

Management Discussion and Analysis

Management Discussion and Analysis for the period ended 30 June 2025

1. Highlights

	Unit : million Baht	Q2/2025	Q2/2024
Performance	Total Revenues	1,955	1,776
	Total Gross Profit (Loss)	(340)	(344)
	Total Net Profit (Loss)	(405)	(536)
	Unit : million Baht	30-Jun-25	31-Dec-24
Financial Status	Total Assets	9,293	8,399
	Total Liabilities	9,999	8,218
	Equity Arributable to Owners of the Parent	(705)	180

2. Performance of the Company

• Revenue from sales

The Company reported revenue from sales of Baht 1,955 million which increased by Baht 179 million mainly due to the increase in the sales volume by 36% net off the selling prices reduced by 19% compared to Q2-24 due to depressed global and domestic market price.

• Operating results

The net loss of the Company was Baht 405 million which improved by Baht 131 million compared to Q2-24 mainly due to the increase in Sales Volume, cost reduction and other income.

• Net gain on foreign exchange rate

The Company reported net gain on foreign exchange rate of Baht 24 million in Q2-25 due to the appreciation of Thai Baht versus US dollar from 34.0859 THB/USD on 31 March 2025 to 32.7234 THB/USD on 30 June 2025.

3. Statement of financial positions

• Total assets

As of 30 June 2025, the consolidated total assets amounted to Baht 9,293 million, which increased by Baht 894 million or 10% from year ended 2024.

Consolidated current assets increased by Baht 770 million mainly due to:

- Inventories increased by Baht 832 million mainly due to the increase in finished goods and raw materials.
- This was partly offset with cash and cash equivalents decreasing by Baht 74 million due to utilization for operating purposes.

Consolidated non-current assets increased by Baht 124 million mainly due to:

- Net increase in property, plant and equipment by Baht 73 million after depreciation deduction by Baht 234 million.
- Increase in intangible assets by Baht 66 million due to software development costs.
- These were partly offset with the decrease in fair value of other long-term investment in GJ Steel by Baht 24 million.

Cash and cash equivalents

As at 30 June 2025, the consolidated cash and cash equivalents balance was Baht 126 million, which decreased by Baht 74 million from year ended 2024.

Consolidated cash flow

- Net cash flows used in operating activities is Baht 1,077 million.
- Net cash flows used in investing activities stood at Baht 350 million.
- Net cash flows provided by financing activities is Baht 1,353 million.

(For further details please refer to the Statement of cash flows)

- **Total liabilities**

Total liabilities in the consolidated financial statements as at 30 June 2025 amounted to Baht 9,999 million, which increased by Baht 1,780 million or 19% from year ended 2024 mainly due to the increase in short-term borrowings from financial institutions and related party etc. as under:

Consolidated current liabilities increased by Baht 114 million mainly due to:

- Short-term borrowings from financial institutions increased by Baht 350 million due to additional borrowings.
- Trade account payables and advance received from customer increased by totalling Baht 360 million from normal business operations.
- These were partly offset by the repayment of current portion of liabilities from compromise.
- The restructuring/extension of debts from related party from short term to long term by Baht 256 million.

Consolidated non-current liabilities increased by Baht 1,666 million mainly due to:

- Long-term borrowings from related party increased by Baht 1,644 million due to additional borrowings and the extension of current portion and debts repayment.
- Other payables increased by Baht 84 million mainly due to the extension of debts repayment.

- **Shareholders' equity**

As of 30 June 2025, the consolidated financial statements recorded shareholders' equity of Baht (705) million, which decreased by Baht 886 million from year ended 2024 due to net loss of Baht 862 million and the loss on change in fair value of equity security designated at fair value through other comprehensive income of Baht 24 million on account of GJ Steel investment.