

## Management Discussion and Analysis

Management Discussion and Analysis for the period ended 31 March 2025

### 1. Highlights

	Unit : million Baht	Q1/2025	Q1/2024
Performance	Total Revenues	1,830	2,897
	Total Gross Profit (Loss)	(352)	(6)
	Total Net Profit (Loss)	(457)	(204)
	Unit : million Baht	31-Mar-25	31-Dec-24
Financial Status	Total Assets	8,894	8,399
	Total Liabilities	9,219	8,218
	Equity Arributable to Owners of the Parent	(325)	180

### 2. Performance of the Company

#### • Revenue from sales

The Company reported revenue from sales of Baht 1,830 million which decreased by Baht 1,067 million mainly due to the decrease in the sales volume by 25% and selling prices by 16% compared to Q1-24 due to depressed global and domestic market conditions.

#### • Operating results

The gross loss of the Company was Baht 352 million, which increased by Baht 346 million compared to Q1-24 mainly due to the lower sales volume, reduction in metallic spread (margin between selling price and metal cost), increase in loss on decline in value of inventories and also increase in machinery repair and maintenance costs. However, when compared to Q4-24, the gross loss improved by Baht 116 million due to ongoing improvement efforts.

### 3. Statement of financial positions

#### • Total assets

As of 31 March 2025, the consolidated total assets amounted to Baht 8,894 million, which increased by Baht 495 million or 6% from year ended 2024.

### Consolidated current assets increased by Baht 506 million mainly due to:

- Cash and cash equivalents increased by Baht 103 million due to cash from borrowings for operating purposes.
- Inventories increased by Baht 410 million mainly due to increase in finished goods and raw materials.

**Consolidated non-current assets decreased by Baht 11 million mainly due to:**

- Decrease in fair value of other long-term investment in GJ Steel by Baht 48 million.
- This was partly offset with the increase in intangible assets by Baht 35 million due to software development costs.

**Cash and cash equivalents**

As at 31 March 2025, the consolidated cash and cash equivalents balance was Baht 303 million, which increased by Baht 103 million from year ended 2024.

**Consolidated cash flow**

- Net cash flows used in operating activities is Baht 504 million.
- Net cash flows used in investing activities stood at Baht 183 million.
- Net cash flows provided by financing activities is Baht 790 million.

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

- **Total liabilities**

Total liabilities in the consolidated financial statements as at 31 March 2025 amounted to Baht 9,219 million, which increased by Baht 1,000 million or 12% from year ended 2024 mainly due to the increase in short-term borrowings from financial institutions and related party, drawdown from long-term borrowings from related party which was partly offset by the repayment of liabilities from compromise and other payables.

**Consolidated current liabilities increased by Baht 865 million mainly due to:**

- Short-term borrowings from financial institutions increased by Baht 350 million due to additional borrowings.
- Short-term borrowings from related party increased by Baht 450 million due to additional borrowings.
- Trade account payables increased by Baht 151 million from normal business operations.
- These were partly offset by the repayment of current portion of liabilities from compromise and other payables.

**Consolidated non-current liabilities increased by Baht 135 million mainly due to:**

- Long-term borrowings from related party increased by Baht 140 million due to additional borrowings.



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- **Shareholders' equity**

As of 31 March 2025, the consolidated financial statements recorded shareholders' equity of Baht (325) million which decreased by Baht 505 million from year ended 2024 due to net loss of Baht 457 million and the loss on change in fair value of equity security designated at fair value through other comprehensive income of Baht 48 million on account of GJ Steel investment.