



AQUA CORPORATION

บริษัท อควา คอร์ปอเรชั่น จำกัด (มหาชน)

(ทะเบียนเลขที่ 0107547000397)

No. AQUA-051/SET-015/23

11 August 2023

Subject: Management's Discussion and Analysis (MD&A) for the performance of Six-month period ended 30 June 2022 (Q2/2023)

To : Director and Manager
The Stock Exchange of Thailand

Performance analysis for the six-month period of 2023

AQUA reports its operating results for the six-month period of 2023. The group's operating results are in a better direction after investing in additional subsidiaries such as Chalermmpat Corporation Company Limited or "CPC", resulting in revenue of baht 257.19 million, an increase of baht 112.77 million or an increase of 78% from the same period last year. The EBITDA was baht 125.40 million, an increase of baht 44.16 million or an increase of 49%. The six-month period of 2023 shows profit attributable to owners of the parent company amounted to baht 31.51 million, a decrease of baht 378.99 million or a decrease of 92% from the same period last year excluding the profit from the sale of a subsidiary that operates out-of-home advertising media business of baht 372.87 million, a loss from the canceled business of baht 31.79 million, and a loss from adjusting the fair value of investments of baht 2.75 million, the company has a net profit from continuous operation for the six-month period of 2022, amounting to baht 43.74 million, in which the six-month period of 2023, the company had a net profit from continuing operations of baht 74.36 million, an increase of baht 33.98 million or an increase of 84%.

The company would like to clarify the operating results of the group of companies that have changed significantly. can be summarized as follows:

- Revenue from operations for the six-month period of 2023 in the amount of baht 232.15 million, an increase of baht 91.54 million or an increase of 65% compared to the six-month period of 2022 from the recognition of income from the real estate investment business group of baht 167.80 million, an increase of baht 27.19 million or an increase of 19% compared to the six-month period of 2022 and an increase from the transportation business group in the amount of baht 64.25 million from the investment in Chalermmpat Corporation Company Limited or "CPC" that started accepting Knowing the income since May 2023, the company holds 78.90 percent of the total issued and sold shares.

- Cost of services and administrative expenses for the six-month period of 2023, the company amounted to baht 154.85 million, an increase of baht 94.11 million or 155% compared to the six-month period of 2022, with the main increase in expenses from

- (1) Service costs and administrative expenses increased after the investment in Chalernmpat Corporation Company Limited or "CPC" since May 2023.

- (2) From the preparation of expanding the transportation business to support the return of tourists who will help promote the business sector in the tourism ecosystem

- (3) Increased expenses from the expansion of the financial innovation business that the company invested in June 2022. The company successfully launched its first product, Share Loan, in the second quarter of 2023.

- The Company recognized share of profit from investments in associated companies for the six-month period of 2023 in the amount of baht 23.03 million, an increase of baht 10.47 million or an increase of 83% compared to the six-month period of 2022, mainly due to

- 1) For the six-month period of 2023, the amount was baht 21.26 million, an increase of baht 8.70 million or an increase of 69%, mainly due to EP having a net profit of baht 52.33 million, an increase of baht 20.62 million or an increase of 65% with a total income of baht 488.44 million, or an increase of baht 74.03 million, or an increase of 18% compared to the six-month period of 2022, as a result of revenue from the printing and packaging business, decreased by baht 50.14 million or decreased by 13% due to large customers postponing delivery book fair. However, the company has unrealized foreign exchange gains from the power plant business. While the revenue from electricity sales increased by baht 124.17 million, an increase of 344%, most of which were from the installation of solar rooftops, wind power projects in Vietnam totaling 160 megawatts have been completed including requesting to connect to the Electricity Authority of Vietnam (EVN) (details can be considered from the management's explanation and analysis of the financial statements of "EP.")

- 2) For the six-month period of 2023, Recognize profit sharing in TPL in the amount of baht 1.76 million, where TPL had total income for the six-month period of 2023 in the amount of baht 253 million or an increase of baht 20.14 million or an increase of 9%, causing TPL to have Net profit of baht 5.09 million, a decrease of baht 0.29 million compared to the six-month period of 2022, as a result of TPL selling some 6-wheel and 10-wheel vehicles, having a profit from selling old vehicles of baht 5.73 million, resulting the transportation vehicles on the main routes during some periods were insufficient to meet the demand, together with the sales increase of 6.46%, therefore, there was a need to hire more shared vehicles and there was an increase in administrative expenses from financial advisory fees and public relations fees for selling IPO shares since it was the first quarter that the company was listed on the stock exchange, resulting in a decrease in the net profit margin compared to the six-month period of 2022 (Details can be considered from the management's explanation and analysis of financial statements of "TPL").



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Business overview in the second quarter of 2023

The business that the company has invested is Chalermphat Corporation Company Limited or "CPC", in which the company holds 78.90% of shares, which has started recognizing revenue since May 2023, ready to expand the people transportation business in the industrial estate area by providing services to A variety of industrial companies / factories in the long term to send employees and increase transportation routes with the government sector. and in the tourism sector. The company has prepared to support the return of tourists who will help promote the business sector in the Tourism ecosystem, increasing costs from such preparations.

For the energy business group, Eastern Power Group Public Company Limited or EP, in which the company holds 40.63% of shares, for the six-month period of 2023 has a net profit of baht 52.33 million, an increase of baht 20.62 million or an increase of 65% with a total income of baht 488.44 million or an increase of baht 74.03 million or an increase of 18% compared to the six-month period of 2022 and from unrealized foreign exchange gains from the power plant business. While the revenue from electricity sales increased to baht 124.17 million, an increase of 344%, most of which were from the installation of solar rooftops totaling 160 megawatts, which is currently under construction. Including being connected to the Vietnam Electricity Authority (EVN).

As for the financial innovation business or one of the Mega Trend businesses that the company invested in early 2022, it is the pioneer of FinTech in the form of Peer-to-Peer Lending, the first and only one in Thailand under Peer For All Co., Ltd. All (PFA) will begin to realize initial income in the second quarter of 2023 and is ready to go full steam after strong acceptance from borrowers and lenders ready to make a marketing plan to educate and create new user groups The company expects that the loan portfolio will increase according to the set target.

The company is confident in the past Mega Trend investment strategy and can also create synergy within affiliated companies. We are optimistic about future performance in the transport and tourism sectors which promotes the main business plan and diversify risks for affiliated businesses as well This will create stability for the company and its shareholders firmly. The company believes that there is an opportunity to grow according to the economic situation that is expected to improve in the future.

Yours sincerely

Sincerely yours,

(Mrs. Warangkana Kalayanapradit)

Authorized Directors