



บริษัท โพรเฟสชันแนล เวสต์ เทคโนโลยี (1999) จำกัด (มหาชน)
PROFESSIONAL WASTE TECHNOLOGY (1999) PUBLIC COMPANY LIMITED

Translation

PW-030/CS 2023

May 15, 2023

Subject : Management Discussion and Analysis for the first Quarter of 2023 ended March 31, 2023

To : President

The Stock Exchange of Thailand

Professional Waste Technology (1999) Public Company Limited (the company) and its Subsidiaries has submitted the financial statements and the reports of the certified public accountant's report for the periods ended March 31, 2023 and 2022, the operating results of the Company and its subsidiaries for the 3 months of the first quarter of 2023 (Consolidated Financial Statements), total comprehensive income for the period was 8.50 million baht, compared to the same period of the previous year with a profit of 37.45 million baht. Operating profit decreased from the previous year by 28.95 million baht or 77.30 %.

The impact on operations are as follows:

The company received a letter from the Department of Industrial Works the letter No . 0305 (Kor. 1) 4634 dated April 18, 2022 to stop accepting hazardous waste under section 39 paragraph 1 of the Factory Act B.E. 2535 since the company has made L4 landfills in the part that is not a water well in the L4 well area which in 2008 the EIA was revised landfill to be a well with an order to lock the code of hazardous industrial waste cannot enter the landfill and asked to correct the EIA at the Office of Natural Resources and Environmental Policy and Planning (“ONEP”) before repealing Section 39, paragraph 1. Later, the Department of Industrial Works unlocked the code on August 26, 2022

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according to the letter No. 0305/11780 and allow no more than 2,000 tons of waste to be landfilled to alleviate the suffering of operators in the eastern region, central and nearby areas but because the company received aluminum waste and stabilized but not thoroughly it was locked again and closed on September 30, 2022. the letter No. 0305/14201 to bring aluminum dross waste that is buried in the landfill area to be destroyed by stabilization before being brought to landfill and surveying the area of all 8 landfill (L1- L8)

The company has completed all steps but due to surveying in the past (2002) and the present there are some slight discrepancies especially the L3 (which would like to be opened for further use) with a trapezoidal shape at the end, 1 meter wide, but in single deed equal area The Department of Industrial Works therefore asked to inquire about the ONEP according to the letter No. 0305/941 dated January 11, 2023 and The company has requested an extension of time according to the order until May 31, 2023 and has an additional order for the company to submit documents for inspection results of discrepancies and inconsistencies in the landfill area.

The company therefore appealed for justice according to the letter PW HO 014/2023 dated February 10, 2023 and is under consideration by the Minister of Industry. As a result, the company has not been able to receive hazardous industrial waste until now for about 11 months and the results are currently unknown causing the company to lose revenue from hazardous waste disposal The company accepts only non-hazardous industrial waste. As a result, the income from receiving industrial waste has decreased significantly.

The conclusion of operation resulted of the company group have been changed significantly as follow.

1. Total revenues

The Company's total revenue was 18.68 million baht, compared with the same period of last year revenues was 96.80 million baht. The revenue was decreased amount of 78.12 million baht or 80.70 %. The details of the income are as follows.

1.1 Total Revenues from sales and services are 18.55 million baht included:

| | |
|-------------------------------------------------------------------|---------------------|
| Revenue from the sale of aluminum in the amount to | 10.22 million baht. |
| Income from disposal of industrial waste and landfill amounted to | 5.16 million baht. |
| Revenue from transportation and other service fees amounted to | 3.04 million baht. |
| Revenue from the sale of scrap and scrap separated materials to | 0.13 million baht. |

1.2 Other income of 0.14 million baht, including revenue from GSB lottery prize amount of 0.05 million baht, land rental income of 0.06 million baht, and other revenues amount of 0.03 million baht.

2. Total cost of sales and service

In the 1st Quarter in 2023, the cost of sales and services was 30.35 million baht or 163.61 % of the major revenue, compared to the same period of the previous year amount of 48.82 million baht or 50.90 % of the major revenue which decreased from the previous year by 18.47 million baht or 37.83 % in line with the decrease in sales.

3. Gross Profit

In the 1st Quarter in 2023, the gross profit margin was 11.80 million baht or 63.61 % of the gross profit, compared to the same period last year with a gross profit of 47.09 million baht or 49.10 %. In 2023 gross loss due to Department of Industrial Works to stop receiving hazardous waste, which is the main income of the company. In addition the company still has to bear fixed expenses such as expenses related to employee expenses, building and equipment depreciation including rental of tools and equipment. However in the first quarter of 2023, a subsidiary (JTS Aluminum and Metal Co., Ltd.) operates a business of distributing and smelting aluminum. The gross profit was 4.19 million baht or 41.03 %.

4. Cost of distribution, administrative expenses and other expenses

Cost of distribution and administrative expenses were 13.26 million baht or 71.48 % of the major revenues

5. Total comprehensive income for the period

In 1st Quarter in 2023, the Company's net profit was 8.50 million baht, compared with the same period of last year was a profit of 37.45 million baht. The profit decreased by 28.95 million baht or 77.30 %.

Please be informed accordingly.

Yours sincerely

(Assoc. Prof.Dr.Vilailuck Skulpakdee)

Chief Executive Officer