



NNCL AC 007/2568

13 May 2025

Subject Explanation of the change in operating results for the three-month ended March 31, 2025 compared with the same period of previous year

To President  
The Stock Exchange of Thailand

Nava Nakorn Public Company Limited would like to explain the change in operating results for the three-month ended March 31, 2025 compared with the same period of previous year as follows:-

**Net profit (loss)**

Compared Q1/ 2025 and Q1/2024

The company had operating results for the first quarter ending on March 31, 2025, with a net profit attributable to the parent company of 91.5 million baht, compared to the same period of 2024 which had a net profit of 68.2 million baht. The operating results showed an decrease in profit of 68.2 million baht or a 43 percent.

During this period, the company recognized revenue from land sales, profit sharing from joint ventures, and recurring income. The company also continued its efforts to manage and reduce overall costs and expenses consistently.

**Financial Position**

In the financial statements, the net profit attributable to the company for the first quarter ended March 31, 2025, was 91.5 million Baht. This is a decrease compared to the same period in 2024, which reported a net profit of 159.7 million Baht. The operating results show a profit decrease of 68.2 million Baht, or a 43 percent decline.

This decrease is due to the company recognizing lower revenue from land sales, a lower share of profit from joint ventures, and a decrease in recurring income during this period. The company continues to manage and reduce overall costs and expenses on an ongoing basis.

The Company continues to maintain a strong financial position. As of March 31, 2025, total assets amounted to 4,925.9 million Baht, comprising cash and cash equivalents, short-term investments, and fixed deposits with financial institutions totaling 921.3 million Baht.

Total liabilities amounted to 1,064.8 million Baht, of which 124.1 million Baht was interest-bearing debt. The equity attributable to the parent company was 3,861.1 million Baht.

Table of key financial results

(Unit: Million Baht)

(Unit : Milion Baht)	Consolidate		%
	Q1	Q1	increase (Decrease)
	2024	2023	QoQ
Total Revenue	250	312	-20%
Revenue from rendering of services and rental income	173	180	-4%
EBITDA	137	204	-33%
<b>Profit for the year</b>	<b>92</b>	<b>160</b>	<b>-43%</b>
* Profit from recurring income	94	103	-9%
* Profit from share of net profit - joint venture	4	19	-79%
* Income from areas and infrastructure utilization- joint venture	17	14	21%
* 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 first quarter of 2025 compared to the first quarter of 2024.

◀◀ The Company's recurring income from service revenue and rental income for the first quarter ended March 31, 2025, amounted to 172.5 million Baht. This represents a decrease of 7.0 million Baht compared to the same period in 2024, when the company had total service revenue and rental income of 179.5 million Baht. The decrease was due to the slowdown in the industrial sector.

However, the Company was able to manage its assets more efficiently, resulting in improved rental income.

◀◀ Revenue from the sale of real estate development projects for the first quarter ended March 31, 2025, included revenue recognition from land transfers amounting to 44.0 million Baht. This is a decrease of 55.0 million Baht compared to the same period in 2024, which recognized revenue of 99.0 million Baht. The decrease is due to differences in the size and area of the land sold.

◀◀ For the first quarter ended March 31, 2025, other income comprised government subsidies of 5.8 million Baht, which was close to the amount in 2024. This is because government subsidies are gradually recognized as revenue over the useful life of the flood protection system. Some system components, such as drainage ditches and canal dredging, are gradually reaching the end of their useful lives.

Income from the granting of land use and infrastructure amounted to 17.0 million Baht, compared to 14.2 million Baht recognized in the same period of 2024, an increase of 2.8 million Baht. This increase was due to the recognition of infrastructure (expansion) Phase 3, installment 1 revenue in February 2025, from Nava Nakorn Electric Company Limited.

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

◀◀ The Company's direct costs for services for the first quarter ended March 31, 2025, amounted to 78.9 million Baht, resulting in a gross profit of 93.6 million Baht. This compares to the same period in 2024, which had direct service costs of 76.2 million Baht and a gross profit of 103.3 million Baht. The increase in costs of 2.7 million Baht, or 4 percent, led to a decrease in gross profit. This was due to the Company's efforts to develop and maintain assets for improved efficiency.

◀◀ Cost of Sales for Real Estate Development Projects for the First Quarter Ended March 31, 2025: The Company had revenue from land sales of 44.0 million Baht, a cost of sales for real estate development projects of 0.9 million Baht, and a gross profit of 43.1 million Baht. This compares to the same period in 2024, which had revenue from land sales of 99.0 million Baht, a cost of sales for

real estate development projects of 2.6 million Baht, and a gross profit of 96.4 million Baht. This resulted in a decrease in gross profit of 53.3 million Baht due to the smaller size of the land sold and the cost of land being based on its acquisition year.

### 3. Selling expenses and administrative

◀◀ The Company's selling and administrative expenses for the first quarter ended March 31, 2025, amounted to 61.2 million Baht, compared to 55.8 million Baht for the same period in 2024, an increase of 5.4 million Baht or 7 percent. This increase was due to the regular annual adjustment of operating expenses. However, management continues to pursue its policy of managing and reducing overall expenses on an ongoing basis.

### 4. Depreciation expenses

◀◀ The Company's depreciation of buildings and equipment, including investment properties, amounted to 33.8 million Baht. This is an increase compared to the same period in 2024, which was 33.0 million Baht. The increase is in line with the assets used in normal operations.

### 5. Finance Costs

◀◀ For the three-month ended March 31, 2024, the Company had finance costs of Baht 0.2 million, decreased by Baht 0.1 million compare to the previous year.

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

◀◀ In the first quarter ended March 31, 2025, the Company recognized a share of profit from its investment in a joint venture, in accordance with Thai Financial Reporting Standard No. 11, Joint Arrangements, using the equity method, amounting to 3.8 million Baht (calculated from net profit). This is a decrease of 14.7 million Baht compared to the 18.5 million Baht recognized in the same

period of 2024. The decrease was due to one of the joint venture companies commencing commercial operations in May 2024.

## 7. Income tax expenses

◀◀ For the first quarter ended March 31, 2025, the Company's income tax expense was 21.5 million Baht, a decrease of 14.5 million Baht compared to the same period in 2024. This decrease is in line with the net profit from operations.



### Financial Position



### Total assets

As of March 31, 2025, the Company's total assets amounted to 4,925.9 million Baht, an increase of 258.9 million Baht from the total assets of 4,667.0 million Baht as of December 31, 2024. This increase was a result of:

◀◀ Current Assets, the main components of which are:

- (1) Cash and cash equivalents and short-term investments, totaling 921.3 million Baht, an increase of 262.1 million Baht. This was primarily due to cash inflows from operations after the settlement of operating liabilities.
- (2) Trade receivables, amounting to 57.2 million Baht, a decrease of 2.2 million Baht.

◀◀ Non-current assets comprised of

- (1) Investments in joint ventures, amounting to 1,106.7 million Baht, an increase of 3.8 million Baht.
- (2) Investment in a debt instrument, amounting to 49.5 million Baht, an increase of 0.4 million Baht.
- (3) Guarantee deposits for joint venture credit facilities with financial institutions, amounting to 70.0 million Baht.
- (4) Restricted deposits with financial institutions, amounting to 26.0 million Baht.

(5) Land, buildings, and equipment - net, including investment properties, totaling 1,675.7 million Baht, a decrease of 0.3 million Baht due to additional purchases.



### Total liabilities

As of March 31, 2025, the Company's total liabilities amounted to 1,064.8 million Baht, an increase of 167.4 million Baht from the total liabilities of 897.4 million Baht as of December 31, 2024. This increase was a result of:

◀◀ Current liabilities: Primarily comprising trade payables, accrued expenses, the portion of unearned revenue due within one year, and the portion of long-term loans from financial institutions due within one year, which increased by 118.3 million Baht.

◀◀ Non-current liabilities: Mainly comprising unearned revenue amounting to 570.4 million Baht, an increase of 42.7 million Baht from the gradual recognition of revenue using the straight-line method during the period, and long-term loans from financial institutions amounting to 85.0 million Baht, a decrease of 12.1 million Baht.



### Capital Structure

As of March 31, 2025, the capital structure comprised shareholders' equity of 3,861.1 million Baht and total liabilities of 1,064.8 million Baht, of which 124.1 million Baht was interest-bearing debt.



### Cash flow

◀◀ As of March 31, 2025, the Company had cash and cash equivalents of 397.4 million Baht, an increase of 41.8 million Baht from 2024.

◀◀Sources of funds An amount of 296.3 million Baht was net cash from operating activities. The Company had remaining working capital after repaying operating liabilities, which is to be allocated for the settlement of upcoming liabilities.

◀◀Uses of funds An amount of 254.6 million Baht was used. This comprised cash paid for financing activities, resulting from the repayment of loans amounting to 13.1 million Baht, and cash used in investing activities amounting to 241.3 million Baht. The main items under investing activities were cash paid for the net purchase of financial assets amounting to 220.0 million Baht and the purchase of machinery and equipment amounting to 25.3 million Baht.

In summary, it can be observed that the Company had cash inflows from operating activities due to revenue from services and rental income, which is recurring income, as well as revenue from land sales, as previously mentioned in the operating results section. These inflows were used to pay interest-bearing debt and operating liabilities, and the Company still had sufficient remaining cash flow for investments aimed at reducing recurring income. Furthermore, the Company maintains the ability to pay dividends.

Please be informed accordingly,

Sincerely yours,



( Mr.Pojana Saithong )

Chief Financial Officer

Nava Nakorn Public Company Limited