

Management Discussion and Analysis for the Year 2023

1. Operating Results

For 2023, the company had a net loss of 88.4 million baht, a decrease of 65.1 million baht from 2022, or 279.6 %.

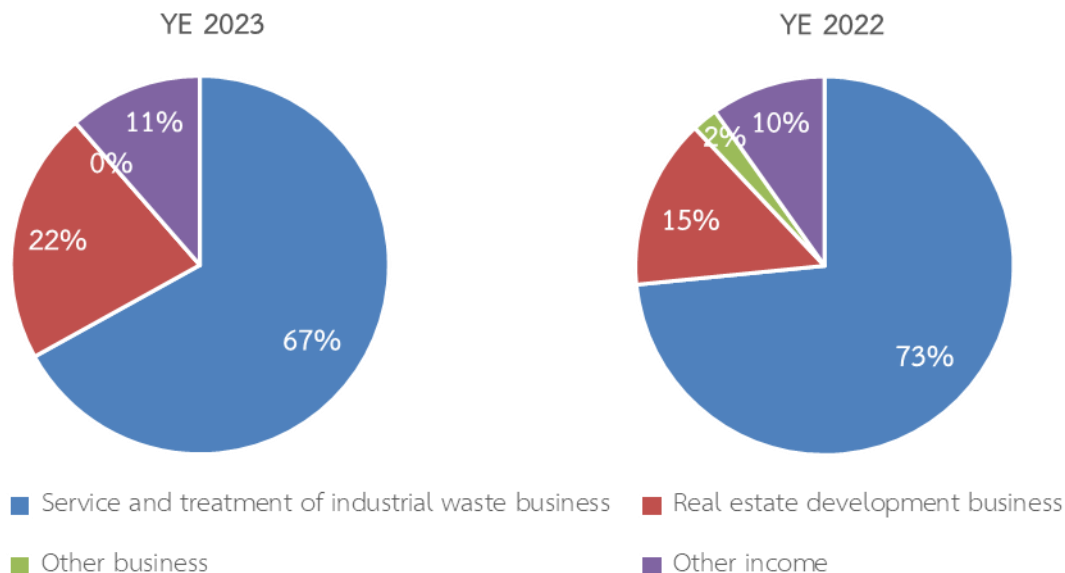
Unit: Million Baht

Consolidate Financial Statement	YE 2023	YE 2022	± %
Operating revenue ^(a)	254.0	247.1	+2.8%
Operating cost ^(b)	193.7	185.5	+4.4%
Operating gross profit	60.3	61.6	-2.0%
Total revenue	286.8	280.8	+2.1%
Net Loss	(88.4)	(23.3)	-279.6%

(a) Operating revenue = Operating revenue excludes income from other businesses and other income

(b) Operating cost = Operating cost exclude costs from other businesses and expenses.

Consolidated revenue for year ended 2023 of totally 286.8 million baht, consisting of revenues from industrial waste business division 192.0 million baht, revenue from property development business division 62.0 million baht, Other income 32.8 million baht, and other business division only have a small income. Total revenues increased by 6.0 million baht or 2.1%. compared with same period of year 2022. Mostly, the increase was from property development business division 21.1 million baht.



For 2023, if we considered each business separately, it was shown that the waste treatment and disposal business was still within the pace, but had not yet reached the set target. Due to internal and external factors affecting the company, therefore, the company needs to review its marketing plans and strategies to make them clearer, stricter and more concrete in order to leap from the competition of many entrepreneurs in which most of them are smaller with lower cost that can offer lower prices in the market. However, in 2024, it is expected that the industrial waste treatment and disposal business will improve due to the new management plan. As for the real estate business, last year's operating results were not very progressive. The cause was from certain conditions and risk factors from the real estate sector. Therefore, the company has not yet invested in new projects but tries to manage the existing real estate project first.

Some subsidiaries have ceased and some were unable to continue the business and stopped investing. However, the Cannabis Planting for medical use is still ongoing and the first batch is expected to be harvested within 2024.

This year, although the company's total income increased, the disposal of nonhazardous industrial waste by solid recovered fuel service is not in high demand as expected. As a result, there was a loss from impairment of the said machinery in the amount of 55.0 million baht. There was also a loss from impairment of land and structures held for development of 13.0 million baht and a loss from other impairments of another 6.2 million baht. Operating results in 2023 were of Net loss amounted to 88.4 million baht. Operating results decreased from the previous year by 65.1 million baht or 279.6 %.

Treatment of Industrial Waste Business

Unit: Million Baht

Consolidated	YE 2023	YE 2022	± %
Revenue from waste treatment business	192.0	206.2	-6.8%
Cost of waste treatment business	141.1	148.3	-4.9%
Gross profit	51.0	57.8	-11.8%
Gross profit margin	26.6%	28.0%	

Service income of 2023 was 192.0 million baht, showing a decrease of 14.1 million baht or 6.8 % from the same period of 2022 with a gross profit margin of Industrial waste services and disposal of 26.6%, decreasing from the previous year by 1.5 % due to existing fixed costs.

Revenue from Property Development Business

Unit: Million Baht

Consolidated	YE 2023	YE 2022	± %
Revenues from sales and services	62.0	40.9	+51.5%
Cost of sales and services	52.6	37.1	+41.8%
Gross profit	9.4	3.8	+146.9%
Gross profit margin	15.1%	9.3%	

As a result of driving sales of condominium units in The Plenary Project, ownership of units for sale in 2023 was transferred in the total of 15 units and in C-Space Bang Yai Project 1 unit, with a total income of 62.0 million baht, an increase of 21.1 million baht or 51.5 % from the same period of 2022 when the ownership of The Plenary Project, 10 units, was transferred with a gross profit margin from real estate sales of 15.1%.

Other business

Unit: Million Baht

Consolidated	YE 2023	YE 2022	± %
Revenues from sales real estate	0.0	6.2	-99.7%
Cost of sales real estate	4.4	3.3	+36.4%
Gross profit	(4.4)	2.9	-251.1%
Gross profit margin	n.a.	47.3%	

Performance of other businesses such as the medical masks business had no obvious result as there was no marketing plan, resulting in no income and cost. Due to the oversupply of face masks in the market where imported products from abroad were cheaper and our medical masks had a limited useful life. The company had set stock provisions for deteriorated products in the amount of 4.4 million baht. For the digital currency mining business, there was no business plan, resulting in no income and costs this year as well.

other income

The total other income is 32.8 million baht, increasing from the previous year by 5.2 million baht or 18.9% as follows:

Interest income was 3.6 million baht, an increase from last year when there was only a small amount of interest income, increasing from borrowings to related businesses and other businesses.

Real estate rental income in 2023 was 13.7 million baht, an increase of 5.0 million baht from the previous year, with rental costs at 68.3%, decreasing from last year with rental costs of 82.5 %.

Other income was 15.5 million baht, mostly from dividends received from investments in equity instruments.

Expenses

Selling and administrative expenses of 2023 were 91.1 million baht. When compared to 2022, the expenses decreased by 9.6 million baht or 9.5% because in 2022 there were tax expenses that were retrospectively assessed from the withholding tax refund request of 2014-2016, amounting 16.0 million baht, when compared to the proportion of the company's total income of 31.8%, the ratio increased slightly from 2022.

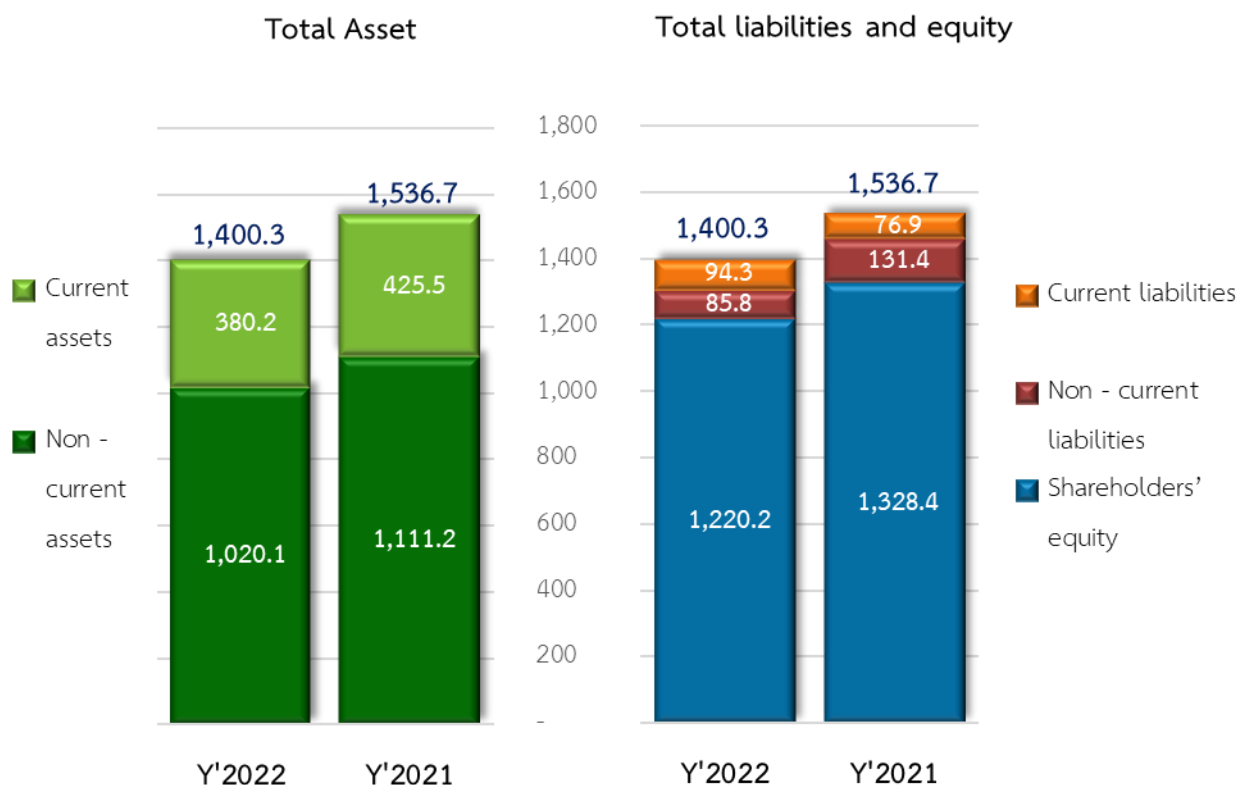
Loss on impairment of 2023 was due to operating results not meeting the target. As a result, there were losses from impairment of assets from many segments as follows:

- Loss from impairment of SRF machinery of 55.0 million baht
- Loss from impairment of land and structures held for development of 13.0 million baht
- Loss from impairment of mining machines and digital currency coins of 4.4 million baht (In 2022, the loss was 5.35 million baht)
- Loss from impairment of other machinery in the amount of 1.8 million baht.

Finance costs were 3.7 million baht for 2023, an increase of 7.8% from the previous year due to an increase of short-term loans from financial institutions.

Share of loss from investments in associates. The business was liquidated at the end of 2023. During 2023, it received a share of losses from investments in associated companies 6.9 million baht, an increase from the previous year from the liquidation.

2. Financial Position



Total Assets

The Company has total assets as of December 31, 2023 amounted 1,400.3 million Baht, decreasing 136.4 million Baht or 8.9% from the ended of the previous year amount of 1,536.8 million baht. The outstanding occasions resulting to the number are as follows;

- Reduction in sales of property for investment of 29.5 million baht
- Decrease from the dissolution of an associated company of 10.2 million baht
- An increase from the purchase of assets in the amount of 28.5 million baht.
- Decrease from impairment of non-current assets of 68.8 million baht
- Decrease from the company's normal depreciation and amortization expenses of 41.6 million baht
- Deduction of income withholding tax, awaiting refund of 2017 of 6.3 million baht and money received from refund request of withholding tax of 2020-2021, 10.7 million baht

Total Liabilities

As of December 31, 2023, the company had total debt of 180.1 million baht, a decrease of 28.3 million baht or 13.6% from the previous year's amount of 208.3 million baht. Important changes were due to write-off provision costs of landfill for payment of the closing landfill for hazardous industrial waste that had already been completed in 2023 of 45.1 million baht. However, there was an increased debt from short-term borrowing from financial institutions of 23.3 million baht.

Shareholders' Equity

The company had shareholders' equity as of December 31, 2023 at 1,220.3 million baht, a decrease from shareholders' equity as of December 31, 2022 of 108.2 million baht or 8.1% from the operating results of 88.4 million baht.

3. Cash flows

Cash flows	For the year ended	
	2023	2022
Cash and Cash Equivalent on 1 st January	133.5	107.8
Net Cash Provided by (Used in) Operating Activities	26.3	87.2
Net Cash Provided by (Used in) Investing Activities	(100.7)	(46.6)
Net Cash Provided by (Used in) Financing Activities	7.0	(14.9)
Net Cash Increased by (Decreased)	(67.4)	25.7
Cash and Cash Equivalent on 31 th December	66.1	133.5

4. Financial ratios

	As at December 31,	
	2023	2022
Current Ratio	4.0	5.5
Debt to Equity Ratio	0.2	0.2