

Management Discussion and Analysis: MD&A

1. Company situation

The company situation in 2024 had been in a good direction since the beginning of the year when considering each business separately, leading by the industrial waste treatment and disposal business. The company had been following the marketing strategy plan that had been continuously set. Even when the global situation could affect the domestic economy at any time, the company was prepared to handle everything that might happen and had no additional investment plans, including the real estate business investment as well. The company was trying to manage the products that were still available first and the company will continue to focus on the environmentally-friendly industrial waste disposal business.

For some subsidiaries, the projects had been terminated. Some companies were unable to continue their business and therefore the investment stopped.

2. Performance (Company and Subsidiaries)

For 2024, the company had a net loss of 125.41 million baht, an increase of 36.99 million baht or 41.83% from 2023.

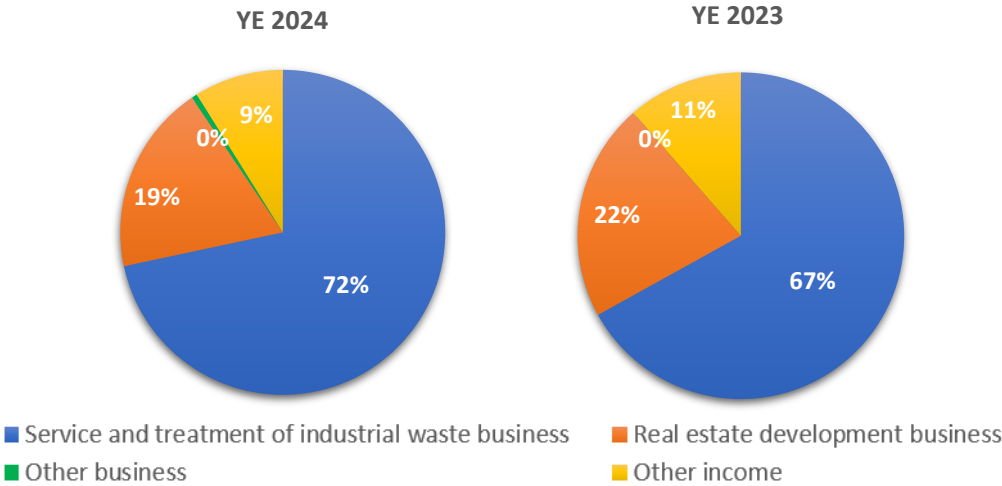
Unit : Million Baht

Consolidated financial statements	2024	2023	± %
Operating income ^(a)	322.33	254.01	+ 26.90%
Operating costs ^(b)	239.69	193.66	+23.77%
Gross profit from operations	82.64	60.34	+36.95%
Total income	355.92	286.85	+24.08%
Net loss	(125.41)	(88.42)	+41.83%

(a) Operating income = Main income excluding income from other businesses and other income

(b) Operating costs = Main cost excluding costs from other businesses and other expenses

Total revenue of the company for 2024 was 355.92 million baht, consisting of income from the industrial waste service and disposal business of 255.04 million baht, income from the real estate business of 67.29 million baht, other income of 31.63 million baht and a small amount of income from other businesses. Total income increased by 69.08 million baht or 24.08% when compared to the same period of 2023, mostly due to an increase in the industrial waste service and disposal business.



This year, although the company's total revenue increased, the SRF non-hazardous industrial waste disposal was not as popular as expected, resulting in a loss from asset impairment of 12.75 million baht, and the cannabis business performance was not good as expected, resulting in a loss from asset impairment in the amount of 15.37 million baht. There was also the loss from the impairment of land awaiting development of 90.71 million baht, in addition to the loss from other impairments of 4.24 million baht, resulting in the operating results in 2024 with a net loss of 125.41 million baht, showing an increase in losses from the previous year of 36.99 million baht or 41.83%.

Services and industrial waste disposal business

Unit : Million Baht			
Consolidated financial statements	2024	2023	± %
Income from providing services and industrial waste disposal	255.04	192.05	+32.80%
Cost of service	194.36	141.05	+37.79%
Gross profit	60.68	50.99	+19.00%
Gross profit margin	23.79%	26.55%	-2.76%

The amount for service income of 2024 was 255.04 million baht, an increase of 62.99 million baht or 32.8% from the same period in 2023. With a gross profit margin from providing services and industrial waste disposal of 23.79%, a decrease from the previous year of 2.76% due to the fixed costs.

Real estate business

Unit : Million Baht			
Consolidated financial statements	2024	2023	± %
Income from the sale of real estate	67.29	61.96	+8.60%
Real estate cost	45.33	52.61	-13.84%
Gross profit	21.96	9.35	+134.85%
Gross profit margin	32.64%	15.09%	+17.54%

In 2024, there were 6 units sold in The Plenary project and 10 units of Sathorn Residence Project with the total income of 67.29 million baht, an increase of 5.32 million baht or 8.60% from the same period in 2023, where there were 15 units sold in The Plenary project and 1 unit in C-Space Bangyai project. The gross profit margin from real estate sales was 32.64%, an increase of 17.54% from the previous year.

Other businesses

Unit : Million Baht			
Consolidated financial statements	2024	2023	± %
Revenue from sales and services	1.96	0.02	+9,512.37%
Cost of sales and services	2.02	4.43	-54.50%
Gross loss	(0.05)	(4.41)	+98.79%
Gross profit margin	n.a.	n.a.	n.a.

The performance of other businesses in 2024, such as the cannabis business, had no marketing plan and the market price was not good as expected, resulting in income from selling cannabis products of only 1.61 million baht, while the cost was at 2.02 million baht, resulting in a loss. As for the business of producing and distributing medical masks, it was facing a glut of masks in the market, as there were cheaper imported products, resulting in income from selling masks of only 0.35 million baht in 2024. In addition, the finished goods of medical masks had a limited lifespan, therefore, the company had already accrued the full amount of cost for finished goods that were deteriorated in the previous year.

Other income

For other income, the total amount was at 31.63 million baht, decreasing from the previous year by 1.19 million baht or 3.62%, consisting of:

- Interest income of 3.98 million baht, a slight increase from the previous year due to loans of related businesses and other businesses
- Real estate rental income of 2024 amounted to 12.79 million baht, decreasing from the previous year 0.56 million baht due to the end of the contract with the previous tenant and the search for a new tenant was still in process.
- Other income with the total of 14.86 million baht, mostly from dividends received from investments in equity instruments, service income, income from the sale of scrap materials, and profits from the sale of investments. Overall, it decreased by 1.05 million baht from the previous year or 6.61%

Expenses

Sales and administrative expenses For 2024, there was an amount of 112.08 million baht, an increase from 2023 of 20.99 million baht or 23.04%, mostly from real estate sales expenses due to adjustment of marketing strategies when compared to the proportion of the company's total income or 31.49%, showing a slightly lower ratio than 2023.

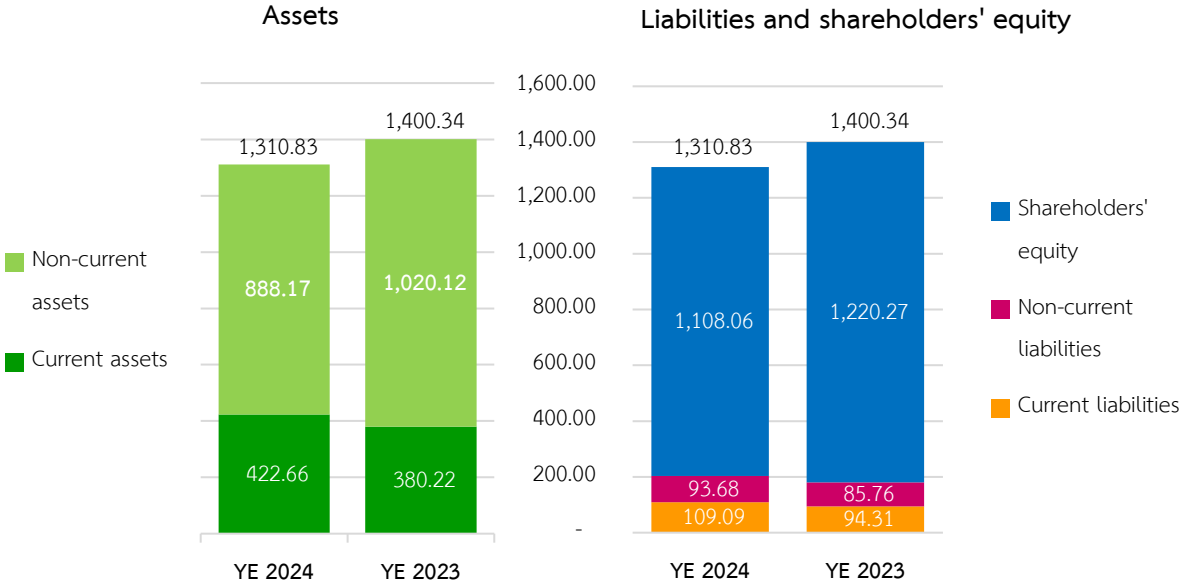
Loss from impairment For 2024, due to the operating results not being in line with the target and the assets not being used, there was a loss from asset impairment from many business units as follows:

- Loss from impairment of SRF building of 12.75 million baht
- Loss from impairment of sales office, B-Live project of 4.24 million baht
- Loss from impairment of assets of cannabis business of 15.37 million baht
- Loss from impairment of land awaiting development of 90.71 million baht

Financial costs For 2024, the amount was 4.19 million baht, an increase of 0.52 million baht from 2023 due to an increase in short-term loans from financial institutions.

Share of profit from investment in joint ventures For 2024, the amount was 0.24 million baht, an increase of 7.09 million baht or 103.50% from 2023, as in 2023, it received a share of losses from investment in joint ventures amounting to 6.85 million baht, which was discontinued at the end of 2023, in which 2024 only had a share of profit from investment in joint ventures.

3. Financial Stuatius (Company and its subsidiaries)



Total assets

As of December 31, 2024, the company had total assets of 1,310.83 million baht, a decrease of 89.51 million baht or 6.39% from the previous year, with the following significant events:

- Decreased from short-term loan payments by 37.83 million baht
- Decreased from real estate sales by 39.55 million baht
- Decreased from impairment of non-current assets by 123 million baht
- Increased from the fair value of other non-current financial assets by 19.06 million baht
- Decreased from the company's normal depreciation and amortization expenses by 44.39 million baht

Total Liabilities

As of December 31, 2024, the company had total liabilities of 202.77 million baht, an increase of 22.70 million baht or 12.61% from the previous year. The significant changes were due to the repayment of short-term loans from financial institutions of 27.34 million baht, trade and other current payables increased by 40.47 million baht .

Shareholders' Equity

The company had shareholders' equity as of December 31, 2024 in the amount of 1,108.06 million baht, a decrease from the previous year of 112.21 million baht or 9.20% from the operating results of the year's loss of 125.41 million baht.

3. Liquidity

Cash flow statement	For the year	
	2024	2023
Cash as of 1 January	66.10	133.53
Net Cash Provided by (Used in) Operating Activities	81.22	26.27
Net Cash Provided by (Used in) Investing Activities	58.14	(100.75)
Net Cash Provided by (Used in) Financing Activities	(36.34)	7.05
Net Cash Increased by (Decreased)	103.02	(67.43)
Cash as of 31 December	169.12	66.10

4. Significant Financial Ratios

	As of 31 December	
	2024	2023
Currents ratio	3.87	4.03
Total Debt to Equity Ratio	0.18	0.15