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SET. 020/2023

May 15, 2023

Subject: Management Discussion and Analysis for Q1/2023  
 To: The President  
 Copy: The Stock Exchange of Thailand

AKS Corporation Public Company Limited (AKS) has a list of information that the Board of Directors considered in accordance with the resolutions of the Board Meeting No. 6/2023 on May 15, 2023 at 3:00 p.m. The meeting's resolution was to consider and approve the Quarter1 year 2023 Financial Statements as at March 31, 2023. The Financial Statements have been Review by a certified public accountant, and the Board's resolutions have been reported to the Office of the Securities and Exchange Commission of Thailand.

Therefore, AKS would like to report the operating results for the Q1/2023, with a net loss of 61.88 million baht against a net profit of 60 million baht for the same period in 2022. Decrease profits from the same period 2022 amount 121.87 million baht. The difference in profit is greater than 20% for the following reasons:

Unit: Million Baht

|  | Q1/2023  | Q1/2022 | Increase<br>(Decrease) | %Increase<br>(Decrease) |
|--|----------|---------|------------------------|-------------------------|
| Revenues from Sales and Services       | 95.99    | 290.56  | (194.57)               | (66.96)                 |
| Cost of Sales and Services             | 90.89    | 203.15  | (112.26)               | (55.26)                 |
| Gross profit                           | 5.10     | 87.41   | (82.31)                | 94.17                   |
| Other Incomes                          | 16.86    | 61.29   | (44.43)                | (72.49)                 |
| Expenses                               | 82.42    | 86.96   | (4.54)                 | (5.22)                  |
| Financial Costs                        | 1.53     | 1.83    | (0.30)                 | (16.39)                 |
| Income(Expense) Tax                    | 0.11     | 0.08    | 0.03                   | 37.50                   |
| Profit (loss) for the year             | (61.878) | 59.995  | (121.87)               | 203.14                  |
| Profit (loss) Owner of the parent      | (61.875) | 59.921  | (121.80)               | 203.26                  |
| Profit (loss) non controlling interest | -0.003   | 0.074   | (0.08)                 | 104.05                  |

Revenue from sales and services of the Company and its subsidiaries amounted to 95.99 million baht in the Q1/2023. By comparison, revenues from sales and services was 290.56 million baht in the prior period 2022, a decrease of 194.57 million baht or 66.96% due to the following reasons:

1. Revenue from real estate sold in Q1/2023 amounted to 46.63 million baht and 256.09 million baht in the prior period 2022, a decrease of 209.46 million baht or 81.79%, mainly due to a decrease in real estate sales in Q1/2023 the reason is due to the decline in real estate sale are as follow:
  - Banks are strict in lending. The customers to fail to borrow credit.
  - The Client is considering how the election will affect the real estate business.
  - The subject of rising interest rates Customer postpones trading.
  - The story of the war between Russia and Ukraine affecting various businesses. The customer slowdown in spending and purchase in real estate.
2. Income from the hotel and services business of the Company and its subsidiaries amounted to 41.15 million baht in Q1/2023 compare 34.48 million baht in the prior period 2022, a increase of 6.67 million baht or 19.34%. The reason is in 2023 tourism situation and The COVID-19 situation has been resolved in tourism without strict inspection procedures and China has opened up the country. At the present Chinese tourist are travel aboard and Europe tourist and India tourist began to travel as well causing the tourism business to improve again.
3. Revenues from loan interest of the company and its subsidiaries amounted 8.21 million baht; because of the company had buy subsidiaries on Q2/2022. In the quarter1/2023 company's credit business income not enough because of high interest rate is causing the credit not to be fully released. The company will try to restructure the lending for added interest income.
4. Other income of the Company and its subsidiaries amounted to 16.86 million baht and 61.29 million baht in Q1/ 2023 and prior period 2022 respectively, an decrease of 44.43 million baht or 72.49%. The main reason is in Q1/2022 had recording of other income from reversal of liabilities.
5. Cost of sales and services amounted to 90.89 million baht in the quarter 1/2023 compared to 203.15 million baht in prior period 2022, resulting in a decrease of 112.26 million baht or 55.26%. The reason is due to decreased in real estate sales.
6. Gross profit of the Company and its subsidiaries in the quarter1/2023 amounted to 5.10 million baht in comparison to 87.41 million baht in prior period 2022 the gross profit is decrease 82.31 million baht or 94.17%. In 2023 the company and its subsidiaries due to a decrease in real estate sales.

7. Total selling and administrative expenses amounted to 82.42 million baht in quarter1 year 2023. In the prior period 2022, selling and administrative expenses were 86.96 million baht, a decrease of 4.54 million baht or 5.22%.
8. Income tax of the Company and its subsidiaries amounted to 0.11 million baht and 0.08 million baht quarter 1 /2023 and prior period 2022 respectively, an increase of 0.03 million baht or 37.50%.

For the aforementioned reasons, the Company and its subsidiaries had a net loss of 61.88 million baht in the quarter 1/2023.

Please be informed accordingly and disseminate such information further.

Yours Sincerely,

(Mr. Chanon Wangtal)

Director

(Mr. Voravut Laithuamthaweekul)

Director

