

ALPHAXSET-2502-005

February 28, 2025

Subject: Management Discussion and Analysis for Year 2024

To: President and Manager
The Stock Exchange of Thailand

Alpha Divisions Public Company Limited (“the Group”) would like to clarify operating results for Year 2024. The main reasons are as follows:

Overall operating performance of the Group

Unit: Million Baht

Consolidated Financial Statements	2024	2023	Change	%
Revenue	185.14	73.77	111.37	151%
Cost	(37.97)	(11.33)	(26.64)	-235%
Gross profit	147.17	62.44	84.73	136%
Interest income	94.14	24.71	69.43	281%
Other income	35.79	3.29	32.50	988%
Gain on bargain purchase	169.60	-	169.60	100%
Gain on disposal of investment	23.79	-	23.79	100%
Gains on net monetary position	0.75	-	0.75	100%
Gain (loss) on foreign exchange rate	87.68	(43.07)	130.75	304%
Administrative expenses	(165.87)	(139.08)	(26.79)	-19%
Finance costs	(24.23)	(1.06)	(23.17)	-2186%
Profit (loss) before tax expense	368.82	(92.77)	461.59	498%
Tax (expenses) income	(21.39)	5.47	(26.86)	-491%
Profit (loss) from continuing operation	347.43	(87.30)	434.73	498%
Profit (loss) from discontinued operation	(16.02)	(26.23)	10.21	39%
Net Profit (loss)	331.41	(113.53)	444.94	392%
Equity holders of the Company	331.11	(106.57)	437.68	411%

Revenue

Unit: Million Baht

Consolidated Financial Statements	2024	2023	Change	%
Continuing operation				
Revenue from main business				
Energy business	92.41	-	92.41	100%
Leasing business and Microfinance business	92.73	73.77	18.96	26%
Total revenue from main business	185.14	73.77	111.37	151%
Interest income	94.14	24.71	69.43	281%
Other income	35.79	3.29	32.50	988%
Gain on bargain purchase	169.60	-	169.60	100%
Gain on disposal of investment	23.79	-	23.79	100%
Total revenue	508.46	101.77	406.69	400%
Discontinued operation				
Property development business	103.67	108.66	(4.99)	-5%
Hemp/Cannabis business	1.42	1.38	0.04	3%

Financial Performance Summary for year 2024 compared with 2023 (YTD)

Total revenue from main business from continuing operation of the Group for the year 2024 amounted to Baht 508.46 million, an increase of Baht 406.69 million, or 400% increase from the previous year, due to an increase in revenue from energy business, leasing business and microfinance business.

Net profit attributable to the parent company for the year 2024 amounted to Baht 331.11 million, an increase from the previous year by Baht 437.68 million or an increase of 411%. The main reason was the increase in revenue from energy business, leasing business and microfinance business amounted Baht 111.37 million, gain on bargain purchase amounted Baht 169.60 million, gain on disposal of investment amounted Baht 23.78 million, gain on foreign exchange rate amounted Baht 130.75 million and interest income by Baht 69.43 million. This was because during quarter 3 and quarter 4 of 2023, the Company received funds from the capital increase of PP and RO, amounting to more than Baht 4,000 million. While allocating the capital for investment expansion according to the business plan, the company deposited the funds with financial institutions, resulting in increased interest income.

Financial position of the Group

Unit: Million Baht

Consolidated Financial Statements	2024	2023	Change	%
Cash and cash equivalents	3,803.76	4,264.89	(461.13)	-11%
Other current financial assets	61.00	61.00	-	-
Trade and other current receivables	40.30	5.91	34.39	582%
Current portion of finance lease receivables	86.99	116.40	(29.41)	-25%
Current portion of loan to customers	74.59	155.25	(80.66)	-52%
Inventories	-	4.82	(4.82)	-100%
Asset held for sale	0.37	0.26	0.11	42%
Cost of property development	-	323.23	(323.23)	-100%
Other current assets	3.47	520.70	(517.23)	-99%
Total current assets	4,070.48	5,452.46	(1,381.98)	-25%
Restricted bank deposits	10.89	28.60	(17.71)	-62%
Finance lease receivables	32.64	17.08	15.56	91%
Loan to customers	0.01	0.07	(0.06)	-86%
Land held for development	-	3.69	(3.69)	-100%
Property, plant and equipment	55.96	39.51	16.45	42%
Right-of-use assets	9.64	9.83	(0.19)	-2%
Unallocated costs of business acquisition	-	21.48	(21.48)	-100%
Goodwill	104.73	188.44	(83.71)	-44%
Intangible assets	1,803.22	22.81	1,780.41	7805%
Deferred tax assets	38.76	3.65	35.11	962%
Other non-current assets	0.52	155.67	(155.15)	-100%
Total non-current assets	2,056.37	490.83	1,565.54	319%
Total assets	6,126.85	5,943.29	183.56	3%
Short-term borrowings from financial institutions	-	108.03	(108.03)	-100%
Trade and other current payables	37.43	21.57	15.86	74%
Current portion of long-term borrowings from financial institutions	99.14	19.01	80.13	422%
Current portion of lease liabilities	3.00	2.34	0.66	28%
Corporate income tax payable	24.99	1.26	23.73	1883%
Advance received	-	15.24	(15.24)	-100%
Other current provisions	0.99	3.61	(2.62)	-73%
Other current liabilities	9.57	4.39	5.18	118%
Total current liabilities	175.12	175.45	(0.33)	0%
Long-term borrowings from financial institutions	244.92	65.62	179.30	273%
Lease liabilities	5.37	5.59	(0.22)	-4%
Other non-current provisions	4.55	-	4.55	100%
Non-current provisions for employee benefits	3.56	3.62	(0.06)	-2%
Other non-current liabilities	0.33	0.32	0.01	3%
Total non-current liabilities	258.73	75.15	183.58	244%
Total liabilities	433.85	250.60	183.25	73%
Equity attributable to shareholders of the parent	5,651.69	5,512.10	139.59	3%
Non-controlling interests	41.31	180.59	(139.28)	-77%
Total shareholders' equity	5,693.00	5,692.69	0.31	0.01%

Total assets

Total assets as at December 31, 2024 were Baht 6,126.85 million, an increase of Baht 183.56 million, or 3% increase compared to the total assets as at December 31, 2023, which were Baht 5,943.29 million. The details of the main changes are as follows:

- Loan to customers decreased by Baht 80.6 million due to receiving payments from borrowers according to the agreements.
- Intangible assets increased by Baht 1,780.41 million due to investment in the energy business, specifically in a concession agreement for Nam Houng 1 Hydropower Sole Co., Ltd. (“NH1”) and Namngiep 2C Hydropower Sole Co., Ltd. (“NN2C”).
- Cost of property development decreased by Baht 323.23 million, other current assets decreased by Baht 517.23 million, goodwill decreased by Baht 105.19 million and other non-current assets decreased by Baht 155.15 million due to disposal of ordinary shares of V Property Development Co., Ltd. (“VPROP”), property development segment and ordinary shares of Alpha Biotech Co., Ltd. (“BIO”), a manufacture and distribution of precursor and chemicals from hemp and/or cannabis segment.

Total liabilities

Total liabilities as at December 31, 2024 were Baht 433.85 million, an increase of Baht 183.25 million, or 73% increase compared to the total liabilities as at December 31, 2023, which were Baht 250.60 million. The details of the main changes are as follows:

- Short-term borrowings from financial institutions decreased by Baht 108.03 million due to repayments made towards the borrowings.
- Long-term borrowings from financial institutions increased by Baht 259.43 million due to investments in the energy business.

Shareholders' equity

Equity attributable to shareholders of the parent as at December 31, 2024 was Baht 5,693.00 million, an increase of Baht 0.31 million, or a 0.01% increase compared to December 31, 2023, which was Baht 5,692.69 million due to an increase in total comprehensive income (loss) for the year and a decrease in non-controlling interests from disposal of ordinary shares of VPROP.

Cash flows of the Group

Unit: Million Baht

Consolidated Financial Statements	2024	2023	Change
Net cash flows from (used in) operating activities	320.86	(338.04)	658.90
Net cash flows from (used in) investing activities	(430.42)	16.77	(447.19)
Net cash flows from (used in) financing activities	(245.28)	4,270.46	(4,515.74)
Increase (decrease) in translation adjustments	(106.30)	(14.43)	(91.87)
Net increase (decrease) in cash and cash equivalents	(461.14)	3,934.76	(4,395.90)
Cash and cash equivalents at the beginning of the period	4,264.89	330.13	3,934.76
Cash and cash equivalents at the end of the period	3,803.75	4,264.89	(461.14)

Cash flows

Cash flows for the year 2024 decreased by Baht 461.14 million; details are as follows:

- Net cash from operating activities for the year 2024 amounted to Baht 320.86 million. This comprised cash received from operations of approximately Baht 271.61 million and cash received from interest of approximately Baht 80.50 million.
- Net cash used in investing activities for the year 2024 amounted to Baht 430.42 million. This resulted from cash used for acquisitions of assets through the purchase of common shares of NH1 and NN2C of Baht 1,372.45 million and cash received from disposal of ordinary shares of VPROP and BIO of Baht 864.48 million.
- Net cash used in financing activities for the year 2024 amounted to Baht 245.28 million. This resulted from payments made to repay borrowings to financial institutions.

Please be informed accordingly.

Yours sincerely,

Alpha Divisions Public Company Limited

(Mr. Kumpon Suangburanakul)

Chief Executive Officer