8 May 2025 Alla Public Company Limited

MANAGEMENT DISCUSSION AND ANALYSIS

Business Performance Overview for the first quarter of 2025

In the first quarter of 2025, the Group's revenue from customer contracts increased by 50 million baht, or 38% compared to the same period last year. The main reason was revenue recognized from the backlog of crane and electric hoist projects, which were ordered in the previous year and completed as scheduled during this quarter.

Although the gross profit margin decreased by 4% compared to the same period last year, due to the delivery of a special engineering project in the previous period, the Group continued to manage its costs effectively. As a result, the gross profit margin remained steady at 35%. At the same time, the net profit margin was 15%, up 1% from the same quarter last year.

The Group's products are essential components in various industrial projects. It continues to receive customer orders, with a backlog value of 365 million baht as of the end of Q1 2025. The Group still maintains a strong financial structure, with good liquidity and a low debt-to-equity ratio. The business continues to operate as usual, with no reduction in business scale.

Consolidated Financial Performance for the first quarter of 2025

Operating Income			
(Thousand Baht)	1Q 2025	1Q 2024	%Chg.
Revenues from contracts with customers	183,194	133,099	38%
Other income	258	417	(38%)
Total Operating Income	183,452	133,516	37%

Revenues structure						
	1Q 2025		1Q 2024		Change	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Revenue from sales and services						
Crane and Electric Hoist	90,807	49%	41,351	31%	49,456	120%
Loading Dock and Equipment	28,552	16%	29,993	23%	(1,441)	(5%)
Warehouse system and Equipment	284	0%	91	0%	193	212%
Solar cell system	8,610	5%	7,233	5%	1,377	19%
EV Charging Station	-	0%	3,774	3%	(3,774)	(100%)
Total revenue from sales and services	**128,253**	**70%**	**82,442**	**62%**	**45,811**	**56%**
Revenue from after-sales service						
Crane and Electric Hoist	42,802	23%	39,081	29%	3,721	10%
Loading Dock and Equipment	11,846	6%	11,383	9%	463	4%
Training center	293	0%	193	0%	100	52%
Total revenue from after-sales service	**54,941**	**30%**	**50,657**	**38%**	**4,284**	**8%**
Other income	**258**	**0%**	**417**	**0%**	**(159)**	**(38%)**
Total Operating Income	183,452	100%	133,516	100%	49,936	37%

The Group's total operating revenue for the first quarter of 2025 was 183 million baht, an increase of 50 million baht or 37% compared to the same period last year. The main reason was revenue recognition from the backlog of crane and electric hoist projects, which were ordered in the previous year and completed and delivered as scheduled during this quarter. Revenue recognition for this type of product depends on the delivery schedule and site readiness at the customer's location. For large-scale projects with longer timelines and higher complexity, revenue recognition may fluctuate based on each project's plan.

As of the end of March 2025, the Group had a backlog of 365 million baht. Even though 183 million baht of revenue was already recognized in Q1, the backlog decreased only slightly by 12 million baht, or 3%, compared to the end of the previous year. The remaining backlog will gradually be recognized as revenue starting from the second quarter of 2025 onward.

Operating Expenses			
(Thousand Baht)	1Q 2025	1Q 2024	%Chg.
Cost of sales and services	118,358	81,233	46%
Selling expenses	8,974	8,802	2%
Administrative expenses	21,684	21,615	0%
Total Operating Expenses	149,016	111,650	33%

The Group's total operating expenses for the first quarter of 2025 amounted to 149 million baht, an increase of 37 million baht, or 33%, compared to the same period last year.

- Cost of sales and services increased by 37 million baht, or 46%, which is in line with the growth in revenue from customer contracts.
- Selling expenses remained unchanged significantly.
- Administrative expenses remained unchanged significantly.

Other Items			
(Thousand Baht)	1Q 2025	1Q 2024	%Chg.
Finance income	802	889	(10%)
Finance cost	(184)	(91)	102%
Income tax expenses	(6,946)	(4,517)	54%
Total Other Items	(6,328)	(3,719)	70%

- Income tax expenses increased in line with the operating profits.

Profitability Analysis			
(Thousand Baht)	1Q 2025	1Q 2024	%Chg.
Gross profit	64,836	51,866	25%
Gross profit margin	35%	39%	
Net profit	28,108	18,147	55%
Net profit margin	15%	14%	
Basic earnings per share (Baht)	0.047	0.030	57%

- The Group's gross profit for the first quarter of 2025 was 65 million baht, an increase of 13 million baht or 25% from the same period last year, in line with the growth in revenue from customer contracts. The gross profit margin stood at 35%, down 4% due to the delivery of a special engineering project in the previous period.

- The Group's net profit for the first quarter of 2025 was 28 million baht, up 10 million baht or 55% compared to the same period last year. The net profit margin was 15%, increasing by 1%, driven by the higher gross profit.

Consolidated Financial Position for the first quarter of 2025

Financial Position			
(Thousand Baht)	March 2025	December 2024	%Chg.
Total Assets	1,241,252	1,228,524	1%
Total Liabilities	254,609	269,989	(6%)
Total Shareholders' Equity	986,643	958,535	3%

- Total assets increased by 13 million baht, or 1%, with the following details:
  - Cash and cash equivalents decreased by 10 million baht, consisting of net cash inflows from operations of 52 million baht, investment in fixed deposits of 30 million baht, and repayment of short-term loans of 30 million baht.
  - Trade receivables decreased by 7 million baht due to collections received during the period.
  - Other current financial assets increased by 30 million baht, mainly from investment in fixed deposits.
- Total liabilities decreased by 15 million baht, or 6%, with the following details:
  - Short-term loans from financial institutions decreased by 30 million baht due to repayments during the period.
  - Trade and other payables increased by 13 million baht, in line with purchase orders to support incoming customer orders.
- Total shareholders' equity increased by 28 million baht, or 3%, as a result of the net profit for the period.

Liquidity and Capital Management

Cash Flows		
(Thousand Baht)	1Q 2025	1Q 2024
Net cash from operating activities	52,205	25,322
Net cash used in investing activities	(31,255)	(998)
Net cash used in financing activities	(30,798)	(447)
Net increase (decrease) in cash and cash equivalents	**(9,848)**	**23,877**
Beginning cash and cash equivalents	316,845	236,429
Ending cash and cash equivalents	**306,997**	**260,306**

In the first quarter of 2025, the Group's cash and cash equivalents decreased by a net amount of 10 million baht. The Group began the period with cash and cash equivalents of 317 million baht, resulting in an ending balance of 307 million baht. Details of cash flows by activity are as follows:

- Net cash from operating activities: 52 million baht
- Net cash used in investing activities: 31 million baht, mainly due to investment in fixed deposits totaling 30 million baht.
- Net cash used in financing activities: 31 million baht, primarily due to repayment of short-term loans from financial institutions amounting to 30 million baht.

Ratios Analysis		
	1Q 2025	1Q 2024
Return on Asset (%)	11.27%	11.44%
Return on Equity (%)	11.48%	12.11%
Current ratio (x)	4.70	4.09
Total debt to equity (x)	0.26	0.29

The return on assets (ROA), return on equity (ROE), liquidity ratio, and debt-to-equity ratio remained substantially unchanged.