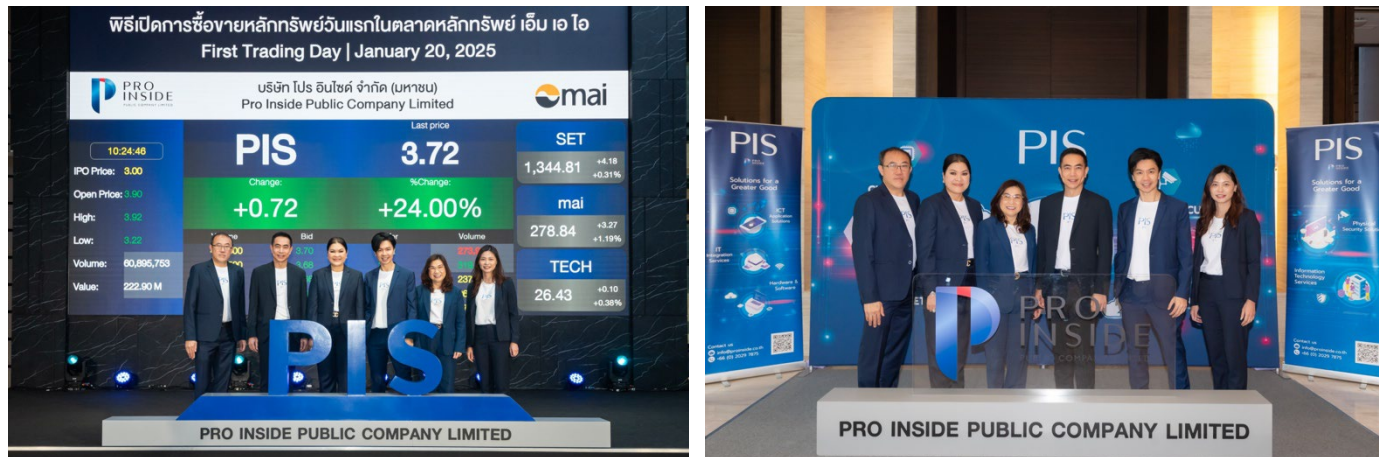


*The Next Milestone of One to One Professional “Flying Higher Together” Event*

On January 20, 2025, Pro Inside Public Company Limited (PIS), a subsidiary within the Group, was officially listed and began trading on the Market for Alternative Investment (mai) in the technology sector. This milestone highlights PIS’s strong potential as a provider of comprehensive Information and Communication Technology (ICT) solutions, covering the design, development, installation, and maintenance of IT systems. PIS’s services span IT infrastructure, security solutions, specialized applications, and IT maintenance and support services



The listing of PIS on the Market for Alternative Investment (mai) through the Spin-Off process has delivered significant benefits across multiple dimensions. For the Group, establishing PIS as an independent publicly listed company has unlocked the subsidiary's value, enhancing its visibility among investors while reducing the financial burden on the parent company. This separation also enables each subsidiary within the Group to focus entirely on its specialized market segment, improving operational efficiency and expanding opportunities for strategic partnerships and business portfolio management flexibility.



*SKY's executives join PIS executives in celebrating the first trading day of PIS*

For PIS, becoming a listed company on mai provides efficient access to capital, supporting the expansion into large-scale projects and the development of innovative ICT solutions that meet the needs of both private enterprises and government sectors. Moreover, its status as a publicly traded company enhances its credibility among customers, investors, and business partners, further strengthening its competitive advantage and ability to attract highly skilled professionals. With a robust business structure and expanding market opportunities, the company firmly believes that the Spin-Off of PIS will enable it to operate independently, broaden its market presence, and generate stable returns for shareholders of both the parent company and PIS in the long term.

As part of its listing on mai, PIS issued 140,000,000 newly issued ordinary shares in an initial public offering (IPO) on January 20, 2025, increasing its registered capital from THB 200 million to THB 270 million. Consequently, the Company's stake in PIS decreased from 91.4% to 67.7%.

## Summary of Operating Results

### Operating Performance Overview for the Year Ended December 31, 2024

Unit: Million Baht	Q4/2024	Q3/2024	Q4/2023	QoQ (%)	YoY (%)	2024	2023	YoY (%)
<b>Total Revenue</b>	2,014	1,715	1,296	17.4	55.4	6,744	4,145	62.7
<b>Net Profit</b>	150	112	206	33.9	(27.2)	481	537	(10.4)
<b>Basic Earnings per Share (Baht/Share)</b>	0.21	0.16	0.30	31.3	(30.0)	0.68	0.79	(13.9)

### Net Profit

In Q4/2024, the Group reported total revenue of THB 2,014 million, representing an increase of THB 728 million or 55.4% compared to the same quarter of the previous year. This growth was primarily driven by an increase in aviation-related service revenue, the government's acceleration of budget disbursement for IT projects, and the expansion of security and smart property management services. Additionally, the Group's investment in OTP on August 30, 2024, allowed the company to recognize OTP's full-quarter revenue in the financial statements for the first time. Meanwhile, the Group's net profit for Q4/2024 stood at THB 150 million, reflecting a decrease of THB 56 million or 27.2% compared to the same period in the previous year. This decline was attributed to the one-time gain of THB 141 million (net of income tax) recorded in Q4/2023, resulting from a change in the Group's investment stake in TKC. However, excluding this one-time gain, the Group's core operating performance improved by THB 85 million, representing a strong growth of 130.77% from the previous year.

For the full-year 2024, the Group reported total revenue of THB 6,744 million, an increase of THB 2,599 million or 62.7% compared to the previous year. The revenue growth was primarily driven by higher aviation-related service revenue, as well as an increase in sales and implementation of Information and Communication Technology systems (SI), resulting from project deliveries throughout 2024. Additionally, revenue from Siam Security and Administrative Services Co., Ltd. grew significantly due to new project acquisitions from both public and private sector clients. Furthermore, following the Group's investment in OTP, OTP became a subsidiary of the company, allowing the Group to consolidate OTP's financial performance into its statements from September 1, 2024, to December 31, 2024. The Group's net profit for 2024 stood at THB 481 million, reflecting a decrease of THB 56 million or 10.4% compared to the previous year. This decline was primarily due to a one-time gain of THB 141 million (net of income tax) recognized in 2023 from a change in the Group's investment stake in TKC. However, excluding this non-recurring gain, the Group's core operating performance improved by THB 85 million, representing a solid growth of 21.46% from the previous year.

## Revenue

Unit: Million Baht	Q4/2024	Q3/2024	Q4/2023	QoQ (%)	YoY (%)	2024	2023	YoY (%)
Revenue from System Integration Services	490	330	163	48.5	200.6	1,300	866	50.1
Revenue from Sales	1	1	3	-	(66.7)	11	78	(85.9)
Revenue from Services	1,514	1,378	1,111	9.9	36.3	5,407	3,175	70.3
<b>Total Revenue</b>	<b>2,005</b>	<b>1,709</b>	<b>1,277</b>	<b>17.3</b>	<b>57.0</b>	<b>6,718</b>	<b>4,119</b>	<b>63.1</b>

**Revenue from System Integration Services** in Q4/2024 amounted to THB 490 million, accounting for approximately 24.4% of total revenue, representing a significant increase of THB 327 million or 200.6% compared to the previous year. This substantial growth was primarily due to higher-value project deliveries and revenue recognition in Q4/2024 compared to Q4/2023. In the current quarter, the Group recognized revenue from the completion and delivery of several key projects, including:

- The GPS Tracking and Monitoring System Project for the Bangkok Mass Transit Authority (BMTA), executed in collaboration with Skyhigh 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.
- The Automatic License Plate Recognition (LPR) System Project, covering 180 locations across the Central, Eastern, and Southern regions, under the Fiscal Year 2024 budget of the Narcotics Suppression Bureau.
- Middleware and Enterprise Software Solutions Project for Skyhigh Company Limited.

For the full-year 2024, Revenue from System Integration Services amounted to THB 1,300 million, accounting for approximately 19.4% of total revenue, representing an increase of THB 434 million or 50.1% compared to the previous year. This growth was driven by higher-value project deliveries and revenue recognition in 2024 compared to 2023. During the year, the company generated revenue from the completion and delivery of several key projects, including:

- 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.
- The GPS Tracking and Monitoring System Project for the Bangkok Mass Transit Authority (BMTA), executed in collaboration with Skyhigh Company Limited.
- Smart City Development System Project – Contract for the development of the expansion area of the Government Complex Commemorating His Majesty the King's 80th Birthday Anniversary, 5th December 2007, Zone C, by Dhanarak Asset Development Company Limited.
- Automatic License Plate Recognition System Project for the Narcotics Suppression Bureau.

**Revenue from Sales** in Q4/2024 amounted to THB 1 million, accounting for approximately 0.1% of total revenue. Since sales revenue is not a core revenue stream for the company, this resulted in a decline of THB 2 million or 66.7% compared to the same quarter of the previous year. The decrease was primarily due to Q4/2023 including revenue from the sale of computer equipment to a limited number of private sector clients, whereas in 2024, such sales were minimal. For the full-year 2024, the Group recorded THB 11 million in sales revenue, representing a decrease of THB 67 million or 85.9% compared to 2023. The company's sales activities primarily involve product distribution to private sector clients, which is not a strategic focus of the Group. As a result, sales revenue remains relatively low compared to other key revenue streams.

**Revenue from Services** in Q4/2024 amounted to THB 1,514 million, accounting for approximately 75.5% of total revenue, representing an increase of THB 403 million or 36.3% compared to the same quarter of the previous year. This growth was driven by the following key factors:

- Revenue from the Common Use Passenger Processing System (CUPPS) services at Suvarnabhumi Airport, Don Mueang Airport, Chiang Mai Airport, Phuket Airport, Hat Yai Airport, and Mae Fah Luang Chiang Rai Airport. The Company recognizes revenue from this service based on the number of departing domestic and international passengers using the system. Although the number of departing passengers has increased, it still falls below 90% of the passenger volume specified in the TOR. Thus, the Company continues to recognize revenue at 90% of the passenger volume specified in the TOR. The passenger volume specified in the TOR for Q4/2024 was higher than in Q4/2023, resulting in an increase in revenue of 23 million baht.
- Revenue from the Advance Passenger Processing System (APPS) and the Passenger Name Record (PNR) data processing services for all six airports managed by Airports of Thailand Public Company Limited (AOT) was 36 million baht higher in Q4/2024 compared to Q4/2023. This increase was due to the continuous rise in the number of passengers traveling to, from, and transiting through Thailand, driven by government tourism promotion campaigns initiated in 2024.
- Revenue from Smart Security and Property Management Services increased by THB 153 million, driven by the company's investment in SAMCO in 2023, which opened opportunities to expand the customer base into new segments and enhance service capabilities. This resulted in significant growth in revenue from this business segment.
- Revenue from Customer Service Management increased by THB 138 million, primarily due to the company's investment in OTP on August 30, 2024, allowing it to fully recognize revenue from this business segment for an entire quarter for the first time. Since the company has controlling power over OTP, it is classified as a subsidiary, enabling the consolidation of OTP's service revenue into the Group's financial statements.
- Revenue from maintenance service agreements and other service revenues, including equipment rental and public internet services, CCTV system rental, and CCTV system maintenance, increased by THB 53 million. This growth was driven by an increase in the number of projects and new maintenance service contracts associated with systems the company had previously sold and installed.

For the full-year 2024, revenue from services amounted to THB 5,407 million, accounting for approximately 80.5% of total revenue, representing an increase of THB 2,232 million or 70.3% compared to the previous year. This significant growth was driven by the following key factors:

- Revenue from the Common Use Passenger Processing System (CUPPS) services at Suvarnabhumi Airport, Don Mueang Airport, Chiang Mai Airport, Phuket Airport, Hat Yai Airport, and Mae Fah Luang Chiang Rai Airport. The Company recognizes revenue from this service based on the number of departing domestic and international passengers using the system. Although the number of departing passengers has increased, it still falls below 90% of the passenger volume specified in the TOR. Thus, the Company continues to recognize revenue at 90% of the passenger volume specified in the TOR. The passenger volume specified in the TOR for 2024 was higher than in 2023, resulting in an increase in revenue of 255 million baht. A key factor contributing to this significant revenue growth was the launch of services at Phuket International Airport in late 2023, which expanded the company's service coverage and increased the number of system users.
- Revenue from the Advance Passenger Processing System (APPS) and the Passenger Name Record (PNR) data processing services for all six airports managed by Airports of Thailand Public Company Limited (AOT) was 167 million baht higher in 2024 compared to 2023. This increase was due to the continuous rise in the number of passengers traveling to, from, and transiting through Thailand, driven by government tourism promotion campaigns initiated in 2024.



- Revenue from Smart Security and Property Management Services increased by THB 1,340 million, driven by the company's investment in SAMCO in 2023, which opened opportunities to expand the customer base into new segments and enhance service capabilities. This resulted in significant growth in revenue from this business segment. Furthermore, since the Group acquired a stake in SAMCO, it has been able to sustain continuous growth by further expanding its customer base into new sectors, such as hospitals, private corporations, and banks, contributing to SAMCO's overall revenue growth.
- Revenue from Customer Service Management increased by THB 184 million, driven by the performance of OTP, in which the company invested during 2024. As a result, OTP became a new subsidiary, allowing the company to consolidate OTP's service revenue into the Group's financial statements.
- Revenue from maintenance service agreements (MSA) and other service revenues, including equipment rental and public internet services, CCTV system rental, and CCTV system maintenance, increased by THB 286 million. This growth was driven by an increase in the number of projects and new maintenance service contracts associated with systems the company had previously sold and installed.

## Cost

Unit: Million Baht	Q4/2024	Q3/2024	Q4/2023	QoQ (%)	YoY (%)	2024	2023	YoY (%)
Cost of System Integration Services	391	277	130	41.2	200.8	1,056	661	59.8
Cost of Sales	-	-	6	-	(100.0)	6	59	(89.8)
Cost of Services	1,235	1,121	892	10.2	38.5	4,323	2,355	83.6
<b>Total Cost</b>	<b>1,626</b>	<b>1,398</b>	<b>1,028</b>	<b>16.3</b>	<b>58.2</b>	<b>5,385</b>	<b>3,075</b>	<b>75.1</b>
<b>Gross Profit</b>	<b>379</b>	<b>311</b>	<b>249</b>	<b>21.9</b>	<b>52.2</b>	<b>1,333</b>	<b>1,044</b>	<b>27.7</b>
<b>Gross Profit Margin (%)</b>	<b>18.9</b>	<b>18.2</b>	<b>19.5</b>			<b>19.8</b>	<b>25.3</b>	

Total cost in Q4/2024 amounted to THB 1,626 million, representing an increase of THB 598 million or 58.2% compared to THB 1,028 million in the same quarter of the previous year. Consequently, the Group's overall gross profit margin declined from 19.5% to 18.9%, primarily due to the following factors:

- Cost of system integration services increased proportionally with the rise in revenue from this segment. This was due to effective cost management and control for both external and internal expenses in the projects recognized in Q4/2024. As a result, the gross profit margin for this segment remained relatively stable compared to Q4/2023, with no significant fluctuations.
- Cost of sales decreased in line with the decline in sales revenue, as sales revenue is not a primary focus for the Group, unlike system integration and service revenue, which are higher in value and recurring, contributing to the Group's financial stability.
- Cost of Services increased significantly in line with the rise in service revenue. However, the increase in service costs outpaced the growth in service revenue, primarily due to the smart security and property management services business of SAMCO and the Customer Service Management services of OTP. These businesses have a high proportion of labor costs, which has a lower gross profit margin compared to other project-based businesses within the Group. This was a key factor contributing to the overall decline in the Group's gross profit margin to 18.9%.

Total cost for the full-year 2024 amounted to THB 5,385 million, representing an increase of THB 2,310 million or 75.1% compared to THB 3,075 million in the previous year. Consequently, the company's overall gross profit margin declined from 25.3% to 19.8%, primarily due to the following factors:

- Cost of system integration services increased at a higher rate than the revenue growth in this segment, as the projects recognized in 2024 were larger-scale projects with lower gross profit margins compared to the projects recognized in 2023.
- Cost of sales decreased in line with the decline in sales revenue, as sales revenue is not a primary focus for the Group. In contrast, turnkey system integration and service revenue are higher in value and recurring, contributing to the Group's financial stability.



- Cost of Services increased significantly in line with the growth in service revenue. However, the increase in service costs outpaced the growth in service revenue, primarily due to the smart security and property management services business of SAMCO and the Customer Service Management services of OTP. These businesses have a high proportion of labor costs, which are affected by annual minimum wage adjustments. In some contracts, the company was unable to pass on the additional service costs resulting from wage increases to customers, requiring the Group to absorb these costs. Consequently, the gross profit margin for this segment remained lower compared to other project-based businesses within the Group, significantly contributing to the overall decline in the Group's gross profit margin to 20.0%.

### Other Income (Expense)

Unit: Million Baht	Q4/2024	Q3/2024	Q4/2023	QoQ (%)	YoY (%)	2024	2023	YoY (%)
Other Income	9	6	19	50.0	(52.6)	26	26	-
Other Losses, Net	12	(6)	3	(300.0)	300.0	(35)	8	(537.5)
<b>Total Other Income (Expense)</b>	<b>21</b>	<b>-</b>	<b>22</b>	<b>100.0</b>	<b>(4.5)</b>	<b>(9)</b>	<b>34</b>	<b>(126.5)</b>

Other income in Q4/2024 decreased by THB 1 million, or 4.5%, compared to the same quarter of the previous year, which had other income of THB 22 million. This change was due to the Group continuing to recognize gains from foreign exchange hedging, which benefited from the depreciation of the Thai Baht, making the exchange rate more favorable than the rate at which the Group initially entered into hedging contracts and higher than the level recognized in the previous year. However, in Q4/2023, the company had lower foreign exchange gains than in Q4/2024 but was able to recognize an additional gain of THB 20 million from the revaluation of investments in a listed company, resulting in higher other income in the previous year.

The overall other income (loss) in 2024 declined by THB 43 million, representing a decrease of 126.5%, compared to the THB 34 million in other income recorded in the previous year. This change was primarily due to losses incurred from the revaluation of investments in common shares of a listed company. In contrast, in 2023, the Group was able to recognize gains from foreign exchange hedging, benefiting from the depreciation of the Thai Baht, which resulted in a more favorable exchange rate than when the Group initially entered into hedging contracts. Additionally, in 2023, the Group also recorded gains from the revaluation of investments in the same listed company, which supported the overall financial performance of the previous year.

### Selling, Administrative Expenses, and Finance Costs

Unit: Million Baht	Q4/2024	Q3/2024	Q4/2023	QoQ (%)	YoY (%)	2024	2023	YoY (%)
Selling Expenses	44	51	45	(13.7)	(2.2)	178	138	29.0
Administrative Expenses	164	109	133	50.5	23.3	532	383	38.9
Finance Costs	70	70	80	-	(12.5)	291	304	(4.3)
<b>Total Expenses</b>	<b>278</b>	<b>230</b>	<b>258</b>	<b>20.4</b>	<b>7.4</b>	<b>1,001</b>	<b>825</b>	<b>21.3</b>
<b>Expense Ratio to Revenue (%)</b>	<b>13.8</b>	<b>13.5</b>	<b>20.2</b>			<b>14.9</b>	<b>20.0</b>	

Total expenses of the Group in Q4/2024 amounted to THB 278 million, representing an increase of THB 20 million or 7.4% compared to the same quarter of the previous year. The primary reason for this increase was the inclusion of expenses from OTP, following the Group's investment in OTP in Q3/2024, which led to higher overall expenses compared to the same period last year. The increase in total expenses was mainly due to higher selling and administrative expenses, driven by employee-related costs, as the company expanded its workforce to support its business growth.

The total expenses of the Group for the full-year 2024 amounted to THB 1,001 million, representing an increase of THB 176 million or 21.3% compared to the previous year. The primary reason for this increase was the full-year inclusion of expenses from newly acquired subsidiaries in 2023, including Astro Solutions Co., Ltd. ("ASTRO"), which was converted from an associate to a subsidiary on October 2, 2023, and SAMCO, which was acquired through Metthier Co., Ltd. ("METTHIER") on September 19, 2023. Additionally, the company invested in OTP on August 30, 2024 (Q3/2024), further contributing to the overall increase in expenses compared to the previous year. The rise in total expenses was primarily due to higher selling and administrative expenses, driven by employee-related costs as the company expanded its workforce to support business growth. Moreover, increased marketing expenses were incurred to enhance the Group's brand image and market presence.

## Share of profit from associates and joint venture

Unit: Million Baht	Q4/2024	Q3/2024	Q4/2023	QoQ (%)	YoY (%)	2024	2023	YoY (%)
Turnkey Communication Services Public Company Limited (“TKC”)	(1)	9	187	(111.1)	(100.5)	40	233	(82.8)
Astro Solutions Co., Ltd. (“ASTRO”)	-	-	(1)	-	-	-	(2)	(100.0)
Global Sports Ventures Co., Ltd. (“GSV”)	6	6	1	-	500.0	22	8	175.0
SAL Group (Thailand) Co., Ltd. (“SAL”)	63	48	51	31.3	23.5	203	150	35.3
<b>Total</b>	<b>68</b>	<b>63</b>	<b>238</b>	<b>7.9</b>	<b>(71.4)</b>	<b>265</b>	<b>389</b>	<b>(31.9)</b>

For Q4/2024, the Group recognized a share of profit from investments in associates and joint ventures totaling THB 65 million, a decrease of THB 173 million compared to THB 238 million in the same quarter of the previous year, as follows:

- **Turnkey Communication Services Public Company Limited (“TKC”)**: The company recognized a share of loss of THB 4 million, resulting in a decrease of THB 191 million in profit contribution compared to the same quarter of the previous year, when the company recorded a share of profit of THB 187 million. This decline was primarily due to the weaker financial performance of TKC in Q4/2024. Additionally, in Q4/2023, the Group recorded a one-time gain of THB 176 million from the change in its investment stake in TKC. Excluding these non-recurring gains or losses, TKC’s operating profit remained at a similar level compared to the same period in the previous year.
- **Astro Solutions Co., Ltd. (“ASTRO”)**: No share of profit was recognized, as the company increased its investment in ASTRO during Q4/2023, resulting in its status changing from an associate to a subsidiary. Consequently, the company ceased recognizing profit share from investments in associates and joint ventures and instead fully consolidated ASTRO’s financial statements into the Group’s consolidated financial statements.
- **Global Sports Ventures Co., Ltd. (“GSV”)**: The company recognized a share of profit of THB 6 million, an increase of THB 5 million compared to THB 1 million in the same quarter of the previous year. This growth was driven by GSV’s operational profit, as the company is engaged in the business of organizing sporting events.
- **SAL Group (Thailand) Co., Ltd. (“SAL”)**: The company recognized a share of profit of THB 63 million, an increase of THB 12 million, driven by the recovery of Thailand’s tourism sector. This improvement positively impacted AOT Ground Aviation Services Company Limited (“AOTGA”), an associate of SAL, which provides ground handling services at Don Mueang and Phuket airports, as well as airport cargo management services at Phuket Airport. As a result, AOTGA’s operational performance improved, contributing to the increased profit share from SAL.

For the full-year 2024, the Group recognized a share of profit from investments in associates and joint ventures totaling THB 264 million, representing a decrease of THB 126 million compared to THB 389 million in the previous year, as follows:

- **Turnkey Communication Services Public Company Limited (“TKC”)**: The company recognized a share of profit of THB 38 million, representing a decrease of THB 195 million compared to THB 233 million in the previous year. This decline was primarily due to the THB 176 million one-time gain recorded in 2023 from the change in the Group’s investment stake in TKC. Additionally, TKC’s financial performance in 2024 weakened compared to 2023, as the company recognized a loss from changes in its investment stake in an associate. However, excluding these non-recurring gains or losses, TKC’s core operating profit remained at a similar level to the previous year.
- **Astro Solutions Co., Ltd. (“ASTRO”)**: No share of profit was recognized, as the company increased its investment in ASTRO during Q4/2023, resulting in its status changing from an associate to a subsidiary. Consequently, the company ceased recognizing profit share from investments in associates and joint ventures and instead fully consolidated ASTRO’s financial statements into the Group’s consolidated financial statements.



- **Global Sports Ventures Co., Ltd. (“GSV”)**: The company recognized a share of profit of THB 22 million, an increase of THB 14 million compared to THB 8 million in the previous year. This growth was driven by GSV’s improved operational performance, as the company is engaged in the business of organizing sporting events.
- **SAL Group (Thailand) Co., Ltd. (“SAL”)**: The company recognized a share of profit of THB 203 million, an increase of THB 53 million, driven by the recovery of Thailand’s tourism sector. This improvement positively impacted AOT Ground Aviation Services Company Limited (“AOTGA”), an associate of SAL, which provides ground handling services at Don Mueang and Phuket airports, as well as airport cargo management services at Phuket Airport. As a result, AOTGA’s operational performance improved, contributing to the increased profit share from SAL.

### **Summary of Financial Position**

As of December 31, 2024, total assets stood at THB 12,147 million, an increase of THB 633 million or 5.4% from THB 11,514 million as of December 31, 2023. The asset growth was primarily driven by a THB 385 million increase in cash and cash equivalents, resulting from a significant improvement in operating cash flow compared to the previous year. Additionally, restricted bank deposits increased by THB 108 million, as the company had loan agreements with financial institutions requiring the placement of bank deposits as collateral for multiple credit facilities, in accordance with each financial institution’s terms. Prepaid project expenses increased by THB 201 million, driven by the purchase of equipment for large-scale projects scheduled for implementation in 2025, ensuring project execution according to plan. Meanwhile, investments in associates and joint ventures increased by THB 171 million, comprising an additional investment of THB 14 million in TKC and THB 157 million from the operating performance of associates and joint ventures after deducting dividends received. Furthermore, intangible assets increased by THB 40 million, mainly due to the inclusion of OTP’s intangible assets in the financial statements, amounting to THB 19 million, along with net purchases and disposals of intangible assets totaling THB 63 million and amortization expenses of THB 42 million. Additionally, goodwill increased by THB 65 million, resulting from the acquisition of OTP. On the other hand, land, buildings, equipment, and right-of-use assets decreased by THB 291 million, primarily due to depreciation of project-related equipment. Financial assets measured at fair value through profit or loss decreased by THB 65 million, as the company disposed of investments in common shares of a listed company, amounting to THB 45 million, and incurred a fair value loss of THB 50 million on the same investment. However, the company invested THB 30 million in fixed-income mutual funds to enhance liquidity management efficiency. Additionally, during 2024, the Group recorded a THB 12 million reduction in the allowance for doubtful trade receivables, as partial payments were received from long-outstanding trade receivables, in compliance with financial reporting standards.

As of December 31, 2024, total liabilities stood at THB 6,949 million, an increase of THB 146 million or 2.1% from THB 6,803 million as of December 31, 2023. This change was primarily due to the following factors: trade and other payables increased by THB 495 million, in line with higher costs incurred during the year, with all trade payables settled within the agreed credit terms. The company’s debentures increased by THB 392 million, due to the issuance of new debentures amounting to THB 550 million in December 2024 and the repayment of THB 156 million in matured debentures in May 2024. Employee benefit obligations increased by THB 36 million, driven by workforce expansion and longer employee tenure, while financial derivative liabilities increased by THB 37 million, due to the fair value measurement of foreign exchange hedging contracts. At the same time, the Group recorded reductions in certain liabilities, including a THB 488 million decrease in loan borrowings, primarily due to monthly repayments of long-term loans for the CUPPS and APPS projects. Lease liabilities decreased by THB 195 million, due to the repayment of right-of-use asset obligations, while contract liabilities decreased by THB 129 million, as the balance of advance payments from customers that had yet to be recognized as revenue at the end of the current period was lower than the previous year.

As of December 31, 2024, total shareholders’ equity amounted to THB 5,199 million, an increase of THB 488 million or 10.3% from THB 4,712 million as of December 31, 2023. This increase was primarily driven by the Group’s financial performance.

## Key Financial Ratios

Financial Ratio	Q4/2024	Q3/2024	Q4/2023
<b>Liquidity Ratios</b>			
Current Ratio	1.2	1.1	1.3
Quick Ratio	0.4	0.2	0.4
<b>Activity Ratios</b>			
Average Collection Period (Days)	42	60	59
<b>Leverage Ratios</b>			
Debt to Equity Ratio	1.3	1.2	1.4
Interest Coverage Ratio	3.0	3.2	2.8
Debt Service Coverage Ratio	0.4	0.5	0.7
<b>Profitability Ratios</b>			
Return on Asset (ROA)	7.4%	8.2%	9.2%
Return on Equity (ROE)	14.2%	11.5%	14.5%

### 1. Liquidity Ratios

In Q4/2024, the company's current ratio stood at 1.2 times, remaining consistent with the previous quarter and the same quarter of the prior year. This reflects the company's ability to effectively manage liquidity in business operations and meet short-term liabilities. Meanwhile, the quick ratio increased to 0.4 times, up from 0.2 times in the previous quarter, primarily due to efficient management of inventory and ongoing projects, aligning with the company's business expansion plans and upcoming projects. Although the quick ratio still indicates a reliance on cash flow from project execution and customer collections, the company has implemented proactive liquidity management measures. These include accelerating customer collections, optimizing project cost management, and controlling credit limits to align with cash inflows.

### 2. Activity Ratios

In Q4/2024, the company successfully reduced its average collection period to 42 days, down from 60 days in the previous quarter and 59 days in the same quarter of the previous year. This improvement reflects more efficient receivables management, allowing the company to accelerate customer collections continuously. The shorter collection period has enhanced the company's cash flow, reduced the risk of bad debts, and provided greater financial flexibility to allocate funds efficiently toward new projects.

### 3. Leverage Ratios

In Q4/2024, the company's debt-to-equity ratio (D/E Ratio) stood at 1.3 times, remaining close to the previous quarter and slightly increasing from 1.2 times in the same quarter of the previous year. This reflects the company's ability to maintain a balance between debt and equity financing. Despite stable debt levels, the company has been able to sustain a strong debt repayment capability. The interest coverage ratio was recorded at 3.0 times, slightly decreasing from 3.2 times in the previous quarter, yet remaining at a healthy level, ensuring the company can comfortably meet its interest payments from operational earnings. Additionally, the debt service coverage ratio (DSCR) stood at 0.4 times, slightly decreasing from 0.5 times in the previous quarter and 0.7 times in the same quarter of the prior year. The company has a strategic cash flow management plan in place to maintain a balanced debt burden over the long term.

### 4. Profitability Ratios

In Q4/2024, the company's return on assets (ROA) stood at 7.4%, down from 8.2% in the previous quarter and 9.2% in the same quarter of the previous year. This decline reflects the company's continued investments in large-scale projects and new business ventures to support the Group's long-term growth, leading to total asset expansion outpacing net profit growth. Meanwhile, the return on equity (ROE) was 14.2%, slightly decreasing from 14.5% in the same quarter of the previous year. However, despite the short-term impact of increased investments and additional financing on profitability, the company remains confident that these expansions and investments will drive higher long-term returns, as newly invested businesses begin to fully recognize revenue.



## Factors Impacting Business Operations or Future Growth

The Group is aware of key factors that may impact future operations and growth and has carefully prepared strategies to enhance sustainable growth opportunities. Additionally, the Group effectively manages risks to strengthen business stability and deliver consistent returns for shareholders. Key factors influencing the Group's business operations or future growth and the strategies implemented are as follows:

1. **Technological Development and Resource Management:** The Group recognizes the importance of investing in new technologies and has plans for continuous innovation to respond to the rapid changes in the industry. The management team has prepared resources, production capacity, and technological capabilities to ensure that the Company maintains its competitive advantage.
2. **Government Support:** Government policies that focus on developing digital infrastructure and promoting the technology industry are key drivers that enhance the Group's growth potential. The management is well-prepared to leverage these policies to expand the business and meet the increasing market demand.
3. **Cost Management and Labor Handling:** The Group has developed effective cost management processes and has plans to address fluctuations in raw material prices and labor costs. This is achieved through operational efficiency improvements and investments in projects that minimize environmental and social impact, thereby enhancing the Company's sustainable corporate image.
4. **Employee Skill Development:** The management recognizes the importance of developing employee skills, particularly in service-oriented businesses such as call centers, security services, and housekeeping. The Group has established continuous training and development programs to ensure that staff are well-prepared to adapt to technological changes, reinforcing the Company's position as an industry leader.
5. **Economic Volatility:** Although the economy may experience uncertainty at times, the Group has developed comprehensive risk management plans and leverages the recovery of the tourism sector and private consumption. These are key drivers that strengthen the Company's service business.
6. **Debt Management and Financial Support:** The management has planned efficient debt management and developed robust financial strategies to support business expansion. This includes providing financial assistance to subsidiaries and joint ventures, enhancing competitiveness and creating opportunities for stable growth.
7. **Business Expansion for Risk Diversification:** The Group plans to expand into new, high-potential industries related to its areas of expertise. This strategy aims to diversify risk and create long-term growth opportunities. Not only will it enhance the Company's resilience to market changes, but it will also increase stable revenue streams. Investing in emerging technologies and modern service industries will enable the Company to adapt to evolving customer needs and strengthen its continuous growth potential.

With comprehensive preparedness, the Group is confident in its ability to tackle challenges and fully capitalize on emerging opportunities. This will ensure stability and sustainable growth while delivering strong, long-term returns to shareholders.

## Sustainability Development

The Group places great importance on sustainable development, focusing on business operations that encompass Environmental, Social, and Governance (ESG) dimensions to create lasting value for stakeholders. This approach aligns with the investment trends of investors who prioritize socially and environmentally responsible business practices.

1. **Environmental:** The Group implements policies to minimize environmental impact and has developed measures to reduce greenhouse gas emissions in its operations. These measures include adopting energy-saving technologies, waste reduction, waste segregation, and efficient resource utilization.
2. **Social:** The Group emphasizes community and social development, focusing on improving the quality of life for employees and the communities in which it operates through various social initiatives. These include training and skills development programs for employees, promoting workplace equality, and community development projects aimed at supporting marginalized groups. The Group also prioritizes employee safety and health by ensuring a safe and hygienic working environment.
3. **Governance:** The Group is committed to upholding high standards of corporate governance, adhering to principles of transparency, integrity, and fair management for all stakeholders. Additionally, the Group ensures the comprehensive disclosure of important information to investors and strictly complies with relevant laws and regulations, ensuring that its operations remain transparent and accountable.

Please be informed accordingly.

Sincerely yours,

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(MR. SITHIDEJ MAYALARP)  
Director

Corporate Secretary  
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