

13th May, 2024

Re: Discussion and Analysis of Financial Position and Operating Results
 To: Director and Manager
 Stock Exchange of Thailand

Akkhie Prakarn Public Company Limited (the "Company") hereby clarifies the operating performance for the Quarter 1 ended 31st March 2024 as detailed below:

Operating Performance Analysis

Overall operating results for the Quarter 1 ended 31st March 2024

(Unit : Thousand Baht)

Statements of income	31-Mar-24	percent	31-Mar-23	percent	Increase(decrease)	percent
Services revenue	78,037	95.13%	82,088	98.34%	(4,051)	-4.93%
Other income	3,995	4.87%	1,386	1.66%	2,609	188.24%
Total income	82,032	100.00%	83,474	100.00%	(1,442)	-1.73%
Cost of service	(64,821)	-83.06%	(73,260)	-89.25%	8,439	-11.52%
Gross Margin	13,216	16.94%	8,828	10.75%	4,388	49.71%
Services expenses	(1,621)	-1.98%	(1,348)	-1.61%	(273)	20.25%
Administrative expenses	(8,738)	-10.65%	(8,756)	-10.49%	18	-0.21%
Executive compensation	(3,330)	-4.06%	(4,159)	-4.98%	829	-19.93%
Total Expenses	(13,689)	-16.69%	(14,263)	-17.09%	574	-4.02%
EBIT	3,522	4.29%	(4,049)	-4.85%	7,571	-186.98%
Finance costs	(912)	-1.11%	(1,072)	-1.28%	160	-14.93%
Profit before share investment in associates	2,610	3.18%	(5,121)	-6.13%	7,731	-150.97%
Share of profit investment in associates	(435)	-0.53%	70	0.08%	(505)	100.00%
Profit (loss) before income tax expense	2,175	2.65%	(5,051)	-6.05%	7,226	-143.06%
Income tax expense	(703)	-0.86%	(18)	-0.02%	(685)	3805.56%
Net profit (loss) for the period	1,472	1.79%	(5,069)	-6.07%	6,541	-129.04%

Remarks: The ratio in the income statement is as a percentage of total revenue, except for the cost of services and gross profit that expressed as a percentage of revenues from services.

Service revenue:

Revenue from industrial waste disposal services for this quarter decreased by 4 million baht or 5 percent from the same period last year. In this period, the Company had adjusted the service rate according to the new policy. As a result, the average service fee per ton increased by 29 percent compared to the same period prior year, which caused the reduced amount of industrial waste that is received for disposal. In this quarter, the amount of industrial waste received for disposal decreased by 27 percent compared to the same period previous year.

Cost of service:

Cost of industrial waste disposal services consists of variable costs including the cost of fuels used in combusting, the cost of transportation and equipment and DIW benefits and fixed costs including salaries and employee benefits, depreciation of machinery and equipment, and depreciation of vehicle for transportation. Since there was a higher service rate, the service cost to profit ratio was lower compared to the same period of the previous year.

Other income:

Other incomes derived from other services and interest income which increased from the same period of the previous year about 2.6 million baht.

Service and Administrative expenses, Executive compensation and Financial costs:

Most of these expenses are salaries, office employee benefits, and office administrative expenses. For this period, the expenses were similar to the same period of the prior year.

Share of profit from investment in associates:

This is an investment in small scale power plant business. The Company recognizes loss under the equity method. For this quarter, share of profit from investment in associates was 0.44 million baht.

Profit (loss) for the Quarter:

From the above reasons, as a result, the Company had a net profit of 1.47 million baht for this quarter.

Financial Position Analysis

Overall financial position as at 31st March 2024

(Unit : Thousand Baht)

Statement of financial position	31 Mar 24	percent	31 Dec 23	percent	Increase(decrease)	percent
Total assets	710,119	100.00%	716,554	100.00%	(6,435)	-0.90%
Total liabilities	99,087	13.95%	106,994	14.93%	(7,907)	-7.39%
Total shareholders' equity	611,032	86.05%	609,560	85.07%	1,472	0.24%

Analysis of asset

The total assets as at March 31, 2024 decreased by 6.4 million baht due to the general operating results and there was no significant change in assets transaction.

Analysis of liabilities

The total liabilities as at March 31, 2024 decreased by 7.9 million baht resulting from the payment of trade payables and general operating liabilities. There was no significant change in liabilities transaction.

Analysis of shareholders' equity

Shareholders' equity as of March 31, 2024 increased by 1.47 million baht which resulted from operating performance.

Please be informed accordingly.

Sincerely yours,

(Mrs. Wannarat Khumngern)
Vice President (Accounting And Finance)