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SET. 035/2023

August 15, 2023

Subject: Management Discussion and Analysis for Q2/2023

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. 12/2023 on August 15, 2023 at 3:00 p.m. The meeting's resolution was to consider and approve the Quarter2 year 2023 Financial Statements as at June 30, 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 Q2/2023, with a net loss of 55.65 million baht against a net profit of 6.52 million baht for the same period in 2022. Increase loss from the same period 2022 amount 62.17 million baht. The difference in profit is greater than 20% for the following reasons:

Unit: Million Baht

	Q2/2023	Q2/2022	Increase (Decrease)	%Increase (Decrease)
Revenues from Sales and Services	101.05	76.55	24.50	32.01
Cost of Sales and Services	94.68	82.51	12.17	14.75
Gross profit	6.37	(5.97)	12.34	206.70
Other Incomes	34.68	93.61	(58.93)	(62.95)
Expenses	90.23	79.21	11.02	13.91
Financial Costs	6.13	2.02	4.11	203.47
Income(Expense) Tax	(0.36)	0.10	(0.46)	(460.00)
Profit (loss) for the year	(55.65)	6.52	(62.17)	953.53
Profit (loss) Owner of the parent	(55.74)	6.52	(62.26)	954.91
Profit (loss) non controlling interest	(0.09)	0.01	(0.10)	1000.00

Revenue from sales and services of the Company and its subsidiaries amounted to 101.05 million baht in the Q2/2023. By comparison, revenues from sales and services was 76.55 million baht in the prior period 2022, an increase of 24.50 million baht or 32.01% due to the following reasons:

1. The selling of property in Q2/2023 amounted THB 46.32 which increased THB 2.63 million or 6.02% compare to Q2/2022 amounted THB 43.69 million. The reason why is the selling of house increased.
2. The revenue of Hotel and services in Q2/ 2023 amounted THB 30.44 million decreased amounted THB 2.41 million or 7.34% when compared of the same period in 2022 amounted THB 32.85 million. The Company disposed of 1 hotel in Q2/2022, the revenue of this business unit, consequently, dropped from 2022.
3. The revenue from credit business unit amounted THB 13.86 million. The Company acquired the subsidiaries, a finance company, in Q3/2022 and Q2/2023. In this quarter this business unit was unable to finance from another source of fund together with the high cost of fund, this unit, hence, would not fully generate the profit.
4. The other income in Q2/ 2023 amounted THB 34.68 million whereas THB 93.61 million in Q2/2022. That means in this quarter decreased amounted THB 58.93 million or 62.95% because the dividend from its subsidiaries decreased.
5. The cost of goods sold in this quarter amounted THB 94.68 million increased of THB 12.17 million or 14.75% when compared to Q2/2022 amounted THB 82.51 million. The cost increased from the higher sales.
6. The gross profit in Q2/ 2023 amounted THB 6.37 million increased THB 12.34 million or 206.70% when compared to Q2/2022 amounted THB (5.97) million. This is because the higher property sales.
7. The SG&A in this quarter amounted THB 90.23 million increased of THB 11.02 million or 13.91% when compared to Q2/2022 amounted THB 79.21. The reason why is the higher marketing cost in order to boost the company revenue which would be affected to our income in the next quarter.
8. The tax expenses in Q2/ 2023 amounted THB 0.36 million decreased of THB 0.46million because in Q2/2022 had the tax income amounted THB 0.10 million.

For the aforementioned reasons, the Company and its subsidiaries had a net loss of 55.65 million baht in the quarter 2/2023.

Please be informed accordingly and disseminate such information further.

Yours Sincerely,

(Mr. Chamnam Wangtal)

Director

(Mr. Voravut Laithuamthaweekul)

Director