



NNCL AC 013/2568

14 August 2025

Subject Explanation of the change in operating results for the three-month ended June 30, 2025 compared with the same period of previous year

To President
The Stock Exchange of Thailand

Nava Navanakorn Public Company Limited would like to explain the change in operating results for the three-month ended June 30, 2025 compared with the same period of previous year as follows:-

Net profit (loss)

Compared Q2/ 2025 and Q2/2024

The company reported its operating results for the second quarter ended June 30, 2025. The consolidated financial statements showed a net profit attributable to the parent company of 134.3 million baht, compared to the same period in 2024, which had a net profit of 256.0 million baht. The operating results decreased by 121.7 million baht, or a 48% decrease in profit.

The decrease in profit for this quarter was primarily due to a reduction in revenue from land sales, a lower share of profits from joint ventures, and a decline in recurring income, all of which were mainly driven by economic conditions. Nevertheless, the company has continued to proactively manage its overall costs and expenses.

Financial Position

As at June 30, 2025, the company still maintains a strong financial position, with total assets as of June 30, 2025, amount 4,869.3 million baht. This includes cash and cash equivalents, temporary investments, and fixed deposits with financial institutions totaling 850.1 million baht.

Total liabilities amount 1,088.3 million baht, consisting of interest-bearing debts 114.2 million baht, and equity 3,781.0 million baht.

Table of key financial results

(Unit: Million Baht)

Consolidate			
(Unit : Milion Baht)	Q2	Q2	% Increase (Decrease)
	2025	2024	QoQ
Total Revenue	468	538	-13%
Revenue from rendering of services and rental income	355	373	-5%
EBITDA	237	315	-25%
Profit for the period	134	256	-48%
* Profit from recurring income	192	214	-11%
* Profit from share of net profit - joint venture	(9)	50	119%
* Income from areas and infrastructure utilization- joint venture	34	29	16%
* Profit from sale of real estate development projects	43	96	-55%

; with the highlight financial information details as follows:

1. Revenue from sale of real estate development projects, Revenue from rendering of services ,Rental income and other income for the second quarter of 2025 compared to the second quarter of 2024.

◀◀ The company had recurring income from service provision and rental income for the second quarter ending on June 30, 2025, totaling 354.8 million baht. This is compared to the same period in 2024, where the company had total recurring income from service provision and rental income of 372.7 million baht. decreased by 17.9 million baht, or 5% The primary reason for this decline was the economic slowdown, which caused a deceleration in business expansion within the industrial and general sectors. The company continues to exercise caution and maintain effective cost control,

◀◀ In the second quarter ending June 30, 2025, revenue from real estate development projects included 44.0 million baht from land transfers. This is a decrease of 55.0 million baht compared to the 99.0 million baht recognized in the same period of 2024, which was a result of a lower number of customers and smaller sales area.

◀◀ For the second quarter ending June 30, 2025, the group's other income included government grants of 11.1 million baht. This is a decrease of 1.3 million baht from the 12.4 million baht recognized in the same period of 2024. The decrease is due to government grant income being recognized over the useful life of the flood protection wall system, and some of the system's components—such as drainage channels, canal dredging, and machinery installation costs—have reached the end of their useful lives.

Income from area and infrastructure utilization amounted to 34.1 million baht. This is an increase of 4.6 million baht compared to the 29.5 million baht recognized in the same period of 2024. The increase is a result of the recognition of revenue from the infrastructure (expansion) Phase 3 (first installment) in February 2025 from Nava Nakorn Electricity Generating Co., Ltd.

2. Cost of Sale of real estate development projects, Cost of rendering of services and Gross Profit

◀◀ For the second quarter ending June 30, 2025, the company's cost of services was 163.2 million baht, resulting in a gross profit of 191.6 million baht. This represents an increase in the cost of services of 4.8 million baht, or 3%, compared to the same period in 2024, when the cost was 158.4 million baht and gross profit was 214.3 million baht. As a result of the increased costs, which were primarily due to the company's efforts to improve and maintain its assets, gross profit decreased by 22.7 million baht, or 11%.

◀◀ For the second quarter ending June 30, 2025, the company's cost of real estate sales was 0.9 million baht, resulting in a gross profit of 43.1 million baht. This marks a decrease in gross profit of 53.3 million baht, or 55%, compared to the same period in 2024, when the cost of sales was 2.6 million baht and gross profit was 96.4 million baht. The reduction in gross profit is attributed to the number of customers, the size of the areas sold, and the cost of the land, which is valued according to its acquisition year.

3. Selling expenses and administrative

◀◀ For the second quarter ending June 30, 2025, the company's selling, general, and administrative expenses were 124.3 million baht. This represents an increase of 6.7 million baht, or 6%, compared to the 117.6 million baht in the same period of 2024. The increase is due to a routine annual adjustment of operational expenses.

4. Depreciation expenses

◀◀ The company's depreciation for buildings, equipment, and investment properties was 68.8 million baht. This shows an increase compared to 68.0 million baht in the same period of 2024, which is in line with the growth of assets used for normal operations.

5. Finance Costs

◀◀ For the second quarter ending June 30, 2025, the company's finance costs were 0.4 million baht, which is similar to the 0.5 million baht reported for the same period in 2024.

6. Share of profit (loss) of investment in a joint venture

◀◀ For the second quarter ending June 30, 2025, the company recognized a share of loss from investments in a joint venture of 9.8 million baht, calculated from net profit (loss) under Thai Financial Reporting Standard 11, "Joint Arrangements," using the equity method.

This represents a decrease of 59.3 million baht compared to the share of profit from joint venture investments of 49.5 million baht recognized in 2024. The decrease is due to one of the joint ventures recognizing a gas cost differential.

7. Income tax expenses

◀◀ For the second quarter ending June 30, 2025, the company's income tax expense was 35.2 million baht. This is a decrease of 17.6 million baht compared to the 52.8 million baht reported in the same period of 2024, and is consistent with the net profit from operations.



Financial Position



Total assets

As of June 30, 2025, the company had total assets of 4,869.3 million baht, an increase of 202.3 million baht from the total assets of 4,667.0 million baht as of December 31, 2024. This increase resulted from:

◀◀ Current assets are composed of the following main items: (1) Cash and cash equivalents, and current financial assets, totaled 850.2 million baht, an increase of 190.1 million baht. This was primarily due to cash inflows from operations after the payment of operating liabilities. (2) Trade accounts receivable amounted to 63.6 million baht, an increase of 4.2 million baht.

◀◀ Non-current assets consist of the following main items:

- (1) Investments in joint ventures: 1,093 million baht, a decrease of 9.8 million baht.
- (2) Investment in a debt instrument: 49.8 million baht, an increase of 0.7 million baht.
- (3) Credit line guarantee for a joint venture with a financial institution: 70.0 million baht.
- (4) Restricted deposits with financial institutions: 26.0 million baht.
- (5) Net land, buildings, equipment, and investment properties: 1,684.6 million baht, an increase of 8.6 million baht, due to new purchases.



Total liabilities

As of June 30, 2025, the company's total liabilities were 1,088.3 million baht, an increase of 190.9 million baht from the total liabilities of 897.4 million baht as of December 31, 2024. This increase was a result of:

◀◀ Current liabilities: These primarily consist of trade payables, accrued expenses, the current portion of deferred income, and the current portion of long-term loans from financial institutions, which increased by 151.0 million baht.

◀◀ Non-current liabilities: The main components here are deferred income of 558.1 million baht, which increased by 30.3 million baht as a result of straight-line revenue recognition during the period, and long-term loans from financial institutions of 75.4 million baht, which decreased by 21.7 million baht.



Capital Structure

As of June 30, 2025, the company's capital structure consists of 3,781.0 million baht in equity and total liabilities of 1,088.3 million baht, of which 114.2 million baht are interest-bearing liabilities.



Cash flow

◀◀ As of June 30, 2025, the company had cash and cash equivalents of 225.8 million baht, a decrease of 207.0 million baht from 2024.

◀◀ **Sources of funds** totaled 394.6 million baht, which was net cash from operating activities. This amount represents the remaining working capital after the company paid its operating liabilities and is allocated for future debt payments.

◀◀ **Uses of funds** 524.5 million baht, broken down as follows:

Cash used in financing activities: This included 22.9 million baht for loan repayments and 122.9 million baht for dividend payments.

Cash used in investing activities: This amounted to 378.3 million baht, primarily from the net purchase of financial assets 320.0 million baht, the purchase of machinery and equipment 55.0 million baht, and the acquisition of investment properties 13.1 million baht. It also included cash inflows from interest received 6.7 million baht and dividends received 1.6 million baht.

Overall, the company's cash flow from operating activities, which is derived from recurring service and rental income, as well as land sales as mentioned in the performance section, has been sufficient to cover interest-bearing liabilities and operational debts. The company also maintains enough remaining cash flow for further investments to generate additional income and is still capable of paying dividends.

Please be informed accordingly,

Sincerely yours,

A handwritten signature in blue ink, consisting of a stylized initial 'P' followed by a long, sweeping horizontal stroke.

(Mr.Pojana Saithong)

Chief Financial Officer

Nava Nakorn Public Company Limited