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platt nera

Platt Nera International Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1949)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2023

HIGHLIGHTS

- Revenue of the Group for the year ended 31 December 2023 (“FY2023”) was approximately THB484.8 million, representing an increase of approximately 79.8% or THB215.2 million as compared to the revenue of the Group of approximately THB269.6 million for the year ended 31 December 2022 (“FY2022”) due mainly from the completion of several key projects in FY2023.
- The Group has turned around to a profit position of approximately THB7.9 million in 2023 compared to a net loss of approximately THB84.0 million last year.

The Board is pleased to announce the consolidated results of the Group for the year ended 31 December 2023 with comparative figures for the corresponding year in 2022.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2023

	<i>Notes</i>	2023 <i>THB'000</i>	2022 <i>THB'000</i>
REVENUE	5	484,762	269,589
Cost of sales and services		<u>(395,877)</u>	<u>(304,774)</u>
Gross profit (loss)		88,885	(35,185)
Other income and gain, net		31,629	42,085
Selling and distribution expenses		(9,730)	(11,048)
Administrative expenses		(55,838)	(55,541)
Impairment losses of other receivable, net		–	(600)
Share of losses of an associate		(4,631)	(2,756)
Finance costs		<u>(39,639)</u>	<u>(45,316)</u>
PROFIT (LOSS) BEFORE TAX	6	10,676	(108,361)
Income tax (expense) credit	7	<u>(2,782)</u>	<u>24,339</u>
PROFIT (LOSS) FOR THE YEAR ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY		7,894	(84,022)
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		<u>–</u>	<u>–</u>
TOTAL COMPREHENSIVE INCOME (EXPENSE) FOR THE YEAR ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY		<u>7,894</u>	<u>(84,022)</u>
		<i>THB cents</i>	<i>THB cents</i> (Restated)
EARNING (LOSS) PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY			
Basic and diluted	9	<u>1.56</u>	<u>(18.00)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

	<i>Notes</i>	2023 <i>THB'000</i>	2022 <i>THB'000</i>
NON-CURRENT ASSETS			
Leasehold improvements and equipment	<i>10</i>	366	713
Computer software		109	174
Right-of-use assets	<i>11</i>	9,369	1,598
Rental receivable under a finance lease	<i>11</i>	29,214	62,901
Investment in an associate		9,166	13,797
Trade receivables	<i>12</i>	209,732	418,794
Contract assets		253,154	138,140
Prepayments, other receivables and other assets	<i>13</i>	78,363	78,107
Pledged bank deposits		83,938	103,409
Deferred tax assets		26,489	29,271
		<hr/>	<hr/>
Total non-current assets		699,900	846,904
CURRENT ASSETS			
Inventories		5,072	5,072
Rental receivable under a finance lease	<i>11</i>	45,049	50,051
Trade receivables	<i>12</i>	349,931	405,158
Contract assets		180,547	26,513
Prepayments, other receivables and other assets	<i>13</i>	244,472	307,837
Prepaid income tax		16,482	12,473
Financial assets at fair value through profit or loss		80,180	–
Cash and cash equivalents		12,620	26,310
		<hr/>	<hr/>
Total current assets		934,353	833,414
CURRENT LIABILITIES			
Contract liabilities		16,329	24,945
Trade payables	<i>14</i>	407,234	366,551
Other payables and accruals		57,951	51,594
Bank and other borrowings		197,033	234,452
Lease liabilities	<i>11</i>	3,768	1,754
		<hr/>	<hr/>
Total current liabilities		682,315	679,296
NET CURRENT ASSETS		<hr/> 252,038	<hr/> 154,118
TOTAL ASSETS LESS CURRENT LIABILITIES		<hr/> 951,938	<hr/> 1,001,022

	<i>Notes</i>	2023 <i>THB'000</i>	2022 <i>THB'000</i>
NON-CURRENT LIABILITIES			
Trade payables	<i>14</i>	206,037	411,858
Bank and other borrowings		217,870	159,216
Lease liabilities	<i>11</i>	5,774	–
Defined benefit obligations		7,028	6,030
Preference shares of a subsidiary		37,740	37,740
Total non-current liabilities		474,449	614,844
Net assets		477,489	386,178
EQUITY			
Equity attributable to shareholders of the Company			
Share capital	<i>15</i>	24,981	15,977
Reserves		452,508	370,201
Total equity		477,489	386,178

NOTES TO FINANCIAL INFORMATION

1. GENERAL INFORMATION

Platt Nera International Limited (the “Company”) is an exempted limited liability company incorporated in the Cayman Islands on 23 November 2018 and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited. The directors consider that the immediate holding company and ultimate holding company of the Company is Pynk Holding Limited (“Pynk”), a private limited liability company incorporated in the British Virgin Islands (“BVI”). Mr. Asvaplungprohm, Mr. Archadechopon and Ms. Aranya Talomsin own 96%, 2% and 2% equity interests of Pynk, respectively and Mr. Asvaplungprohm and Mr. Archadechopon are the executive directors of the Company. The addresses of the registered office and principal place of business of the Company are disclosed in the Corporate Information section to the annual report.

The principal activity of the Company and its subsidiaries (the “Group”) is the provision of IT integrated solutions and IT support services, and the sale of equipment in Thailand.

The consolidated financial statements are presented in Thai Baht (“THB”), which is also the functional currency of the Company.

2. BASIS OF PRESENTATION AND PREPARATION

This announcement has been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Listing Rules.

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with IFRSs issued by the IASB. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”) and by the Hong Kong Companies Ordinance (“CO”).

The consolidated financial statements have been prepared on the historical cost basis except for financial assets at fair value through profit or loss and defined benefit obligations which have been measured in accordance with the accounting policy at the end of each reporting period.

Going concern assessment

The directors of the Company have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

As at 31 December 2023, the Group had bank and other borrowings of approximately THB415 million (2022: THB394 million), of which approximately THB197 million (2022: THB234 million) were current bank and other borrowings due within twelve months from 31 December 2023 while its cash and cash equivalents amounted to approximately THB13 million (2022: THB26 million) only and further, during the year ended 31 December 2023, the Group had cash used in operating activities amounted to approximately THB99 million (2022: THB186 million). These conditions indicate the existence of a material uncertainty relating to going concern.

In view of such circumstances, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient resources to continue as a going concern. In particular, the Group's cash flows are highly affected by the timing of settlement from the Group's debtors and any significant delay of settlement from the Group's debtors may have significant impact on the Group's going concern. The following plans and measures have been undertaken to mitigate the liquidity pressure and to improve the financial position of the Group:

- (i) During the year ended 31 December 2023, the Company completed the Rights Issue which brought net funds of approximately HK\$19 million (approximately THB83 million) to the Company and details of which are set out in note 15;
- (ii) Subsequent to 31 December 2023, the Group has received approximately THB92 million from a major project. The Group continues its efforts to generate sufficient cash flows from operating activities by implementing measures in expediting the collection of outstanding trade receivables, improving sales and containing capital and operating expenditures to retain sufficient working capital for the operations of the Group;
- (iii) The Group continues to monitor its compliance with the undertaking requirements and debt covenants in respect of the Group's bank loans and the Group continues to communicate in a timely fashion with the Group's banks for the grant of waiver or other possible remediation if there is a possible breach of the undertaking requirements and/or debt covenants, if necessary;
- (iv) The Group is having continuous communications with various banks for obtaining additional bank facilities and renewal of existing bank borrowings for the Group's projects and the directors of the Company believe such bank facilities will be successfully obtained given the long-term relationship with the Group's banks and the fact that majority of these facilities will be secured by the Group's project or will be guaranteed by a subsidiary of the Company; and
- (v) The Group is actively looking for other sources of financing including other debt or equity financing to enhance the capital structure and reduce the overall financing expenses or looking for new projects to enhance Group's business.

The directors of the Company have also assessed the Group's cash flow projection prepared by management, which covers a period of not less than twelve months from 31 December 2023. In the opinion of the directors of the Company, taking into account the anticipated cash flows to be generated from the Group's operations as well as the above plans and measures, the Group will have sufficient working capital to meet its financial obligations and commitments as and when they fall due in the coming twelve months from 31 December 2023. Accordingly, the directors of the Company are satisfied that it is appropriate to prepare the Group's consolidated financial statements on a going concern basis.

However, given the uncertainty on the Group's ability to maintain sufficient cash flows from its operating and financing activities, the Group may be unable to continue as a going concern, in which case adjustments would have to be made to adjust the values of assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

2.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised standards for the first time for the current year's financial statements:

In the current year, the Group has applied the following new and amendments to IFRSs issued by the International Accounting Standards Board ("IASB") for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2023 for the preparation of the consolidated financial statements:

IFRS 17 (including the June 2020 and December 2021 Amendments to IFRS 17)	<i>Insurance Contracts</i>
Amendments to IAS 8	<i>Definition of Accounting Estimates</i>
Amendments to IAS 12	<i>Deferred Tax Related to Assets and Liabilities arising from a Single Transaction</i>
Amendments to IAS 12	<i>International Tax Reform — Pillar Two model Rules</i>
Amendments to IAS 1 and IFRS Practice Statement 2	<i>Disclosure of Accounting Policies</i>

Except as described below, the application of the new and amendments to IFRSs in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Impacts on application of Amendments to IAS 8 Definition of Accounting Estimates

The Group has applied the amendments for the first time in the current year. The amendments define accounting estimates as "monetary amounts in financial statements that are subject to measurement uncertainty". An accounting policy may require items in financial statements to be measured in a way that involves measurement uncertainty. In such a case, an entity develops an accounting estimate to achieve the objective set out by the accounting policy. The amendments to IAS 8 clarify the distinction between changes in accounting estimates, and changes in accounting policies and the correction of errors.

The application of the amendments in the current year had no material impact on the consolidated financial statements.

Impacts on application of Amendments to IAS 1 and IFRS Practice Statement 2 Disclosure of Accounting Policies

The Group has applied the amendments for the first time in the current year. IAS 1 Presentation of Financial Statements is amended to replace all instances of the term "significant accounting policies" with "material accounting policy information". Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The amendments also clarify that accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. If an entity chooses to disclose immaterial accounting policy information, such information must not obscure material accounting policy information.

IFRS Practice Statement 2 Making Materiality Judgements (the “Practice Statement”) is also amended to illustrate how an entity applies the “four-step materiality process” to accounting policy disclosures and to judge whether information about an accounting policy is material to its financial statements. Guidance and examples are added to the Practice Statement.

4. SEGMENT INFORMATION

Operating segment information

The Group’s operating segment is determined based on information reported to the CODM of the Group, being the directors of the Company throughout the year, for the purpose of resource allocation and performance assessment.

No operating segment information is presented as the Group’s revenue, reported results and total assets were derived from one single operating segment, i.e., provision of IT integrated solutions, IT support services and sale of equipment.

Geographical information

The Group’s revenue during the year was derived from external customers based in Thailand, and the Group’s non-current assets were all located in Thailand.

Information about major customers

The revenue generated from sales to customers which individually contributed 10% or more of the Group’s total revenue during the years ended 31 December 2023 and 2022 is set out below:

	2023	2022
	<i>THB’000</i>	<i>THB’000</i>
Customer A	359,379	56,770
Customer B	80,476	81,416
Customer C	24,506	113,678

5. REVENUE FROM CONTRACTS WITH CUSTOMERS

(a) Disaggregation of revenue from contracts with customers

(i) *The Group derives revenue from the transfer of goods and services by categories of major product lines and business*

	2023 <i>THB'000</i>	2022 <i>THB'000</i>
By types of goods or services:		
IT integrated solutions	358,162	185,366
IT support services	126,600	79,957
Sale of equipment (<i>note below</i>)	–	4,266
	<hr/>	<hr/>
Total revenue from contracts with customers within the scope of IFRS 15	484,762	269,589
	<hr/> <hr/>	<hr/> <hr/>

Note: The amount disclosed above was accounted for on a net basis, i.e., total contract revenue net of related cost of sales.

(ii) *The Group derives revenue from the transfer of goods and services by timing of revenue recognition*

	2023 <i>THB'000</i>	2022 <i>THB'000</i>
By timing of revenue recognition:		
Transferred at a point in time	159,324	15,077
Transferred over time	325,438	254,512
	<hr/>	<hr/>
Total revenue from contracts with customers within the scope of IFRS 15	484,762	269,589
	<hr/> <hr/>	<hr/> <hr/>

(iii) *The Group derives revenue from the transfer of goods and services by geographical markets*

The Group's revenue from external customers is principally sourced from Thailand.

(b) **Contract balances**

	31 December 2023 THB'000	31 December 2022 THB'000	1 January 2022 THB'000
Trade receivables	559,663	823,952	1,091,339
Less: Impairments	<u>—</u>	<u>—</u>	<u>—</u>
	<u>559,663</u>	<u>823,952</u>	<u>1,091,339</u>
Contract costs	240,245	306,035	213,142
Less: Impairments	<u>—</u>	<u>—</u>	<u>—</u>
	<u>240,245</u>	<u>306,035</u>	<u>213,142</u>
Contract assets (note (i) below)	526,917	257,869	288,766
Less: Impairments (note (i) below)	<u>(93,216)</u>	<u>(93,216)</u>	<u>(93,216)</u>
	<u>433,701</u>	<u>164,653</u>	<u>195,550</u>
Contract liabilities (note (ii) below)	<u>16,329</u>	<u>24,945</u>	<u>8,481</u>

Notes:

(i) **Contract assets**

Contract asset is an entity's right to consideration in exchange for goods or services that the entity has transferred to a customer when that right is conditioned on something other than the passage of time. Contract assets are transferred to trade receivables when the rights to consideration become unconditional. During the year ended 31 December 2023, such transfer amounted to approximately THB28,072,000 (2022: THB46,554,000), net of impairment.

The expected timing of recovery or settlement of contract assets as at the end of the reporting period is as follows:

	2023 THB'000	2022 THB'000
Within one year	180,547	26,513
More than one year	<u>253,154</u>	<u>138,140</u>
	<u>433,701</u>	<u>164,653</u>

The movement in the loss allowance for impairment of contract assets is as follows:

	2023 <i>THB'000</i>	2022 <i>THB'000</i>
At 1 January and as 31 December	<u>93,216</u>	<u>93,216</u>

(ii) Contract liabilities

Contract liabilities are the Group's obligations to transfer goods or services to customers for which the Group has received consideration from customers, including progress billings received from customers for services in progress and upfront deposits collected from customers prior to the commencement of the provision of services or delivery of products. Contract liabilities are recognised as revenue when the Group performs under the contract.

Set out below is the amount of revenue recognised from amounts included in contract liabilities at the beginning of the reporting period and from performance obligations satisfied (or partially satisfied) in previous periods:

	2023 <i>THB'000</i>	2022 <i>THB'000</i>
Revenue recognised that was included in contract liabilities at the beginning of the year	<u>12,504</u>	<u>4,125</u>

(c) Performance obligations for contracts with customers and revenue recognition policies

The Company is mainly engaged in the provision of IT integrated solutions and IT support services, and the sale of equipment in Thailand.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, net of value added tax ("VAT").

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15 Revenue from Contracts with Customers.

Determination of the transaction price

In determining the transaction price for the service rendered, the Group further considers the effects of variable consideration and the existence of significant financing components.

(1) Variable consideration

The transaction price of certain contracts is variable based on the occurrence of certain activities during the contract period. If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods or services to the customer using the expected value method.

The variable consideration is estimated at contract inception and then remeasured at each reporting date and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

(2) Significant financing component

Using the practical expedient in IFRS 15 Revenue from Contracts with Customers, the Group does not adjust the promised amount of consideration for the effects of a significant financing component for certain customer contracts, because the Group expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less. In addition, for certain customer contracts, the majority amount of the consideration promised by the customer is variable, in which the amount or timing to receive the entitled consideration is uncertain and depends on the occurrence or non-occurrence of a future event that is not substantially within the control of the Group. Therefore, the Group considers that there is no significant financing component in these customer contracts.

Further details of the Group's revenue and income recognition policies are as follows:

(i) IT integrated solutions

IT integrated solutions comprise a comprehensive range of services, from project design and planning, assessment of hardware and/or software options and their suitability, sourcing and sale of hardware and/or software (either bundled or separately), system installation and launch to trial operation and acceptance, including system upgrades for existing systems.

Contracts for bundled sales of hardware and/or software and integration services are treated as a single performance obligation because the promises to transfer the hardware and/or software and provide integration services are not capable of being distinct and separately identifiable. Accordingly, the Group only allocates the transaction price to a single performance obligation, given that there is no other performance obligation identified.

In the opinion of the directors of the Company, the provision of IT integrated solutions is either satisfied (1) over time using the input method to measure progress towards complete satisfaction of the service as the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or (2) for any other cases, at a point in time, generally upon complete delivery of the goods and services.

(ii) IT support services

The Group is also engaged to provide operational, support, upgrade and maintenance services to ensure the proper functioning of the relevant IT system of customers, some of which were provided by the Group together with IT integrated solutions. IT support services typically meet the criterion where customers simultaneously receive and consume the benefits of the Group's performance as the Group performs. Therefore, in the opinion of the directors of the Company, the performance obligation of rendering IT support services is satisfied over time which is recognised over the relevant service period.

The transaction price is the amount of consideration that the Group expects or estimates to be entitled in exchange for transferring IT support services to customers. Revenue from rendering IT support services is recognised over time, using the straight-line method over the service contract period to measure progress towards complete satisfaction of the service; or (2) for any other cases, at a point in time, generally upon complete delivery of the goods and services.

(iii) Sale of equipment

Revenue from the sale of equipment is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the equipment.

In general, the Group's sale of equipment was accounted for on a net basis, i.e., total contract revenue net of related cost of sales.

(iv) Interest income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

(d) Transaction price allocated to remaining performance obligation

The Group recognises revenue of IT integrated solutions, IT support services and sale of equipment according to the accounting policies as set out in the consolidated financial statements. The payment is generally due within 30 days from the date of billing.

The aggregate amounts of the transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at the end of the reporting period are as follows:

	2023	2022
	<i>THB'000</i>	<i>THB'000</i>
Within one year	692,463	724,216
More than one year	<u>14,315,564</u>	<u>13,275,723</u>
	<u><u>15,008,027</u></u>	<u><u>13,999,939</u></u>

In 2023 and 2022, the remaining performance obligations expected to be recognised in more than one year related to the IT integrated solutions and IT support services. All the other remaining performance obligations are expected to be recognised within one year. The amount mentioned above does not include performance obligations for which the Group has applied the practical expedient not to disclose information about its remaining performance obligations if the performance obligation is part of a contract that has an original expected duration of one year or less. The amounts disclosed above do not include variable consideration which is constrained.

6. PROFIT (LOSS) BEFORE TAX

The Group's profit (loss) before tax is arrived at after charging (crediting):

	2023 <i>THB'000</i>	2022 <i>THB'000</i>
Staff costs:		
Employee benefit expense (including directors' remuneration):		
Salaries, allowances and benefits in kind	45,331	47,904
Defined contribution schemes contributions	1,288	1,453
Net benefit expenses of a defined benefit plan	998	968
	<u>47,617</u>	<u>50,325</u>
Total employee benefit expense	47,617	50,325
Less: Amount included in cost of sales and services rendered	(15,186)	(15,997)
	<u>32,431</u>	<u>34,328</u>
Cost of sales and services:		
Cost of inventories sold	–	2,701
Cost of services rendered	395,877	302,073
	<u>395,877</u>	<u>304,774</u>
Others:		
Auditor's remuneration	4,254	4,853
Depreciation of leasehold improvements and equipment	364	559
Depreciation of right-of-use assets	3,859	3,861
Amortisation of computer software	65	242
Expense relating to short-term leases and leases of low-value assets	598	563
Impairment on other receivables	–	600
	<u>–</u>	<u>600</u>

7. INCOME TAX EXPENSE (CREDIT)

An analysis of the Group's income tax charged (credited) in profit or loss during the year is as follows:

	2023 <i>THB'000</i>	2022 <i>THB'000</i>
Current year:		
Charge for the year	–	–
Deferred tax	2,782	(24,339)
	<u>2,782</u>	<u>(24,339)</u>
Total tax expense (credit) for the year	<u>2,782</u>	<u>(24,339)</u>

8. DIVIDEND

No dividend was paid or proposed for ordinary shareholders of the Company during the year ended 31 December 2023, nor has any dividend been proposed since the end of the reporting period (2022: nil).

9. EARNING (LOSS) PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

The calculation of the basic earnings (loss) per share attributable to shareholders of the Company is based on the following data:

Profit (loss) figures for the purpose of basic and diluted earnings (loss) per share:

2023	2022
THB'000	THB'000

Profit (loss) figures are calculated as follows:

Earnings (loss) for the year attributable to owners of the Company
for the purpose of calculating basic and diluted earnings (loss)
per share for the year

<u>7,894</u>	<u>(84,022)</u>
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Weighted average number of ordinary shares for the purpose of calculating basic and diluted earnings (loss) per share:

2023	2022
<i>(thousands of shares)</i>	(Restated)

Number of shares are calculated as follows:

Issued ordinary shares as at 1 January

400,000 400,000

Effect of ordinary shares issued under the Rights Issues

106,493 66,680

Weighted average number of ordinary shares for the purpose of
calculating basic and diluted earnings (loss) per share

<u>506,493</u>	<u>466,680</u>
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The weighted average number of ordinary shares for the purpose of basic and diluted earnings (loss) per share for the years ended 31 December 2023 and 2022 have been adjusted for the Rights Issue.

The diluted earnings (loss) per share is the same as the basic earnings (loss) per share, as the Group has no dilutive potential ordinary shares for the years ended 31 December 2023 and 2022.

10. LEASEHOLD IMPROVEMENTS AND EQUIPMENT

During the year ended 31 December 2023, the Group acquired leasehold improvements and equipment with a total cost of THB17,000 (2022: THB439,000).

11. RENTAL RECEIVABLE UNDER A FINANCE LEASE, RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Group as a lessor

Rental receivable under a finance lease

The rental receivable under a finance lease as at 31 December 2023 and 2022 related to a finance lease arrangement of passbook machines provided by the Group to a lessee for a lease term of 5 years, and bears interest at the rate of 1.85% per annum. During the year, interest income of THB1,496,000 (2022: THB2,102,000) was recognised in profit or loss in respect of the rental receivable under a finance lease.

At 31 December 2023 and 2022, the undiscounted lease payments receivable by the Group in future periods with its customer are as follows:

	Minimum lease receivables		Present value of minimum lease receivables	
	2023 THB'000	2022 THB'000	2023 THB'000	2022 THB'000
Within one year	45,928	51,547	45,049	50,051
After one year but within two years	29,087	34,566	28,832	33,687
After two years but within three years	383	29,087	382	28,832
After three years but within four years	–	383	–	382
After four years but within five years	–	–	–	–
Total minimum finance lease receivables	75,398	115,583	74,263	112,952
Less: Unearned finance income	(1,135)	(2,631)		
Total net receivable under a finance lease	74,263	112,952		
Portion classified as current assets	(45,049)	(50,051)		
Non-current portion	29,214	62,901		

The Group as a lessee

The Group has lease arrangements as a lessee for certain office premises and office equipment used in its operations. The leases for office premises and office equipment generally have lease terms between 2 to 3 years.

(a) Right-of-use assets

The carrying amount of the Group's right-of-use assets and the movement during the year are as follows:

	Office premises <i>THB'000</i>	Office equipment <i>THB'000</i>	Total <i>THB'000</i>
At 1 January 2022	5,432	27	5,459
Depreciation provided during the year	<u>(3,834)</u>	<u>(27)</u>	<u>(3,861)</u>
At 31 December 2022, 1 January 2023	1,598	–	1,598
Enter of new leases	11,630	–	11,630
Depreciation provided during the year	<u>(3,859)</u>	<u>–</u>	<u>(3,859)</u>
At 31 December 2023	<u>9,369</u>	<u>–</u>	<u>9,369</u>

(b) Lease liabilities

The carrying amount of the Group's lease liabilities and the movements during the year are as follows:

	2023 <i>THB'000</i>	2022 <i>THB'000</i>
At 1 January	1,754	5,803
Enter of new leases	11,630	–
Accretion of interest recognised during the year	435	257
Payments	<u>(4,277)</u>	<u>(4,306)</u>
At 31 December	9,542	1,754
Portion classified as current liabilities	<u>(3,768)</u>	<u>(1,754)</u>
Non-current portion	<u>5,774</u>	<u>–</u>

(c) *Other lease information*

The amounts recognised in profit or loss in relation to leases are as follows:

	2023	2022
	THB'000	THB'000
Interest on lease liabilities	435	257
Depreciation charge of right-of-use assets	3,859	3,861
Expense relating to short-term leases (included in administrative expenses)	438	437
Expense relating to leases of low-value assets (included in administrative expenses)	160	126
	<hr/>	<hr/>
Total amount recognised in profit or loss	4,892	4,681
	<hr/> <hr/>	<hr/> <hr/>

12. TRADE RECEIVABLES

	2023	2022
	THB'000	THB'000
Trade receivables	559,663	823,952
Less: Impairments	—	—
	<hr/>	<hr/>
	559,663	823,952
	<hr/> <hr/>	<hr/> <hr/>
Analysed as:		
— Current	349,931	405,158
— Non-current	209,732	418,794
	<hr/>	<hr/>
	559,663	823,952
	<hr/> <hr/>	<hr/> <hr/>

The Group's trading terms with its customers are mainly on credit. The credit period is generally 7 to 30 days. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables to minimise the credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to certain customers with good reputation, in the opinion of the directors of the Company, there is no significant credit risk.

Trade receivables are non-interest-bearing, except for a trade receivable amounting to approximately THB443,892,000 (2022: THB623,266,000) contains significant financing component which will be settled over 5 years.

Included in the trade receivables of the Group's as at 31 December 2023 are amounts of approximately THB97,674,000 (2022: THB153,193,000) due from an associate. These balances arose from transactions carried out in the ordinary course of business of the Group, and are unsecured, interest-free and repayable on the credit term similar to those offered to the major customers of the Group.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	2023 <i>THB'000</i>	2022 <i>THB'000</i>
Within 1 month	4,379	198,136
1 to 3 months	12,488	105
3 to 6 months	29,404	2,157
Over 6 month	<u>53,985</u>	<u>288</u>
	100,256	200,686
Unbilled (<i>note below</i>)	<u>459,407</u>	<u>623,266</u>
Total trade receivables	<u>559,663</u>	<u>823,952</u>

Note: The Group had entered into an agreement with a customer (“Customer F”) for the installation of up to 2,900 ATM machines, and thereafter manage the maintenance of these machines over a five-years period. Up to 31 December 2023, the Group had completed on a cumulative basis the installation of 2,900 ATM machines. In return, Customer F would make monthly payments over five (5) years to the Group, and hence, the relevant amounts will be “billed” in the respective periods. Owing to the agency role of the Group in supplying and maintaining the ATM machines, the revenues in respect of Customer F ATM Project were accounted for on a net basis, i.e., total contract revenue net of related cost of sales, in accordance with IFRS 15 Revenue from Contracts with Customers.

Other than these mentioned above, none of the above balance is either past due or impaired.

13. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	2023 <i>THB'000</i>	2022 <i>THB'000</i>
Contract costs	240,245	306,035
Prepayments	39,494	48,781
Interest receivables	679	468
Deposits and other receivables	3,298	3,041
Value-add tax recoverable	37,202	26,280
Others	<u>3,117</u>	<u>2,539</u>
	324,035	387,144
Less: Impairments	<u>(1,200)</u>	<u>(1,200)</u>
	<u>322,835</u>	<u>385,944</u>
Analysed as:		
— Current	244,472	307,837
— Non-current	<u>78,363</u>	<u>78,107</u>
	<u>322,835</u>	<u>385,944</u>

14. TRADE PAYABLES

	2023 <i>THB'000</i>	2022 <i>THB'000</i>
Trade payables	<u>613,271</u>	<u>778,409</u>
Analysed as:		
— Current	<u>407,234</u>	366,551
— Non-current	<u>206,037</u>	<u>411,858</u>
	<u>613,271</u>	<u>778,409</u>

Trade payables of the Company are unsecured, interest-free, and are normally settled on 30 to 60 days terms.

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	2023 <i>THB'000</i>	2022 <i>THB'000</i>
Billed		
— Within 1 month	25,878	32,411
— 1 to 2 months	22,957	61,284
— 2 to 3 months	22,132	25,132
— Over 3 months	<u>105,362</u>	<u>27,979</u>
	176,329	146,806
Unbilled	<u>436,942</u>	<u>631,603</u>
	<u>613,271</u>	<u>778,409</u>

15. SHARE CAPITAL

	Number of shares '000	Authorised	
		2023 <i>HK\$'000</i>	2022 <i>HK\$'000</i>
<i>(Ordinary shares of HK\$0.01 each)</i>			
Authorised:			
At the beginning and end of the year	<u>10,000,000</u>	<u>100,000</u>	<u>100,000</u>

	Number of shares '000	Issues and fully paid	
		HK\$'000	THB'000
Issued and fully paid:			
At 1 January 2022, 31 December 2022 and 1 January 2023	400,000	4,000	15,977
Rights Issue of shares	200,000	2,000	9,004
	<hr/>	<hr/>	<hr/>
At 31 December 2023	<u>600,000</u>	<u>6,000</u>	<u>24,981</u>

Pursuant to the Company's announcement dated 24 June 2023, the Company proposed to conduct the rights issue (the "Rights Issue") on the basis of one (1) rights shares (the "Rights Share") for every two (2) shares held on 15 August 2023 (the "Record Date") at the subscription price (the "Subscription Price") of HK\$0.1 per Rights Share by way of the Rights Issue of up to 200,000,000 Rights Shares.

Pursuant to the Company's announcement on 13 September 2023, all conditions set out in the prospectus of the Company dated 16 August 2023 relating to the Rights Issue have been fulfilled and thus, the Rights Issue became unconditional on 7 September 2023. 200,000,000 new shares have been allotted and issued under the Rights Issue.

The Company raised net proceeds of approximately HK\$19 million (approximately THB83 million) on the basis of one Rights Share for every two shares held on the Record Date at a subscription price of HK\$0.1 per share, resulting in an increase in number of issued ordinary share of the Company from 400,000,000 to 600,000,000.

The new issued shares rank *pari passu* in all respects among themselves and with the shares in issue on the date of allotment and issue of the Rights Shares in the share capital of the Company.

Details of the above are set out in the Company's announcements on 24 July 2023, 31 August 2023 and 13 September 2023 and the prospectus of the Company on 16 August 2023.

Apart from the above, there was no other changes to the Company's share capital during the years ended 31 December 2022 and 2023.

16. CONTINGENT LIABILITIES

Bank guarantees

As at 31 December 2023, there were outstanding bank guarantees of approximately THB129,629,000 (2022: approximately THB145,171,000) issued by banks on behalf of the Group in respect of certain performance obligation as required in the normal course of business of the Group.

CAUTIONARY STATEMENT REGARDING FORWARD LOOKING STATEMENTS

This annual results announcement contains certain forward-looking statements with respect to the financial conditions, results of operations and business of Platt Nera International Limited. These forward-looking statements represent the Group's expectations or beliefs concerning future events and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Certain statements, that include wordings like "potential", "estimated", "expects", "anticipates", "objective", "intends", "plans", "believes", "estimates", and similar expressions or variations on such expressions may be considered "forward-looking statements". Forward-looking statements involve inherent risks and uncertainties. Readers should be cautioned that a number of factors could cause actual results to differ in some instances materially from those anticipated or implied in any forward-looking statement. Forward-looking statements speak only at the date they are made, and it should not be assumed that they have been reviewed or updated in the light of new information or future events. Trends and factors that are expected to affect the Group's results of operations are described in the section headed "Management discussion and analysis" below.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

After a challenging year of losses of THB84.0 million in 2022, the Group managed to turn around to a profit position of THB7.9 million in 2023. The Group managed to complete the Loan Processing System Project and the Passbook Project of BAAC in 2023. With higher revenues, absence of delays such as those that took place in 2022, and careful execution of the Group's projects on hand in 2023, the Group achieved a turnaround of approximately THB91.9 million. More details of the improved performance are set out below in the Financial Review section.

BUSINESS OUTLOOK

The Thai economy is projected to expand by 1.8 percent in 2023 and 2.8 percent in 2024. Nevertheless, the geopolitical risks, monetary and financial market fluctuations that could impact Thai economy should be closely monitored¹. A new Thai government has also taken office since the May 2023 general election. The Group, which focuses on government related projects, is sensitive to the macroeconomic and geopolitical situation in Thailand and the developments in 2023 portends a more benign business environment for the Group in 2024. The Group is moving forward to bid for more new projects to bring in new growth for the Group. The Directors will continue to keep a close watch on the changing opportunities as well as their impact on the Group's operations, financial, and risk profile.

Having said all of the above, the Group remains confident of its long-term prospects as it continues to work to secure new projects and deliver on its existing projects.

¹ [https://www.fpo.go.th/main/getattachment/Economic-report/Thailand-Economic-Projections/18913/4-2567-Economic-Forecast-Press-Release-\(Jan-24\)-Final.pdf.aspx](https://www.fpo.go.th/main/getattachment/Economic-report/Thailand-Economic-Projections/18913/4-2567-Economic-Forecast-Press-Release-(Jan-24)-Final.pdf.aspx)

FINANCIAL REVIEW

Revenue

For FY2023, the Group's total revenue increased by around 79.8%, or THB215.2 million from approximately THB269.6 million for the year ended 31 December 2022 ("FY2022") to approximately THB484.8 million in FY2023. The increase was mainly due to the revenues of THB296.9 million from the new BAAC projects but offset by the completion of the installation phase of PEA projects which led to decline in revenues of approximately THB89.2 million. Furthermore, the revenue in maintenance service of BAAC ATM project was increased by approximately THB7.3 million as compared to the same period last year.

Gross profit (loss) and gross profit (loss) margin

The Group had a gross profit of approximately THB88.9 million or 18.3% of revenue in FY2023, compared to the same period last year which had a gross loss of approximately THB35.2 million or 13.1% of revenue. The gross profit in FY2023 mainly arose from several new BAAC projects of approximately THB36.0 million and the maintenance services projects of approximately THB20.2 million, the CDM Project Service Contract of approximately THB22.6 million and PEA projects of approximately THB8.1 million.

Other income and gains, net

Our Group recorded other income for FY2023 of approximately THB31.6 million, a decline of approximately THB10.5 million compared to the same period last year. The decrease was mainly due to the decrease in the interest income from financial leases of approximately THB12.7 million. Meanwhile, the Group has unrealised gain on financial assets at fair value of approximately THB2.2 million.

Selling and distribution expenses

Our selling and distribution expenses for FY2023 were approximately THB9.7 million, mainly comprising salaries of our sales division, and advertising and marketing expenses. These expenses decreased by THB1.3 million compared to the same period last year. The decrease was mainly attributed to sale commission impact of approximately THB0.7 million, as well as sales staff salary impact of approximately THB0.6 million.

Administrative expenses

Administrative expenses for FY2023 were approximately THB55.8 million, slightly the same as last year. The professional fees increased by approximately THB3.2 million but were offset by the decrease of employee expenses and bank fee expenses by approximately THB1.5 million and THB1.3 million, respectively.

Finance costs

Our Group's finance costs for FY2023 of approximately THB39.6 million decreased by approximately THB5.7 million, compared to the same period last year. The decrease was mainly due to interest expenses from financial leases of approximately THB11.1 million. Meanwhile, the interest expense from loans increased by approximately THB5.4 million.

Net Profit (loss)

As a result of the above factors, the Group turned around from a loss after tax of approximately THB84.0 million in the year ended 31 December 2022 to a net profit after tax of approximately THB7.9 million in the year ended 31 December 2023.

FINANCIAL POSITION

Net current assets

The Group recorded net current assets of approximately THB252.0 million as at 31 December 2023 (31 December 2022: approximately THB154.1 million), the increase was mainly due to the increase in contract assets from several new BAAC projects of approximately THB154.0 million, but offset by the decrease in the trade receivables of approximately THB55.2 million due to some collections.

Current assets

The Group's current assets increased by approximately THB101.0 million from approximately THB833.4 million as at 31 December 2022 to approximately THB934.4 million as at 31 December 2023, mainly due to the increase of approximately THB154.0 million in contract assets from several new BAAC projects and the financial assets at fair value of approximately THB80.2 million. The aforesaid was offset by the decrease in trade receivables, prepayment, other receivables and other assets and cash and cash equivalents by approximately THB132.3 million.

Current liabilities

The Group had current liabilities of approximately THB682.3 million as at 31 December 2023 (31 December 2022: approximately THB679.3 million). The increase in current liabilities was mainly due to the increase in trade payables from approximately THB366.6 million as at 31 December 2022 to approximately THB407.2 million as at 31 December 2023, which was mainly from the Customer F ATM Project. Meanwhile, bank and other borrowings decreased by approximately THB37.4 million from approximately THB234.4 million as at 31 December 2022 to approximately THB197.0 million as at 31 December 2023, due to repayment the bank loan as due.

Non-current assets

The Group recorded non-current assets of approximately THB699.9 million as at 31 December 2023 (31 December 2022: approximately THB846.9 million). The decrease in non-current assets was mainly due to non-current trade receivable of approximately THB209.1 million arising from Customer F ATM Project, non-current rental receivable under a finance lease of approximately THB33.7 million from Customer F Passbook Project, pledge bank deposit of approximately THB19.5 million. The aforesaid was offset by the increase in contract assets by approximately THB115.0 million due to a new BAAC Project.

Non-current liabilities

The Group's non-current liabilities decreased to approximately THB474.4 million as at 31 December 2023 (31 December 2022: approximately THB614.8 million), mainly from the decrease in non-current trade payables of approximately THB205.8 million arising from Customer F ATM Project but offset by the increase of bank and other borrowings of approximately THB58.7 million from approximately THB159.2 million as at 31 December 2022 to approximately THB217.9 million as at 31 December 2023.

Financial resources

As at 31 December 2023, the Group had total cash and bank balances under current assets and pledged bank deposits under non-current assets of approximately THB96.6 million (2022: THB129.7 million). As at 31 December 2023, the gearing ratio of the Group was approximately 86.9% (31 December 2022: 101.9%), which represented the interest-bearing debt divided by total equity and multiplied by 100%. The Group's operations were mainly financed by project loan facilities from financial institutions.

Shareholders' equity

The shareholders' equity of the Group consists of issued share capital, share premium, accumulated losses and other reserves. Owing to during the year ended 31 December 2023, the Company completed the Rights Issue raising net funds after deducted expenses of approximately THB83.4 million and the net profit in FY2023 of approximately THB7.9 million, the Group's equity attributable to the Shareholders increased from approximately THB386.2 million as at 31 December 2022 to approximately THB477.5 million as at 31 December 2023.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Group did not have any other material acquisitions and disposals of subsidiaries, associates and joint ventures during the year ended 31 December 2023.

CONTINGENT LIABILITY

As at 31 December 2023, there were outstanding bank guarantees of approximately THB129,629,000 (2022: approximately THB145,171,000) issued by banks on behalf of the Group in respect of certain performance obligation as required in the normal course of business of the Group.

PLEDGE OF ASSETS

As at 31 December 2023, approximately THB83.9 million (2022: THB103.4 million) of bank deposits of the Group was pledged to banks for letters of guarantee, bank loans and bank overdrafts.

EMPLOYEE INFORMATION

As at 31 December 2023, the Group had 60 employees (31 December 2022: 70 employees). The Group's labor costs (including salaries, bonuses, social security, and provident fund) were approximately THB44.3 million, equivalent to 9.1% of the Group's revenue for the year ended 31 December 2023.

The Group provides attractive salary packages, including competitive basic salary plus annual performance bonus, as well as arranging on-going training to employees to facilitate their promotion within the organisation and enhance their loyalty to the Company. The Group's employees are subject to regular work performance appraisal to evaluate their promotion prospects and salary. The latter is decided with reference to market practice and the performance, qualifications and experience of the individual employee as well as the results of the Group.

SIGNIFICANT INVESTMENTS HELD

The Group did not have any significant investments held as at 31 December 2023.

FOREIGN EXCHANGE EXPOSURE

The Group primarily operates in Thailand with its revenue mainly sourced in Thai Baht ("THB") and pays its suppliers mainly in THB. It therefore has limited exposure to foreign currency risk arising from fluctuations in exchange rates between THB and other currencies in which it conducts its business.

The Group is subject to foreign currency risk attributable to its bank balances, trade and other receivables and payables as well as bank loans that are denominated in currencies other than THB. The Group will closely monitor the change in foreign exchange rates to manage currency risks and evaluate necessary actions as required.

DIVIDEND

The Board does not declare the payment of a dividend in respect of the year ended 31 December 2023 (2022: Nil).

EVENTS AFTER THE REPORTING PERIOD

The Board is not aware of any significant event requiring disclosure that has taken place subsequent to 31 December 2023 and up to the date of this announcement.

USE OF PROCEEDS FROM RIGHTS ISSUE

The Company completed a rights issue on 14 September 2023, pursuant to which the Company has issued an aggregate of 200,000,000 ordinary shares of HK\$0.01 each at HK\$0.1 per rights share on the basis of one (1) rights share for every two (2) shares held on the Record Date.

The gross proceeds raised from the Rights Issue are approximately HK\$20.0 million and the net proceeds from the Rights Issue after deducting the relevant expenses are approximately HK\$19.0 million. Further details were set out in the Company's announcements dated 24 July 2023, 31 August 2023 and 13 September 2023, and the Company's prospectus dated 16 August 2023.

The intended and actual use of the net proceeds from the Rights Issue is stated as below:

	Intended use of the net proceeds (HK\$ million)	Amount of the net proceeds utilised as at the date of this announcement (HK\$ million)	Balance of the net proceeds unutilized as at the date of this announcement (HK\$ million)
New projects of the Company in its ordinary course of business ("New Projects")	9.0	4.4	4.6
Repayment of overdraft and other short-term loans	5.0	3.2	1.8
General administrative expenses and other general working capital purposes	5.0	5.0	–
Total	<u>19.0</u>	<u>12.6</u>	<u>6.4</u>

With regards the New Projects, as the Company managed to improve the overall terms of the New Projects, the funds required were subsequently reduced. Accordingly, together with the overall improved performance of the Company in 2023 over 2022, there were sufficient cash to support the general operations of the Company at the moment, and the unused proceeds from the Rights Issue as stated above (the “Unused Proceeds”) became idle cash in the short term. Hence, it would be in the interest of the Company including its shareholders as a whole to utilize the Unused Proceeds for better cash management, and as such the Unused Proceeds were used to purchase securities listed on the Stock Exchange with high liquidity.

Since late 2023, the Company has begun to work towards major new projects which may require the Company to realize the investment and utilize the Unused Proceeds for them as they come onstream. At the same time, in order to preserve the funds, the Company is closely monitoring the movement of the Stocks. Hence, there is no fundamental change in the nature of the use of proceeds.

For more details, please refer to the Company’s announcement dated 27 March 2024 in relation to update on use of proceeds from Rights Issue.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

During the year ended 31 December 2023, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities.

CORPORATE GOVERNANCE

The Company is committed to maintaining a high standard of corporate governance to safeguard the interests of its shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability. The Company has adopted the principles and code provisions of the Corporate Governance Code contained in Appendix C1 to the Listing Rules as the basis of the Company’s corporate governance practices.

The Board is of the view that the Company has complied with all applicable code provisions of the Corporate Governance Code during the year ended 31 December 2023, except for a deviation from the code provision C.2.1 of the Corporate Governance Code, that the roles of the chairman and chief executive officer should be separated and should not be performed by the same individual. Mr. Asvaplungprohm, the chairman and the chief executive officer of the Company, responsible for strategic development and business operations. Taking into account the continuation of the implementation of our business plans, our Directors (including our independent non-executive Directors) are of the view that Mr. Asvaplungprohm is the best candidate for both positions and the present arrangements are beneficial and in the interests of our Company and our Shareholders as a whole. Further, the Group has put in place an appropriate check-and balance mechanism through the Board and the independent non-executive Directors.

The Board will review the corporate governance structure and practices from time to time and shall make necessary arrangements when the Board considers appropriate.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Securities Dealing Code (the “Securities Dealing Code”) on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix C3 of the Listing Rules.

Having made specific enquiry of all Directors, all of them have confirmed that they have complied with the required standard set out in the Model Code and the Securities Dealing Code during the year ended 31 December 2023.

The Company has also established written guidelines (the “Employees Written Guidelines”) no less exacting than the Model Code for securities transactions by employees who are likely to be in possession of inside information of the Company. No incident of non-compliance of the Employees Written Guidelines by the employees was noted by the Company.

COMPETING INTERESTS

As at 31 December 2023, none of the Directors, Substantial Shareholders and their respective associates (as defined in the Listing Rules) has any interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

AUDIT COMMITTEE REVIEW

The Company has established the Audit Committee which is accountable to the Board and the primary duties of which include the review and supervision of the Group’s financial reporting process and internal control measures. For the year ended 31 December 2023, the Audit Committee comprised three independent non-executive Directors, namely, Mr. Tong Yee Ming, Mr. Cheung Pan and Mr. Julapong Vorasontharsoth. Mr. Tong Yee Ming serves as the chairman of the Audit Committee, who has the professional qualification and experience in financial matters in compliance with the requirements of the Listing Rules.

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal control and financial reporting matters including the review of the consolidated financial statements of the Group for the year ended 31 December 2023. The Audit Committee considered that the consolidated financial information of the Group for the year ended 31 December 2023 are in compliance with the relevant accounting standards, rules and regulations and that appropriate disclosures have been made.

SCOPE OF WORK OF THE COMPANY’S AUDITOR IN RESPECT OF THE PRELIMINARY RESULTS ANNOUNCEMENT

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2023 as set out in the preliminary announcement have been agreed by the Group’s auditors, Yongtuo Fuson CPA Limited, to the amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by Yongtuo Fuson CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Yongtuo Fuson CPA Limited on the preliminary announcement.”

EXTRACT OF INDEPENDENT AUDITORS’ REPORT

The following is an extract of independent auditor’s report issued by the Company’s independent auditor:

OPINION

We have audited the consolidated financial statements of Platt Nera International Limited (the “Company”) and its subsidiaries (the “Group”), which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (“IFRSs”) issued by International Accounting Standards Board (the “IASB”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to Note 2.2 to the consolidated financial statements which indicates that, as at 31 December 2023, the Group had bank and other borrowings of approximately THB415 million, of which approximately THB197 million are current bank and other borrowings due within twelve months from 31 December 2023 while its cash and cash equivalents amounted to approximately THB13 million only. These conditions, along with other matters as set forth in note 2.2 to the consolidated financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

The forthcoming annual general meeting of the Company ("AGM") will be held on Friday, 24 May 2024. A notice convening the AGM is expected to be published and dispatched to the Shareholders in due course in accordance with the requirements of the Listing Rules.

For determining the qualification as members of the Company to attend and vote at the AGM, the register of members of the Company will be closed from Monday, 20 May 2024 to Friday, 24 May 2024, both dates inclusive, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the AGM, non-registered holders of Shares shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar and transfer office, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, for registration not later than 4:00 p.m. on Friday, 17 May 2024.

PUBLICATION OF 2023 ANNUAL RESULTS AND ANNUAL REPORT

This annual results announcement is published on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.plattnera.com. The 2023 Annual Report containing all applicable information required by the Listing Rules will be dispatched to the Shareholders and published on the above websites in due course.

DEFINITIONS

Unless the content otherwise requires, the following expressions shall have the following meanings in this announcement.

“Audit Committee”	the audit committee of the Board
“BAAC”	Bank for Agriculture and Agricultural Co-operatives, a government-owned bank established in 1966 and focuses on providing banking services to farmers in the rural area in Thailand
“Board”	the board of Directors
“BVI”	British Virgin Islands
“Cayman Companies Law” or “Companies Law”	“Cayman Companies Law” or “Companies Law”
“CDM Project”	a project relating to acquisition and installation of CDMs at convenience stores in Thailand
“CDM Project Service Contract”	contract between Platt Nera and Joint Venture Company that requires the former to, inter alia, develop software and switches to run on the CDM machines, install CDM machines at convenience stores in Thailand and operate/maintain the CDM machines over a 10 years’ (extendable for 2 further years) period
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company”	Platt Nera International Limited, an exempted company incorporated in the Cayman Islands with limited liability on 23 November 2018
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Controlling Shareholder(s)”	has the meaning ascribed thereto in the Listing Rules and, in the context of this announcement, means Pynk, Mr. Asvaplungprohm, Mr. Archadechopon and Ms. Talomsin

“Corporate Governance Code”	the Corporate Governance Code as set out in Appendix 14 to the Listing Rules
“Customer F”	a government-owned bank that provides various banking products and services in Thailand
“Customer F ATM Project”	the setup of and provision of related operations, support and maintenance services for 2,900 ATM machines for Customer F for 5 years between 2020 and 2025
“Customer F Passbook Project”	the setup of and provision of related operations, support and maintenance services for 790 Passbook machines for Customer F for 5 years between 2020 and 2025
“Director(s)”	the director(s) of our Company
“Executive Director(s)”	the executive Director(s)
“Group”, “our Group”	our Company together with our subsidiaries or, where the context so requires, in respect of the period before our Company became the holding company of our present subsidiaries, such subsidiaries as if they were subsidiaries of our Company at the relevant time
“HK\$”	Hong Kong dollars and cents, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	person(s) or company(ies) which is (are) independent of and not connected with any of the Directors, chief executive or substantial Shareholders of our Company or our subsidiaries or any of our respective associates within the meaning of the Listing Rules

“Joint Venture Agreement”	the joint venture agreement entered into on 1 June 2021 among Platt Nera, Mr. Prapan Asvaplungprohm and Cash Machine Capital Co., Ltd. with respect of the formation of the Joint Venture Company
“Joint Venture Company”	Platt FinServe Company Limited, a company registered under the laws of Thailand and a joint venture company formed pursuant to the Joint Venture Agreement
“Listing”	the listing of the Shares on the Main Board on 16 July 2019
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“Main Board”	the Main Board of the Stock Exchange
“Memorandum of Association”	the amended and restated memorandum of association of the Company, adopted on 17 June 2019 and as amended from time to time
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules
“Mr. Archadechopon”	Mr. Wison Archadechopon, an executive Director and one of the Controlling Shareholders
“Mr. Asvaplungprohm”	Mr. Prapan Asvaplungprohm, an executive Director, the Chairman of the Board, chief executive officer of the Company and one of the Controlling Shareholders
“Ms. Talomsin”	Ms. Aranya Talomsin, one of the Controlling Shareholders
“Nomination Committee”	the nomination committee of the Board
“PEA”	Provincial Electricity Authority, a state-owned enterprise in Thailand responsible for providing provincial electricity supply

“Platt Nera”	Platt Nera Co., Ltd., a company incorporated with limited liability on 28 October 2004 under the laws of Thailand, a subsidiary of the Company
“PRC” or “China”	the People’s Republic of China, but for the purposes of this announcement and unless otherwise indicated, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Pynk”	Pynk Holding Limited, a company incorporated with limited liability on 8 January 2019 under the laws of the BVI and a Controlling Shareholder
“Remuneration Committee”	the remuneration committee of the Board
“Rights Issue”	the issue by way of rights of one (1) Rights Share for every two (2) Shares in issue and held on the Record Date at the Subscription Price on the terms and subject to the conditions to be set out in the prospectus documents
“Rights Share(s)”	200,000,000 new Share(s) allotted and issued pursuant to the Rights Issue
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Share Offer”	the public offer and the placing in connection with the Listing
“Shareholder(s)”	holder(s) of the Share(s) from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Substantial Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules

“Thai Government”	the Government of Thailand
“Thailand”	the Kingdom of Thailand
“THB”	Thai Baht or Baht, the lawful currency of Thailand
“%”	per cent

On behalf of the Board
Platt Nera International Limited
Prapan Asvaplunghrohm
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 27 March 2024

As at the date of this announcement, the Board comprises Mr. Prapan Asvaplunghrohm, Mr. Wison Archadechopon and Ms. Hong Yiwen as executive Directors, and Mr. Tong Yee Ming, Mr. Cheung Pan and Mr. Julapong Vorasontharosoith as independent non-executive Directors.