

February 27, 2025

Subject: Management's Discussion and Analysis

To: Directors and Managers

The Stock Exchange of Thailand

FNS Holdings Public Company Limited wishes to report that for the year ended December 31, 2024, the parent company's net loss according to the consolidated financial statements was 3,048 million baht, a decline from the net profit of 998 million baht in the same period of the previous year. This loss resulted from the loss of control in the subsidiary company due to a decrease in shareholding in Mongkol Keha Karn Public Company Limited (MK) totaling 2,975 million baht, along with an operational loss from the group companies amounting to 426 million baht, as detailed in the table below.

(In Million Baht)	2024	2023	Changes
(Loss) profit for the year from discontinued operations			
Property impairment (Leasehold rights + goodwill)	(437)	0	(437)
Fair value difference(MK + BFTZ Wangnoi)	(1,834)	1,222	(3,056)
Total operating results of the company removed from the consolidated financial statement	(704)	(379)	(325)
(Loss) profit for the year from discontinued operation - Total	(2,975)	843	(3,818)
(Loss) from operation(FNS+FFM+RXW)	(426)	(170)	(256)
(Loss) profit for the year	(3,401)	673	(4,074)
<u>Less</u> non-controlling interests	(353)	(324)	(29)
Total comprehensive income - FNS	(3,048)	998	(4,046)

The significant increase in loss compared to the same period of the previous year stemmed from the Company's acquisition of additional interests in MK in August 2023, which transitioned MK's status from an associate company to a subsidiary. Consequently, the Company began recognizing MK and its subsidiaries' revenue and operating losses in the consolidated financial statements from the third quarter of 2023 onward. However, in December 2024, a shareholding reduction in MK reverted its status back to an associate company, leading to losses from the loss of control as previously mentioned.

Additionally, in April 2024, the Company acquired ordinary shares in Rx Wellness Co., Ltd. (Rx Wellness) in line with the business restructuring plan, which operates in the core health services sector. As a result, Rx Wellness became a subsidiary in the financial statements for the second quarter, contributing to increased losses from the recognition of revenue and operating expenses associated with the healthcare business in the consolidated financial statements beginning in the second quarter of 2024.

(In Thousand Baht)	2024	2023	Changes	%
Income				
Revenue from investment	113,877	203,218	(89,341)	-44%
Revenue from health and wellness	160,818	70,467	90,351	128%
Net gain on investment	1,401	0	1,401	
Other income	28,977	1,272	27,705	2178%
Total income	305,073	274,957	30,116	11%
Expenses				
Cost of health and wellness	204,769	133,519	71,250	53%
Distribution costs	65,832	10,058	55,774	555%
Servicing and administrative expenses	326,942	155,729	171,213	110%
Other expenses	56,356	87,286	(30,930)	-35%
Total expenses	653,899	386,592	267,307	69%
(Loss) from operating activities	(348,826)	(111,635)	(237,191)	212%
Finance cost	(81,111)	(58,602)	(22,509)	38%
Expected credit loss	(6,500)	0	(6,500)	
Share of profit(loss) of associates and joint venture accounted for using equity method	10,660	0	10,660	
(Loss) for the year from continued operation-net of tax	(425,777)	(170,237)	(255,540)	150%
(Loss) profit for the year from discontinued operation-net of tax	(2,975,457)	843,430	(3,818,887)	-453%
(Loss) profit for the period	(3,401,234)	673,193	(4,074,427)	-605%
Other comprehensive income (OCI)	420,130	430,387	(10,257)	-2%
Other comprehensive income for the period	(2,981,104)	1,103,580	(4,084,684)	-370%
(Loss) Profit attributable to:				
Owners of the parent	(3,048,212)	997,620	(4,045,832)	
Non-controlling interests	(353,022)	(324,427)		
	(3,401,234)	673,193		

The Company reported total revenue of 305.1 million baht this year, compared to total revenue of 274.9 million baht in the same period of the previous year, marking an increase of 30.2 million baht or 11%, primarily attributed to growth in the health business. Total expenses for this year were 653.9 million baht, compared to 386.6 million baht in the previous year, reflecting an increase of 267.3 million baht (+69%) due to heightened costs and administrative expenses in the healthcare sector. Finance costs totaled 81.1 million baht, rising by 22.5 million baht (+38%) in line with increased borrowings and interest rate adjustments. The Company incurred a loss from discontinued operations of 2,975.4 million baht stemming from the reduction in shareholding in MK, leading to the cessation of consolidated financial statements with MK for 2024. The net loss attributable to the parent company for the year totaled 3,048.2 million baht, an increase in losses of 4,046 million baht (+605%), primarily due to accounting losses related to the loss of control over MK as previously detailed.

Changes in shareholders' equity	Y. 2024	Y. 2023	Y. 2022
	Post. Conso	Conso	Pre. Conso
Beginning balance	7,617,171	2,570,350	2,617,267
1. Issue of new shares -FNS		772,684	
2. Issue of new shares- MK	843,932		
3. Dividends- FNS		(69,170)	(172,926)
4. Acquisition of non-controlling interests without a change in control	(3,421,579)	3,239,727	
5. Comprehensive income for the year			
FNS - Profit for the year	(3,048,212)	997,620	104,917
FNS - Other comprehensive income (OCI)	400,492	434,657	2,268
FNS - Total	(2,647,720)	1,432,277	107,185
MK - Profit for the year	(353,022)	(324,427)	
MK - Other comprehensive income (OCI)	19,639	(4,270)	
MK - Total	(333,383)	(328,697)	
Comprehensive income for the year - Total (5)	(2,981,103)	1,103,580	107,185
6. Impact from discontinued operation			18,824
Ending balance	2,058,421	7,617,171	2,570,350
Share amount	500,651,065	500,651,065	345,855,440
Per share (Baht / Share)	4.11	15.21	7.43

The reduction in shareholding in MK and the resultant status change to an associate company necessitated significant provisions, contributing to a decrease in shareholders' equity. As of the end of 2024, shareholders' equity stood at 2,058.4 million baht (4.11 baht/share), a decrease of 511.9 million baht compared to shareholders' equity at the end of 2022, prior to the additional acquisition of interests in MK.

This information is provided for your consideration.

Sincerely,

(Mr. Vorasit Phokachaiphat)

Managing Director