

L-WAVE 14/2567

15 May 2024

Subject Management’s Discussion and Analysis for the first quarter ended March 31, 2024, and changes in operating results of more than 20% compared to the same period last year.

Attention The President
The Stock Exchange of Thailand

Wave Exponential Public Company Limited (the “**Company**”) would like to explain the Company’s performance of the first quarter that ended March 31, 2024, with the Company's operating results compared to the same period last year along with a summary of the key results of operations as follows:

Income Statement

(Unit: Million Baht)

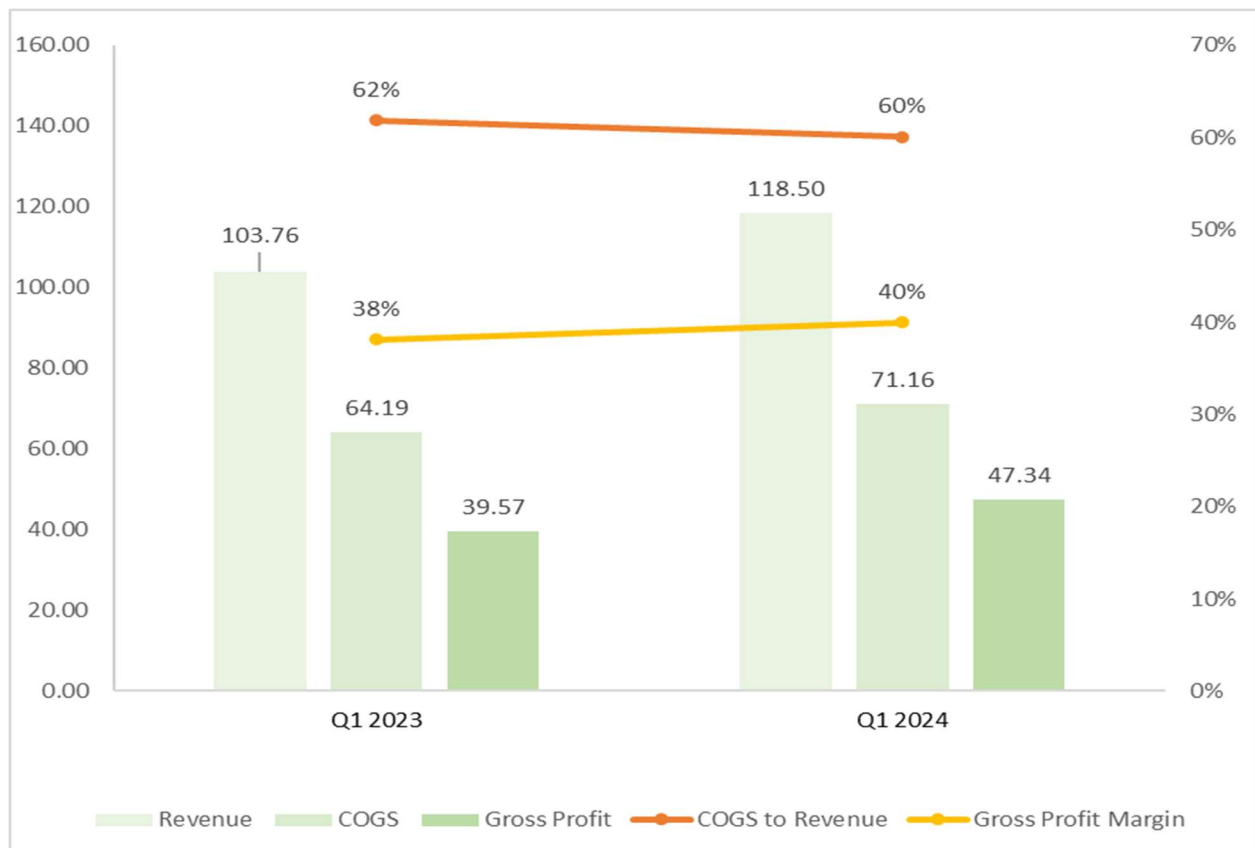
	Q1/2024		Q1/2023		Changed	
	MB	%	MB	%	MB	%
Revenue	118.50	100%	103.76	100%	14.74	14%
Cost	-71.15	-60%	-64.19	-62%	-6.96	-11%
Gross Profit	47.34	40%	39.57	38%	7.77	20%
Other revenue (expenses)	0.38	0%	2.94	3%	-2.56	-87%
Selling and admin expenses	-63.86	-54%	-51.79	-50%	-12.07	-23%
Financial cost	-0.80	-1%	-1.06	-1%	0.26	-25%
Tax	-0.11	0%	-1.07	-1%	0.96	80%
Profit (Loss) for the period	-17.05	-14%	-11.41	-11%	-5.64	-49%
Profit (Loss) from discontinued operations		0%	-0.02	0%	0.02	100%
Comprehensive (expense) income for the period	-17.05	-14%	-11.43	-11%	-5.62	49%

Revenue

Revenue for the first quarter of 2024, the company group's revenue was 118.50 million baht, an increase from the same period last year, which had revenue of 103.76 million baht, an increase of 14.76 million baht, or equivalent to 14%, according to the company's business plan. The price includes a return to increased social activity, which can continuously increase sales and income for the company (Currently, the company's sales have returned to 90% of the first quarter of 2019, which was before the outbreak of the virus.) The main revenue comes from the Wall Street English language school business group. Co., Ltd., increasing gross profit of 47.34 million baht, accounting for 40% of sales revenue in the 1st quarter of 2024, an increase of 7.77 million baht, an increase of 20% compared to the same period of 2023.

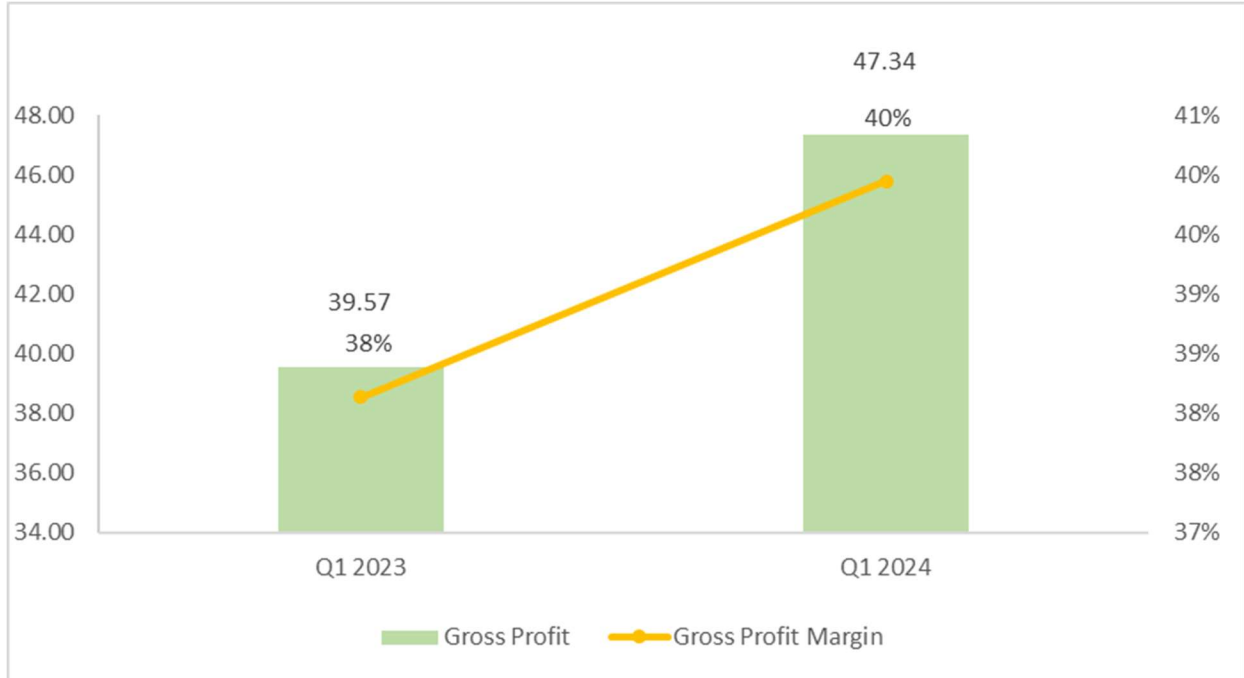
The picture compares the proportion of revenue, cost of sales, and gross profit for the quarters of 1/2023 and 1/2024.

(Unit: Million Baht)



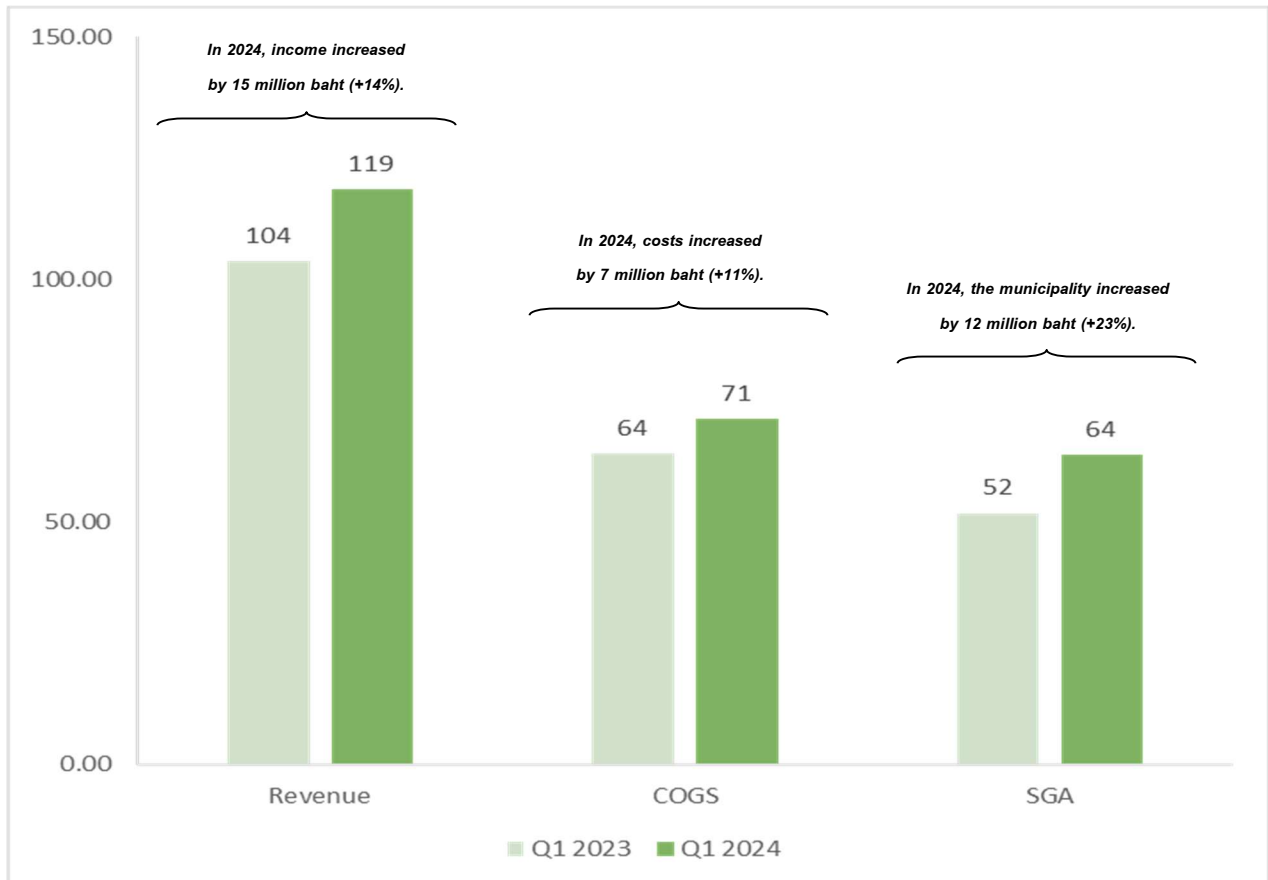
The picture compares gross profit for the quarters of 1/2023 and 1/2024.

(Unit::Million Baht)



The picture shows quarterly income, cost of sales, and selling and administrative expenses.

(Unit::Million Baht)



Cost

The company has total costs for the first quarter of 2024 in the amount of 71.15 million baht, an increase of 6.96 million baht compared to the first quarter of 2023, an increase in proportion to the increase in income. When compared to the revenue-to-cost ratio in the first quarter of 2024, the cost to income was 60%, an increase from the same period in 2023, which had a cost of 64.19 million baht due to royalty fees for operating a franchise business. The number of language schools is increasing. However, the proportion of costs in the first quarter of 2024 decreased by 2% compared to revenue.

The company is still able to control such costs and manage operations appropriately and efficiently. As a result, this growth is in a low proportion compared to the increase in income. As a result, gross profit increased from the same period last year.

Selling and admins expenses

In the first quarter of 2024, the company had sales and administrative expenses of 63.86 million baht, an increase of 12.07 million baht, representing 23% compared to the same period of 2023, because of Mark to Market, exchange rate adjustment items, of debts that are not yet due for payment (unrealized) according to accounting standards no. 21, amount to 14.53 million baht. If the aforementioned items are not included, it will be found that sales and administrative expenses were 49.33 million baht, a decrease of 2.46 million baht from last year, resulting from Control key expenses such as marketing and promotions to an appropriate level. To increase profits each quarter.

Net profit

Net profit (loss) for the first quarter of 2024 amounted to 17.05 million baht, an increase of 49% compared to the net loss of 11.43 million baht for the same period in the first quarter of 2023. Most of this increased loss was due to Mark to Market adjustments and unrealized foreign exchange adjustments on liabilities not yet due, totaling 14.53 million baht.

If looking at the actual operating results, the company had a loss of only 2.52 million baht (excluding Mark to Market items). The company had a decreased loss compared to the operating results in the same period last year.

Statement of Financial Position

(Unit: Million Baht)

Balance Sheet	Q1/2024	2023	Change	%Change
Current Assets	1,324.74	1,247.73	77.01	6%
Non-Current Assets	321.08	380.32	-59.84	-16%
Total Assets	1,645.82	1,628.05	17.77	1%
Current Liabilities	584.47	245.32	339.15	138%
Non-Current Liabilities	43.89	350.64	-306.75	-87%
Total Liabilities	628.36	595.96	32.40	5%
Accumulated Loss	316.78	311.12	5.66	2%
Equity	1,334.25	1,343.21	-8.96	-1%
Total Equity	1,017.47	1,032.09	-14.62	-1%
Total Liabilities and Equity	1,645.83	1,628.05	17.78	1%

Assets

The company has total assets of 1,645.82 million baht, an increase of 17.77 million baht, representing 1% compared to 2023, an increase from trade receivables of the language teaching business.

Liabilities

The company had total liabilities of 928.36 million baht, an increase of 32.4 million baht or 5% due to advance recognition of income from the language teaching business.

Equity

The company had shareholders' equity of 1,017.47 million baht, a decrease of 14.62 million baht, accounting for 1% in proportion to the quarterly accumulated profit and loss that occurred.

Please be informed accordingly.

Yours sincerely,

- James Andrew Moore -

Mr. James Andrew Moore

Chief Executive Officer

Wave Exponential Public Company Limited