

No. For. 07/2024

February 29, 2024

Subject: Management discussion and analysis

To: The President of the Stock Exchange of Thailand

FNS Holdings Public Company Limited would like to report its consolidated financial results for the year ended 31 December 2023. The consolidated statements of profit or loss and other comprehensive income showed a net profit of Baht 685.4 million or a net profit of Baht 1.91 per share, compared with a net gain of Baht 104.9 million or a net gain of Baht 0.3 per share in the previous year, representing a gain of Baht 256 million over in 2022.

In August 2023, the Company purchased an additional interest in M.K Real Estate Development Public Company Limited (MK), whose main business is the property development. As a result, the status of MK was changed from an associate to a subsidiary, causing the Company to have a direct and indirect shareholding in the warehouse and factory development business for rent in the consolidated financial statements, through BFTZ Wangnoi Ltd.

Total revenues in 2023 were Baht 2,594.9 million, an increase in total revenues of Baht 89.8 million or 2,790.8% comparing to Baht 2,505.3 million recorded in 2022. This increase in revenue mainly came from the contribution of revenue from the property development projects and warehouse for rent, gain on disposal of investment in subsidiary, gain on the valuation of investment associate before business acquisition and gain on bargain purchase.

Total expenses in 2023 were Baht 1,773.9 million, compared to Baht 115.3 million recorded in 2022, representing an increase of Baht 1,658.6 million or 1,438.7%. The major changes in expenses came from 1) the increasing of Baht 585.3 million from cost of sale of real estates 2) the increasing of Baht 113.1 million from cost of rental and rendering of services 3) the increasing of Baht 17.4 million from cost of management of rental estate 4) the increasing of Baht 160.8 million from cost of health and wellness 5) the increasing of Baht 64.6 from cost of servicing and administrative expenses 6) the impact of 707.2 million from cost of service and administrative expenses 7) the increasing of Baht 52.6 of Net loss on investments measured at fair value through profit or loss.

In addition, finance costs for 2023 totaled Baht 380.8 million, an increase of Baht 331.9 million or 677.3% from 2022 due to an increase in loan and interest rate. The Company and its subsidiaries also recognized a share of gain from investments in associates and joint venture of

Baht 6.7 million, compared with a share of gain of Baht 6.2 million recorded in 2022, considered a change based on the company's associates and the company's joint venture operating results.

In May 2022, the Company disposed of its investment in Finansa Securities Limited, a 100% subsidiary. Subsequently, there is no securities business revenues and expenses presented in the consolidated financial statements. The securities business performance is presented under discontinued operation. The net loss from discontinued operation were Baht 125.6 million and Gain on sold of building and equipment were Baht 298.8 million such items are not displayed in 2023.

Please be informed accordingly.

Yours sincerely,

(Mr. Vorasit Pokachaiyapat)  
Managing Director