

18 March 2026

Subject: Report on the CB Designation of the Company's Securities and Recovery Measures

To: President,  
The Stock Exchange of Thailand

FNS Holdings Public Company Limited (the "Company" or "FNS") convened a Public Presentation to provide information to investors and stakeholders regarding the placement of the "CB" mark on FNS securities. This was due to the Company's shareholders' equity declining to below 50% of the paid-up capital, based on the audited financial statements for the year ended 31 December 2025.

#### FINANCIAL RESULTS Y.2025

Unit: Million Baht	Note	Amount	%
Paid-up capital		2,503.3	
Equity Y. 2567 (1)		2,058.4	82.2%
<u>Y.2568</u>			
<b>OPERATION</b>		<b>(691.3)</b>	
FNS	Loss from wellness	(476.9)	
MK (37%)	Loss from real estate	<u>(214.4)</u>	
<b>NON-OPERATION (OCI)</b>		<b>(184.7)</b>	
FNS	Mark to market	(68.7)	
MK (37%)	Mark to market	<u>(116.0)</u>	
Total Y.2025 losses (2)		(876.0)	
<b>Equity Y. 2568 (1)+(2)</b>		<b>1,182.4</b>	<b>47.2%</b>

For the year 2025, FNS reported a consolidated net loss of Baht 876.0 million, mainly attributable to the operating results of FNS itself and the share of losses from its 37% equity investment in M.K. Real Estate Development Public Company Limited ("MK"). As a result, FNS's shareholders' equity declined, and the ratio of shareholders' equity to paid-up capital as at the end of 2025 decreased to 47.2% of the paid-up capital.

#### MAJOR CAUSES OF LOSSES

##### 1. Operating Results of Wellness

The wellness business continued to record operating losses as the business is still in its initial stage and remains under development while expanding its customer base. As a result, revenue has not yet been sufficient to cover all fixed operating costs, including personnel, facilities, marketing, and administrative expenses. In addition, the Company continues to invest in brand development and service enhancement to support the long-term growth of the business.

## **2. Share of losses from investment in MK**

The Company recognized a share of losses from its investment in MK, mainly attributable to the residential property development business of MK, which experienced slower sales due to the continued weakness in the property market. In addition, high interest expenses resulting from MK's capital structure contributed to MK reporting a loss, which in turn affected the consolidated operating results of FNS.

## **3. Provision and asset value adjustments**

In 2025, the Group recorded provisions from fair value adjustments of assets totaling Baht 184.7 million at both the parent company and MK levels. These items are non-cash accounting adjustments arising from the revaluation of investments to reflect market conditions as at the end of the period, mainly relating to investments in shares of companies listed on the stock exchange. Such value adjustments do not affect the Company's liquidity position.

## **OPERATIONAL IMPROVEMENT PLAN**

The Company has implemented various measures to improve profitability and strengthen its financial position, with the following approaches:

### **1. Development of Wellness Business**

The Company plans to increase revenue from the wellness business through expanding its customer base and continuously enhancing its services, with a target of achieving average annual revenue growth of not less than 30%. At the same time, the Company has implemented measures to improve operational efficiency, including tighter cost control to reduce operating expenses. Based on current projections, the wellness business is expected to reach cash flow break-even within 1–2 years.

### **2. Improvement in MK operating performance**

Management expects MK's operating performance to improve in 2026, supported by the warehousing business, which maintains a healthy occupancy rate, long-term lease agreements, and continued demand from logistics and other industrial customers. At the same time, MK is undertaking capital structure management and debt reduction initiatives to help lower interest expenses and strengthen its financial position going forward.

The Company will continue to operate its business prudently under sound financial discipline and good corporate governance practices, while implementing various measures to improve its financial position and address the factors related to the CB designation, with the aim of complying with the requirements of the regulatory authorities going forward.

Please be informed accordingly.

Yours sincerely,

FNS Holdings Public Company Limited

(Mr. Vorasit Pokachaiyapat)

Managing Director