

No. CS003/2025

Date 24 February 2025

Subject: Management Discussion and Analysis of Financial Statements for the year ended 31 December 2024

To: The President of the Stock Exchange of Thailand

We, Nova Empire Public Company Limited (“the Company”), would like to report the operating results of the Company and subsidiaries (collectively as “the Group”) for the year ended 31 December 2024 and clarify on the change of operational performance exceeding 20%.

**A Summary of Significant Events for the year ended 31 December 2024**

The analysis of operating results and financial position detail are as follow.

<b>Summary of Operating Result</b>			Unit: Million Baht	
For the year ended	Consolidated financial statement		Change	
	31 December 2024	31 December 2023 (Restated)	Increase/ (Decrease)	%
<b>Continuing operations:</b>				
Sale of electricity	52.25	55.89	(3.64)	(7%)
Operating loss	(88.92)	(37.61)	51.31	136%
Loss for the year from continuing operations	(79.76)	(72.04)	7.72	11%
<b>Discontinued operation:</b>				
Profit after tax for the year from discontinued operation	352.40	486.87	(134.47)	(28%)
Other comprehensive income for the year	290.83	399.90	(109.07)	(27%)

The Group has consolidated revenue of continued operation from sales of electricity for the year ended 31 December 2024 of Baht 52.25 million, which decreased by Baht 3.64 million or 7% compared with the last year, which had revenue of Baht 55.89 million. Meanwhile, the cost of electricity sales for the year ended 31 December 2024, was Baht 35.61 million, down by Baht 1.94 million, or 5%, from the last year’s cost of Baht 37.55 million. However, due to natural factors impacting the operation of solar power plants, the Group’s electricity sales revenue declined compared to the last year.

For the year ended 31 December 2024, the Group has loss for the year from continuing operations Baht 79.76 million, which increased by Baht 7.72 million or 11% compared with the last year, which had loss for the year from continuing operations of Baht 72.04 million. The Group's administrative expenses increased due to project management costs related to Nova X Co., Ltd., and consultancy fees for investment purchase and sale transactions. The Group also recognized income tax benefits totaling Baht 33.94 million and deferred tax assets of Baht 35.68 million, as shown in the comprehensive income statement and financial position statements, respectively. The significant increase this year was mainly due to temporary differences from right of use assets and lease liabilities recognition of a crude oil storage and unloading vessel leasing agreement, amounting to Baht 31.71 million. However, the Group has profit from discontinued operation for the year ended 31 December 2024 of Baht 352.40 million, which decreased by Baht 134.47 million or 28% compared to the last year, which had profit from discontinued operation of Baht 486.87 million. Since the Group has transferred out all business in Winchai Co., Ltd. ("Winchai") during the year, profit from discontinued operation reflects the performance from 1 January 2024 to 11 March 2024 and recognizes profit from the sale of investment in a subsidiary of Baht 244.54 million due to the entire business transfer during the year. Consequently, the net profit after tax for the year from discontinued operation decreased from last year by Baht 134.47 million.

**Summary of Financial Position**

Unit: Million Baht

	Consolidated financial statement		Change	
	31 December 2024	31 December 2023 (Restated)	Increase/ (Decrease)	%
Current assets	373.65	5,124.99	(4,751.34)	(93%)
Non-current assets	3,130.94	529.76	2,601.18	491%
<b>Total assets</b>	<b>3,504.59</b>	<b>5,654.75</b>	<b>(2,150.16)</b>	<b>(38%)</b>
Current liabilities	712.23	3,065.04	(2,352.81)	(77%)
Non-current liabilities	1,326.57	125.77	1,200.80	955%
<b>Total liabilities</b>	<b>2,038.80</b>	<b>3,190.81</b>	<b>(1,152.01)</b>	<b>(36%)</b>
<b>Shareholders' equity</b>	<b>1,465.79</b>	<b>2,463.94</b>	<b>(998.15)</b>	<b>(41%)</b>

As of 31 December 2024, the Group reported current assets of Baht 373.65 million, a decrease by Baht 4,751.34 million or 93%, from 31 December 2023 due to the transfer of entire business including all of Winchai's shares during the year. The Group classified Winchai's assets, amounting to Baht 4,890.33 million, as held-for-sale assets under current assets. After the Group transferred the entire business including all of Winchai's shares, the current assets decreased significantly. The Group's non-current assets rose to Baht 3,130.94 million, an increase of Baht 2,601.18 million, or 491%, from 31 December 2023. This increase aligns with the Group's strategic investment objective which is investment in crude oil storage and offloading vessel with CALM buoy system project ("Project") of a subsidiary. As a result, construction-in-progress assets related to the Project grew

up by Baht 1,354.07 million from last year, including a CALM buoy, a mooring system, chains and anchors, and a hose system etc. Additionally, the Group recognized the right-of-use assets Baht 1,345.85 million from entering into the vessel lease agreement in July 2024.

As of 31 December 2024, the Group has current liabilities of Baht 712.23 million, which decreased by Baht 2,352.81 million, or 77%, from 31 December 2023 due to the transfer of entire business including all of Winchai's shares during the year. The Group classified Winchai's liabilities, amounting to Baht 2,504.81 million, as held-for-sale liabilities under current liabilities. After the Group transferred the entire business including all of Winchai's shares, the current liabilities decreased significantly. Furthermore, the redemption of the Company's debenture No. 1/2023 before its maturity date totaling of Baht 400.00 million resulting to the decreasing of the Group's current liabilities of Baht 2,352.81 million. However, the Group has non-current liabilities of Baht 1,326.57 million, increased by Baht 1,200.80 million or 955%, from 31 December 2023, mainly due to the recognition of lease liabilities of Baht 1,345.85 million from entering into the vessel lease agreement for the Project in July 2024. This led to a significant increase in the non-current liabilities from last year.

The Group's shareholders' equity of Baht 1,465.79 million as at 31 December 2024 which decreased by Baht 998.15 million, or 41%, from 31 December 2023. This resulted from the recognition of total comprehensive income for the period of Baht 290.83 million, the decreasing of shareholder's equity from the treasury shares of Baht 450.99 million, the acquisition cost of business combination under common control of Baht 213.50 million, and the decrease of equity attributable to non-controlling interests of the subsidiaries of Baht 627.21 million from the divestment of Winchai.

**Cash flows statement**

in: million Baht

For the year ended	Consolidated financial statement		Change	
	31 December 2024	31 December 2023	Increase/ (Decrease)	%
Cash flows from operating activities	108.75	740.23	(631.48)	(85%)
Cash flows from (used in) investing activities	530.35	(288.59)	818.94	284%
Cash flows used in financing activities	(612.15)	(304.31)	307.84	101%
<b>Net increase in cash and cash equivalents</b>	<b>26.95</b>	<b>147.32</b>	<b>(120.37)</b>	<b>(82%)</b>

For the year ended 31 December 2024, the Group had cash flow from operating activities of Baht 108.75 million, a decrease from the previous year of Baht 631.48 million or 85 percent since the Group sold its investment in Winchai during March 2024, resulting in a decrease in cash flow from operating activities. However, the Group had cash flow from investing activities of Baht 530.35 million, an increase of Baht 818.94 million or 284 percent from the previous year, as the Group received money from the sale of investment in Winchai net of Baht 2,060.42 million, and the Group paid for the investment in Nova X Co., Ltd. of Baht 213.50 million, and the Group had capital expenditure for investment in the Project of Nova X Co., Ltd. in 2024 of Baht 1,095.46 million. In addition, the Group had net cash used in financing activities of Baht 612.15 million. The Group had significant transactions from financial management, such as short-term borrowing from financial institutions of Baht 380.00 million,

payment for the common stock repurchase project of Baht 450.99 million, and early redemption of the Company's debentures in full of the Company's debentures No. 1/2023 of Baht 400.00 million.

Forwarded for your information,

Yours faithfully,

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Ms. Sukanya Tipmanee  
Director