

Ref. No. 0868/42E

August 4, 2025

Subject: Clarification on the Operating Results for the 2nd quarter of 2025 and the first 6-month period of 2025

Attn: President

The Stock Exchange of Thailand

The Company wishes to report on the Company's operating results for the 2nd quarter of 2025, having details as follows:

(1) Net profit of the Company and its subsidiaries in the 2nd quarter of 2025 totaled Baht 176.56 million, which decreased from the same period last year by Baht 305.39 million, and net earnings per share was Baht 0.34 per share, which decreased from the same period last year by Baht 0.58 per share or 63.37 percent, due to the following reasons:

(1.1) Net profit from the coal business derived from shareholding proportion of the Company in the 2nd quarter of 2025 was Baht 168.93 million, which decreased from the same period last year by Baht 282.34 million or 62.57 percent. This was due to a decrease in coal sales volume and the average coal selling price from the same period last year of 16.50 percent and 19.47 percent, respectively.

(1.2) Net Loss from the ethanol business and soil conditioner byproduct derived from shareholding proportion of the Company in the 2nd quarter of 2025 was Baht 11.52 million, a decrease in profit as compared to the same period last year of Baht 24.30 million or 190.14 percent. This was due to a decrease in the average ethanol selling price of 39.73 percent; and

(1.3) Share of income from associated companies totaled Baht 19.15 million, which increased from the same period last year by Baht 1.25 million or 6.98 percent. This was due to an increase in profit of associated companies.

(2) Net profit of the Company and its subsidiaries in the first 6-month period of 2025 totaled Baht 416.92 million, which decreased from the same period last year by Baht 649.02 million, and net earnings per share was Baht 0.79 per share, which decreased from the same period last year by Baht 1.24 per share or 60.89 percent, due to the following reasons:

(2.1) Net profit from the coal business derived from shareholding proportion of the Company in the first 6-month period of 2025 was Baht 400.21 million, which decreased from the same period last year by Baht 622.61 million or 60.87 percent. This was due to a decrease in coal sales volume and the average coal selling price from the same period last year of 18.00 percent and 18.66 percent, respectively.

(2.2) Net Loss from the ethanol business and soil conditioner byproduct derived from shareholding proportion of the Company in the first 6-month period of 2025 was Baht 11.96 million, a decrease in profit of Baht 22.50 million or 213.47 percent from the same period last year. This was due to a decrease in the average ethanol selling price of 36.77 percent; and

(2.3) Share of income from associated companies totaled Baht 28.67 million, which decreased from the same period last year by Baht 3.91 million or 12.00 percent. This was due to a decrease in profit of associated companies.

Details of the changes or impacts that occurred have been described in the Management Discussion and Analysis (MD&A).

Please be informed accordingly.

Yours faithfully,
For and on behalf of
Lanna Resources Public Company Limited

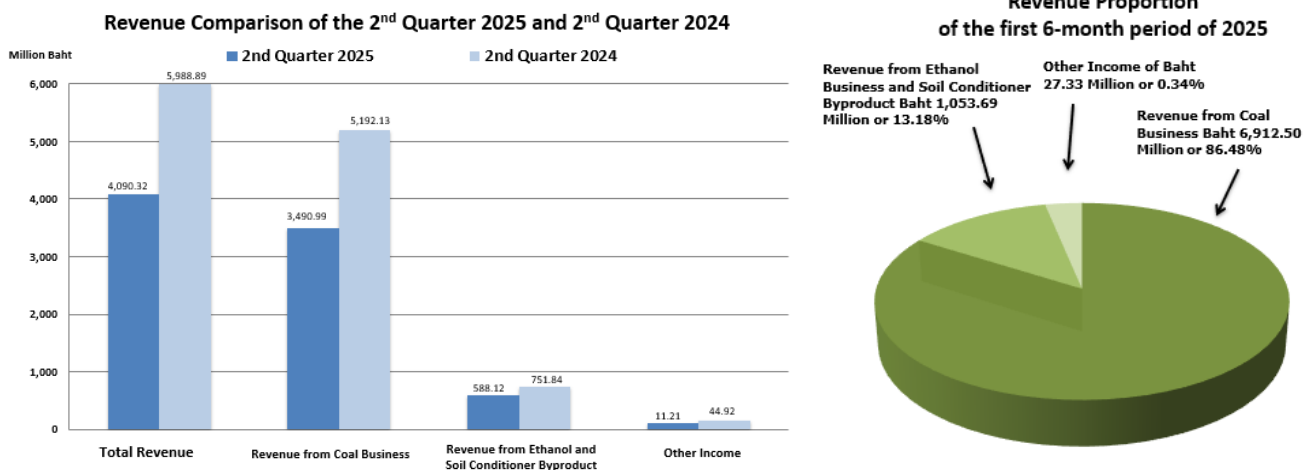
(Mrs. Petcharat Chayanon)
Chief Officer – Accounting and Finance

MANAGEMENT DISCUSSION AND ANALYSIS

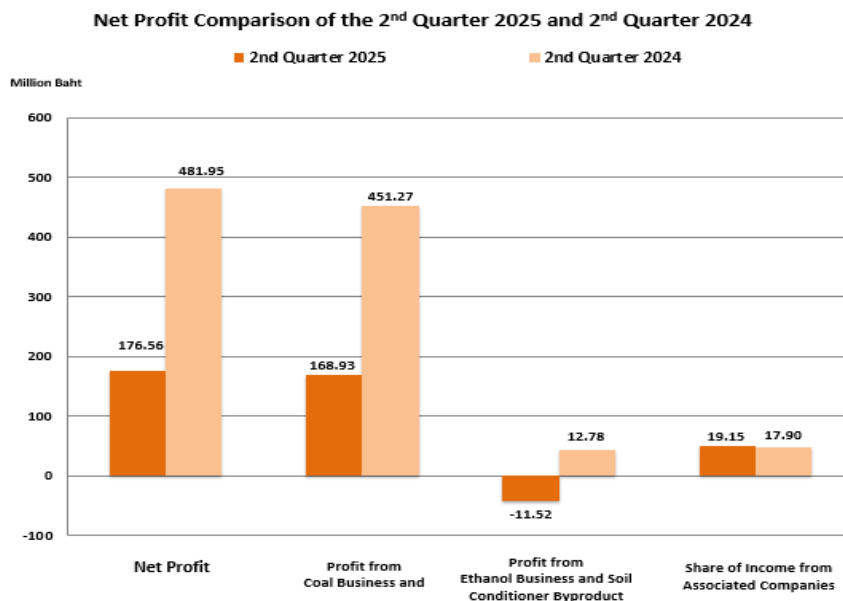
(For the Consolidated Financial Statements of the 2nd quarter of 2025 and the first 6-month period of 2025)

OVERALL OPERATING RESULTS

The total revenue of the Company and its subsidiaries in the 2nd quarter of 2025 and the first 6-month period of 2025 was Baht 4,090.32 million and Baht 7,993.52 million, which decreased from the same period last year by Baht 1,898.57 million and Baht 3,866.55 million or 31.70 percent and 32.60 percent, respectively. The revenue proportion from the coal business, ethanol business, and other income in the first 6-month period of 2025 accounted for 86.48 percent, 13.18 percent, and 0.34 percent, respectively.



The net profit of the Company and its subsidiaries in the 2nd quarter of 2025 and the first 6-month period of 2025 totaled Baht 176.56 million and Baht 416.92 million or Baht 0.34 and Baht 0.79 per share, which decreased from the same period last year by Baht 305.39 million and Baht 649.02 million or 63.37 percent and 60.89 percent, respectively, with the net profit margin of 8.09 percent, the EBITDA margin of 23.38 percent, and the return on equity of 4.99 percent.



The overall financial position and liquidity of the Company and its subsidiaries as at June 30, 2025, were considered excellent. The current ratio was as high as 3.19 times, and the quick ratio was as high as 2.14 times. The total debt to total assets ratio was only 24.79 percent, and the debt-to-equity ratio was only 32.96 percent.

Operating Results of the Coal Business or the Core Business are as follows:

(1) The Company and its subsidiaries had total revenue from the coal business in the 2nd quarter of 2025 and the first 6-month period of 2025 of Baht 3,490.99 million and Baht 6,912.50 million, which decreased from the same period last year by Baht 1,701.14 million and Baht 3,451.64 million or 32.76 percent and 33.30 percent. This was due to a decrease in the average coal selling price of 19.47 percent and 18.66 percent and a decrease in coal sales volume of 16.50 percent and 18.00 percent, respectively, as compared to the same period last year.

(2) The net profit derived from shareholding proportion of the Company in the 2nd quarter of 2025 and the first 6-month period of 2025 was Baht 168.93 million and Baht 400.21 million, which decreased from the same period last year by Baht 282.34 million and Baht 622.61 million or 62.57 percent and 60.87 percent, respectively. This was due to continuous heavy rainfall in Indonesia, which caused natural disasters such as floods and landslides in several areas, thereby hindering coal production, transportation, and distribution. In addition, the average coal selling price in the 2nd quarter of 2025 decreased as a result of the global economic slowdown.

Operating Results of the Ethanol-for-Fuel Business and Soil Conditioner Byproduct or the Secondary Core Business are as follows:

(1) The Company and its subsidiary had total revenue from the ethanol business and soil conditioner byproduct in the 2nd quarter of 2025 and the first 6-month period of 2025 of Baht 588.12 million and Baht 1,053.69 million, a decrease of Baht 163.72 million and Baht 343.58 million or 21.78 percent and 24.59 percent compared to the same period last year. This was due to an oversupply in the market, which caused the ethanol selling price to decrease by 39.73 percent and 36.77 percent, respectively, despite an increase in ethanol sales volume of 27.77 percent and 16.68 percent, respectively, as compared to the same period last year.

(2) The net loss derived from shareholding proportion of the Company and its subsidiary in the 2nd quarter of 2025 and the first 6-month period of 2025 was Baht 11.52 million and Baht 11.96 million, which decreased from the same period last year by Baht 24.30 million and Baht 22.50 million or 190.14 percent and 213.47 percent, respectively. This was due to the decline in ethanol selling prices as described above.

Operating Results Analysis

Revenue (Unit: Million Baht)	2 nd Quarter (Apr.-Jun.)		Increase (Decrease) (%)	First 6-Month Period (Jan. – Jun.)		Increase (Decrease) (%)
	2025	2024		2025	2024	
Revenue from Coal Sales	3,490.99	5,192.13	(32.76)	6,912.50	10,364.14	(33.30)
Revenue from Ethanol Sales	588.12	751.84	(21.78)	1,053.69	1,397.27	(24.59)
Other Income	11.21	44.92	(75.04)	27.33	98.66	(72.30)
Total Revenue	4,090.32	5,988.89	(31.70)	7,993.52	11,860.07	(32.60)

REVENUE

(1) Revenue of the Company and its subsidiaries in the 2nd quarter of 2025 totaled Baht 4,090.32 million, which decreased from the same period last year by Baht 1,898.57 million or 31.70 percent due to the following reasons:

(1.1) Revenue from the coal business, the core business, was Baht 3,490.99 million, which decreased from the same period last year by Baht 1,701.14 million or 32.76 percent. This was due to the decrease in coal sales volume and the average coal selling price as described above.

(1.2) Revenue from the ethanol business and soil conditioner byproduct, the secondary core business, was Baht 588.12 million, which decreased from the same period last year by Baht 163.72 million or 21.78 percent. This was due to the decrease in the average ethanol selling price as described above; and

(1.3) Other income totaled Baht 11.21 million, which decreased from the same period last year by Baht 33.71 million or 75.04 percent. This was due to the insurance compensation income of Baht 12.81 million, which had been received in the 2nd quarter of 2024 from a fire incident on cassava chips, but there was no such income in the 2nd quarter of 2025.

(2) Revenue of the Company and its subsidiaries in the first 6-month period of 2025 totaled Baht 7,993.52 million, which decreased from the same period last year by Baht 3,866.55 million or 32.60 percent due to the following reasons:

(2.1) Revenue from the coal business, the core business, was Baht 6,912.50 million, which decreased from the same period last year by Baht 3,451.64 million or 33.30 percent. This was due to the decrease in coal sales volume and the average coal selling price as described above.

(2.2) Revenue from the ethanol business and soil conditioner byproduct, the secondary core business, was Baht 1,053.69 million, which decreased from the same period last year by Baht 343.58 million or 24.59 percent. This was due to the decrease in the average ethanol selling price as described above; and

(2.3) Other income totaled Baht 27.33 million, which decreased from the same period last year by Baht 71.33 million or 72.30 percent. This was due to the insurance compensation income of Baht 24.49 million, which had been received in the 2nd quarter of 2024 from a fire incident on cassava chips, but there was no such income in the 2nd quarter of 2025.

EXPENSES

Expenses (Unit: Million Baht)	2 nd Quarter (Apr. - Jun.)		Increase (Decrease) (%)	First 6-Month Period (Jan. - Jun.)		Increase (Decrease) (%)
	2025	2024		2025	2024	
Coal Business						
Cost of sales	1,940.83	2,517.35	(22.90)	3,737.59	4,929.75	(24.18)
Selling and administrative expenses	1,104.25	1,555.04	(28.99)	2,171.71	2,929.46	(25.87)
Corporate income tax	189.04	430.40	(56.08)	413.34	945.07	(56.56)
Ethanol Business						
Cost of sales	582.54	661.50	(11.94)	1,017.44	1,234.90	(17.61)
Selling and administrative expenses	25.55	61.66	(58.56)	50.47	139.68	(63.87)
Corporate income tax	(5.27)	6.37	(182.73)	(5.50)	5.48	(200.36)

COAL BUSINESS EXPENSES

(1) Coal business expenses of the Company and its subsidiaries in the 2nd quarter of 2025 totaled Baht 3,234.12 million, which decreased from the same period last year by Baht 1,268.67 million or 28.18 percent, due to the following reasons:

(1.1) Cost of coal sales decreased from the same period last year by Baht 576.52 million or 22.90 percent due to a decrease in coal sales volume and the cost of coal sales per metric ton of 16.50 percent and 7.66 percent, respectively.

(1.2) Selling and administrative expenses decreased from the same period last year by Baht 450.79 million or 28.99 percent due to a decrease in royalty fee payment to the government in accordance with a decrease in coal sales volume and the average coal selling price; and

(1.3) Corporate income tax decreased from the same period last year by Baht 241.36 million or 56.08 percent due to a decrease in profit.

(2) Coal business expenses of the Company and its subsidiaries in the first 6-month period of 2025 totaled Baht 6,322.64 million, which decreased from the same period last year by Baht 2,481.64 million or 28.19 percent, due to the following reasons:

(2.1) Cost of coal sales decreased from the same period last year by Baht 1,192.16 million or 24.18 percent due to a decrease in coal sales volume and the cost of coal sales per metric ton of 18.00 percent and 7.54 percent, respectively.

(2.2) Selling and administrative expenses decreased from the same period last year by Baht 757.75 million or 25.87 percent due to a decrease in royalty fee payment to the government in accordance with a decrease in coal sales volume and the average coal selling price; and

(2.3) Corporate income tax decreased from the same period last year by Baht 531.73 million or 56.26 percent due to a decrease in profit.

ETHANOL BUSINESS AND SOIL CONDITIONER BYPRODUCT EXPENSES

(1) Ethanol business and soil conditioner byproduct expenses of the Company and its subsidiary in the 2nd quarter of 2025 totaled Baht 602.82 million, which decreased from the same period last year by Baht 126.71 million or 17.37 percent, due to the following reasons:

(1.1) Cost of sales decreased from the same period last year by Baht 78.96 million or 11.94 percent due to a decrease in the costs of cassava chips, the main raw materials, of 39.74 percent.

(1.2) Selling and administrative expenses decreased from the same period last year by Baht 36.11 million or 58.56 percent. This was because there was damage related to a fire incident on cassava chips of Baht 29.01 million in the 2nd quarter of 2024, which was not incurred in the 2nd quarter of 2025; and

(1.3) Corporate income tax decreased from the same period last year by Baht 11.64 million due to a net loss in operating results.

(2) Ethanol business and soil conditioner byproduct expenses of the Company and its subsidiary in the first 6-month period of 2025 totaled Baht 1,062.41 million, which decreased from the same period last year by Baht 317.65 million or 23.02 percent, due to the following reasons:

(2.1) Cost of sales decreased from the same period last year by Baht 217.46 million or 17.61 percent due to a decrease in the costs of cassava chips, the main raw materials, of 38.94 percent.

(2.2) Selling and administrative expenses decreased from the same period last year by Baht 89.21 million or 63.87 percent. This was because there was damage related to a fire incident on cassava chips of Baht 73.98 million in the first 6-month period of 2024, which was not incurred in 2025; and

(2.3) Corporate income tax decreased from the same period last year by Baht 10.98 million due to a net loss in operating results.

FINANCIAL INCOME AND FINANCIAL EXPENSE

Description	Unit: Million Baht						Increase (Decrease)	
	2 nd Quarter 2025			2 nd Quarter 2024				
	Coal Business	Ethanol Business and Soil Conditioner Byproduct	Total	Coal Business	Ethanol Business and Soil Conditioner Byproduct	Total	Million Baht	%
2 nd Quarter 2025								
Financial income	20.17	0.03	20.20	30.70	0.06	30.76	(10.56)	(34.33)
Financial expense	5.96	14.21	20.17	4.99	16.97	21.96	(1.79)	(8.15)
First 6-Month Period of 2025								
Financial income	46.93	0.07	47.00	60.16	0.12	60.28	(13.28)	(22.03)
Financial expense	8.61	28.63	37.24	11.55	34.38	45.93	(8.69)	(18.92)

(1) The Company and its subsidiaries had financial income in the 2nd quarter of 2025 and the first 6-month period of 2025 of Baht 20.20 million and Baht 47.00 million, which decreased from the same period last year by Baht 10.56 million and Baht 13.28 million, accounted for 34.33 percent and 22.03 percent, respectively. This was due to a decrease in interest received; and

(2) The Company and its subsidiaries had financial expenses in the 2nd quarter of 2025 and the first 6-month period of 2025 of Baht 20.17 million and Baht 37.24 million, which decreased from the same period last year by Baht 1.79 million and Baht 8.69 million, accounted for 8.15 percent and 18.92 percent, due to a reduction in interest expenses in accordance with a decrease in outstanding loans.

Gross Profit	Coal Business		Ethanol Business and Soil Conditioner Byproduct		Total	
	Million Baht	%	Million Baht	%	Million Baht	%
2nd Quarter 2025						
Revenues from sales	3,490.99	100.00	588.12	100.00	4,079.11	100.00
Less Cost of sales	1,940.83	55.60	582.54	99.05	2,523.37	61.86
Gross Profit	1,550.16	44.40	5.58	0.95	1,555.74	38.14
2nd Quarter 2024						
Revenues from sales	5,192.13	100.00	751.84	100.00	5,943.97	100.00
Less Cost of sales	2,517.35	48.48	661.50	87.98	3,178.85	53.48

Gross Profit	2,674.78	51.52	90.34	12.02	2,765.12	46.52
First 6-Month Period of 2025						
Revenues from sales	6,912.50	100.00	1,053.69	100.00	7,966.19	100.00
Less Cost of sales	3,737.59	54.07	1,017.44	96.56	4,755.03	59.69
Gross Profit	3,174.91	45.93	36.25	3.44	3,211.16	40.31
First 6-Month Period of 2024						
Revenues from sales	10,364.14	100.00	1,397.27	100.00	11,761.41	100.00
Less Cost of sales	4,929.75	47.57	1,234.90	88.38	6,164.65	52.41
Gross Profit	5,434.39	52.43	162.37	11.62	5,596.76	47.59

GROSS PROFIT

(1) Gross profit of the Company and its subsidiaries in the 2nd quarter of 2025 totaled Baht 1,555.74 million or 38.14 percent of sales revenue, which decreased from the same period last year with gross profit of Baht 2,765.12 million or 46.52 percent of sales revenue, due to the following reasons:

(1.1) Gross profit from the coal business in the 2nd quarter of 2025 totaled Baht 1,550.16 million or 44.40 percent of sales revenue, which decreased from the same period last year with gross profit of Baht 2,674.78 million or 51.52 percent of sales revenue. This was due to a decrease in the average coal selling price and the cost of coal sales per metric ton of 19.47 percent and 7.66 percent, respectively; and

(1.2) Gross profit from the ethanol business and soil conditioner byproduct in the 2nd quarter of 2025 totaled Baht 5.58 million or 0.95 percent of sales revenue, which decreased from the same period last year with gross profit of Baht 90.34 million or 12.02 percent of sales revenue. This was due to a decrease in the average ethanol selling price and the cost of ethanol sales of 39.73 percent and 31.09 percent, respectively.

(2) Gross profit of the Company and its subsidiaries in the first 6-month period of 2025 totaled Baht 3,211.16 million or 40.31 percent of sales revenue, which decreased from the same period last year with gross profit of Baht 5,596.76 million or 47.59 percent of sales revenue, due to the following reasons:

(2.1) Gross profit from the coal business in the first 6-month period of 2025 totaled Baht 3,174.91 million or 45.93 percent of sales revenue, which decreased from the same period last year with gross profit of Baht 5,434.39 million or 52.43 percent of sales revenue. This was due to a decrease in the average coal selling price and the cost of coal sales per metric ton of 18.66 percent and 7.54 percent, respectively; and

(2.2) Gross profit from the ethanol business and soil conditioner byproduct in the first 6-month period of 2025 totaled Baht 36.25 million or 3.44 percent of sales revenue, which decreased from the same period last year with gross profit of Baht 162.37 million or 11.62 percent of sales revenue. This was due to a decrease in the average ethanol selling price and the cost of ethanol sales per metric ton of 36.77 percent and 29.38 percent, respectively.

Net Profit	Unit	2 nd Quarter (Apr. – Jun.)		Increase (Decrease) (%)	First 6-Month Period (Jan. – Jun.)		Increase (Decrease) (%)
		2025	2024		2025	2024	
Profit from Coal Business	Million Baht	168.93	451.27	(62.57)	400.21	1,022.82	(60.87)
Profit from Ethanol Business and Soil Conditioner Byproduct	Million Baht	(11.52)	12.78	(190.14)	(11.96)	10.54	(213.47)
Share of income from associated companies	Million Baht	19.15	17.90	6.98	28.67	32.58	(12.00)
Net Profit	Million Baht	176.56	481.95	(63.37)	416.92	1,065.94	(60.89)
Net Earnings per Share	Baht per Share	0.34	0.92	(63.37)	0.79	2.03	(60.89)
Remark: Registered par value of Baht 1 per share							

NET PROFIT

(1) The net profit of the Company and its subsidiaries in the 2nd quarter of 2025 totaled Baht 176.56 million, which decreased from the same period last year by Baht 305.39 million, and net earnings per share was Baht 0.34 per share, which decreased from the same period last year by Baht 0.58 per share or 63.37 percent, due to the following reasons:

(1.1) Net profit from the coal business derived from shareholding proportion of the Company in the 2nd quarter of 2025 was Baht 168.93 million, which decreased from the same period last year by Baht 282.34 million or 62.57 percent. This was due to the decrease in coal sales volume and the average coal selling price as described above.

(1.2) Net Loss from the ethanol business and soil conditioner byproduct derived from shareholding proportion of the Company in the 2nd quarter of 2025 was Baht 11.52 million, resulted in a decrease in profit of Baht 24.30 million or 190.14 percent compared to the same period last year. This was due to the decrease in the average ethanol selling price as described above; and

(1.3) Share of income from associated companies totaled Baht 19.15 million, which increased from the same period last year by Baht 1.25 million or 6.98 percent. This was due to an increase in profit of associated companies.

(2) The net profit of the Company and its subsidiaries in the first 6-month period of 2025 totaled Baht 416.92 million, which decreased from the same period last year by Baht 649.02 million, and net earnings per share was Baht 0.79 per share, which decreased from the same period last year by Baht 1.24 per share or 60.89 percent, due to the following reasons:

(2.1) Net profit from the coal business derived from shareholding proportion of the Company in the first 6-month period of 2025 was Baht 400.21 million, which decreased from the same period last year by Baht 622.61 million or 60.87 percent. This was due to the decrease in coal sales volume and the average coal selling price as described above.

(2.2) Net Loss from the ethanol business and soil conditioner byproduct derived from shareholding proportion of the Company in the first 6-month period of 2025 was Baht 11.96 million, resulted in a decrease in profit of Baht 22.50 million or 213.47 percent compared to the same period last year. This was due to the decrease in the average ethanol selling price as described above; and

(2.3) Share of income from associated companies totaled Baht 28.67 million, which decreased from the same period last year by Baht 3.91 million or 12.00 percent. This was due to a decrease in profit of associated companies.

EARNINGS EFFICIENCY

(1) EBITDA (Earnings before financial expenses, corporate income tax, depreciation and amortization) of the Company and its subsidiaries in the first 6-month period of 2025 was Baht 1,869.20 million, which decreased from the same period last year by Baht 1,520.92 million or 44.86 percent, and EBITDA margin was at 23.38 percent, which decreased from the same period last year by 18.19 percent.

(2) The net profit margin of the Company and its subsidiaries in the first 6-month period of 2025 was 8.09 percent, which decreased from the same period last year by 44.28 percent.

(3) Return on equity of the Company and its subsidiaries in the first 6-month period of 2025 was 4.99 percent, which decreased from the same period last year by 60.47 percent.

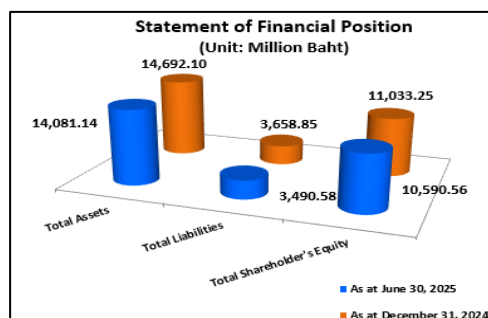
(4) Return on total assets and return on fixed assets of the Company and its subsidiaries in the first 6-month period of 2025 were 4.50 percent and 19.69 percent, which decreased from the same period last year by 59.95 percent and 66.85 percent, respectively.

STATEMENTS OF FINANCIAL POSITION

Description	Unit	As at June 30, 2025	As at December 31, 2024	Increase (Decrease)	%
Total Assets	Million Baht	14,081.14	14,692.10	(610.96)	(4.16)
Total Liabilities	Million Baht	3,490.58	3,658.85	(168.27)	(4.60)
Total Shareholders' Equity	Million Baht	10,590.56	11,033.25	(442.69)	(4.01)
Book Value	Baht per Share	15.59	16.22	(0.63)	(3.88)
Remark: Registered par value of Baht 1 per share					

ASSETS: The total assets of the Company and its subsidiaries as at June 30, 2025, was Baht 14,081.14 million, which decreased from the end of 2024 by Baht 610.96 million or 4.16 percent, due to (1) current assets decreased by Baht 433.91 million or 4.95 percent, consisting of: (A) cash and cash equivalent decreased by Baht 559.08 million or 11.67 percent; (B) trade accounts receivable and other accounts receivable decreased by Baht 311.16 million or 18.14 percent; (C) inventories increased by Baht 180.29 million or 45.99 percent; and (D) other current assets most of which were corporate income tax, advance payment for goods, etc., increased by Baht 256.04 million or 13.70 percent; and (2) non-current assets decreased by Baht 177.05 million or 2.99 percent.

LIABILITIES: The total liabilities of the Company and its subsidiaries as at June 30, 2025, was Baht 3,490.58 million, which decreased from the end of 2024 by Baht 168.27 million or 4.60 percent, due to (1) trade accounts payable and other accounts payable increased by Baht 308.83 million or 45.13 percent (2) accrued expenses, most of which were overburden removal expenses and freight cost, etc., decreased by Baht 88.29 million or 14.23 percent (3) other liabilities, most of which were deferred tax, provision for mine rehabilitation of the subsidiaries, and allowance for long-term benefits of employees, etc., decreased by Baht 26.85 million or 3.12 percent; and (4) short-term loan and long-term loan of the subsidiaries decreased by Baht 361.96 million or 24.22 percent.



TOTAL SHAREHOLDERS' EQUITY: The total shareholders' equity of the Company and its subsidiaries as at June 30, 2025, was Baht 10,590.56 million, which decreased from the end of 2024 by Baht 442.69 million or 4.01 percent, resulting in a decrease of the share's book value from Baht 16.22 per share to Baht 15.59 per share, a decrease of Baht 0.63 per share or 3.88 percent. This was due to (1) a decrease in retained earnings of Baht 213.87 million or 2.97 percent, due to a net profit of Baht 416.92 million, but there were dividend payment of Baht 630 million and loss from other comprehensive income of Baht 0.79 million. (2) a decrease in translation adjustment in financial statements of Baht 117.19 million or 102.12 percent; and (3) a decrease in minority shareholders' equity of Baht 111.63 million or 4.44 percent.

CASH FLOWS

Description	Unit: Million Baht	
	First 6-month Period of 2025	First 6-month Period of 2024
Cash Flows from (used in) Operating Activities	1,502.27	2,965.20
Cash Flows from (used in) Investing Activities	345.58	(626.58)
Cash Flows from (used in) Financing Activities	(1,334.27)	(1,500.15)
Increase (Decrease) in Translation Adjustments in Financial Statements	(5.09)	(11.33)
Net Increase (Decrease) in Cash	508.49	827.14
Cash at the beginning of the period	2,072.46	1,701.75
Cash at the end of the period	2,580.95	2,528.89

(1) The net cash from operating activities of the Company and its subsidiaries in the first 6-month period of 2025 totaled Baht 1,502.27 million, consisting of (A) income before corporate income tax and interest expense of Baht 1,054.73 million (B) transactions that did not affect the cash such as depreciation and amortization of assets, most of which were transactions concerning coal mining operations of the subsidiaries in Indonesia of Baht 880.80 million (C) an increase in operating assets of Baht 33.03 million (D) an increase in operating liabilities of Baht 223.77 million (E) interest received of Baht 53.06 million; and (F) interest expenses and corporate income tax of Baht 677.06 million.

(2) The net cash used in investing activities of the Company and its subsidiaries in the first 6-month period of 2025 totaled Baht 345.58 million, consisting of (A) an increase in properties, buildings, and equipment of Baht 30.78 million (B) an increase in expenses of coal mine projects of the subsidiaries in Indonesia of Baht 612.45 million (C) a decrease in short-term capital investment and other items of Baht 966.16 million (D) a decrease in loans to related parties of Baht 8.51 million Baht; and (E) dividend received from the associated companies of Baht 14.14 million.

(3) The net cash used in financing activities of the Company and its subsidiaries in the first 6-month period of 2025 totaled Baht 1,334.27 million, consisting of (A) a decrease in loans of Baht 362.66 million (B) dividend payment of Baht 897.79 million; and (C) a decrease in minority shareholders' equity of Baht 73.82 million.

ASSET MANAGEMENT CAPABILITY

(1) The trade accounts receivable and other accounts receivable of the Company and its subsidiaries as at June 30, 2025, accounted for 9.97 percent of total assets.

(2) The inventory of the Company and its subsidiaries as at June 30, 2025, accounted for 4.06 percent of total assets.

(3) The Company's goodwill incurred from investment in a subsidiary as at June 30, 2025, accounted for 1.32 percent of total assets.

LIQUIDITY AND SUFFICIENCY OF CAPITAL

(1) The current ratio and the quick ratio of the Company and its subsidiaries as at June 30, 2025, were as high as 3.19 times and 2.14 times, respectively. In addition, the Company and subsidiaries have sufficient credit facilities for future working capital.

(2) The total debt-to-equity ratio of the Company and its subsidiaries as at June 30, 2025, was as low as 0.33:1 with appropriate capital structure. The Company has cash generation and credit facilities sufficient for future investment projects.

(3) The cash cycle of the Company and its subsidiaries in the first 6-month period of 2025 was 27 days, a decrease as compared to the same period last year of 7 days. The average debt collection period was 34 days, equal to the same period last year. The average inventory turnover was 18 days, an increase compared to the same period last year of 3 days, but the average debt repayment period was 25 days, an increase as compared to the same period last year of 10 days.

DEBT OBLIGATION

The subsidiary engaged in the production and distribution of ethanol for fuel purposes is subject to certain obligations under the terms and conditions of a loan agreement with a local commercial bank, which is the lender as follows:

(1) The subsidiary must maintain its D/E ratio (Debt to Equity Ratio) not exceeding 2.5 times and DSCR (Debt Service Coverage Ratio) of no less than 1.1 times until the expiration of the loan agreement. As at June 30, 2025, the subsidiary is able to maintain the D/E ratio and DSCR as required by the contractual obligation of the loan without any default.

(2) The lending bank has stipulated that the Company must maintain its shareholding proportion in the subsidiary of no less than 50 percent of the total number of shares during the whole duration of the loan agreement. Accordingly, the Company has no plan to sell or decrease its shareholding proportion in the subsidiary to below 50 percent of the total number of shares.

(3) The lending bank has stipulated that the subsidiary cannot pay dividend to its shareholders, including the Company, if the subsidiary cannot comply with the conditions as stipulated within the loan agreement, such as the maintenance of D/E ratio (Debt to Equity Ratio), DSCR (Debt Service Coverage Ratio), and shareholding proportion of the Company in the subsidiary, etc. The subsidiary has never breached the conditions of loan agreements and has been provided with good financial support from lending banks.

FUTURE TREND

Coal Business: Coal prices are anticipated to improve from the 3rd quarter of 2025 onwards, driven by the onset of winter and the easing of the monsoon season in western India, which is expected to normalize shipping operations. However, China's economic stimulus measures have yet to deliver clear results, and various policies and measures from the United States could potentially impact the global economy, particularly in the Asian region. Despite these uncertainties, the Company and its subsidiaries remain committed to Environmental, Social, and Governance ("ESG") principles, with continuous goals for sustainable development in clean and renewable energy to reduce environmental impact and greenhouse gas emissions. In this regard, the Company has launched a 1.2 MWdc Solar Farm project to generate and sell electricity to Thai Agro Energy Public Co., Ltd. ("TAE"), a subsidiary company. This project is expected to begin production and sales in the 4th quarter of 2025. Additionally, the Company is actively exploring other renewable energy investment opportunities and studying the feasibility of using digital tools for data analysis to enhance productivity. These initiatives aim to ensure the Company and its subsidiaries achieve more stable and sustainable long-term growth. The coal business is also expected to maintain good profitability and satisfactory performance throughout 2025.

Ethanol Business: Ethanol demand in the second half of 2025 is anticipated to remain at a similar level as the first half of 2025, as intense market competition has led to a significant decline in ethanol selling prices. Moreover, molasses volume, the main raw material, is expected to increase in 2025 due to higher rainfall compared to the previous year, resulting in increased sugarcane yields. Therefore, molasses prices, a major cost and raw material for ethanol production, are projected to decline.

Overall Business: The global economic outlook for 2025 is expected to decline due to ongoing trade tensions between China and the United States, resulting in a significant slowdown in global trade. In the meantime, Thailand is awaiting the outcome of trade negotiations between Thai and U.S. government representatives to assess the potential impact. Despite these challenges, the Company's overall business performance in 2025 is expected to remain consistently profitable.