No. AKP-MD 014/2026

13th August 2026

Subject: Management Discussion and Analysis of Financial Position and Operating Results

To: President

The Stock Exchange of Thailand

Akkhie Prakarn Public Company Limited (the "Company") hereby presents its operating results for the second quarter and the six-month period ended 30 June 2026, as follows:

Overview of Operating Results

In Q2/2026, the Company recorded total revenue of Baht 109.45 million, an increase of Baht 14.90 million or 15.76% from the same quarter of the previous year. Service revenue amounted to Baht 105.81 million, increasing by Baht 12.51 million or 13.40%. The volume of industrial waste received for treatment was 16,782 tons, broadly in line with 16,733 tons in the prior-year period, while the average service fee increased from Baht 5,088 per ton to Baht 5,754 per ton, representing an increase of 13.10%.

For the first six months of 2026, the Company recorded total revenue of Baht 210.12 million, an increase of Baht 33.98 million or 19.29% from the corresponding period of the previous year. Service revenue amounted to Baht 203.20 million, increasing by Baht 29.44 million or 16.94%, in line with the volume of industrial waste received for treatment of 34,725 tons, which increased by 8.89%, and the average service fee of Baht 5,343 per ton, which increased by 7.30%.

Gross profit for Q2/2026 amounted to Baht 22.58 million, decreasing by 11.90%, while gross profit for the six-month period amounted to Baht 43.65 million, increasing by 1.97%. For the six-month period, the Company reported net profit of Baht 14.82 million, an increase of Baht 2.77 million or 22.98% from the corresponding period of the previous year, mainly supported by higher revenue and an increase in share of profit from investment in an associate.

Item (Baht million)	Q2/2026	Q2/2025	Change	6M/2026	6M/2025	Change
Total revenue	109.45	94.55	+15.76%	210.12	176.14	+19.29%
Service revenue	105.81	93.31	+13.40%	203.20	173.76	+16.94%
Gross profit	22.58	25.63	-11.90%	43.65	42.81	+1.97%
Operating profit	8.27	10.69	-22.60%	16.85	13.65	+23.44%
Share of profit from investment in an associate	2.46	0.77	+220.34%	5.26	2.68	+96.49%
Net profit	6.41	8.68	-26.18%	14.82	12.05	+22.98%
EBITDA	20.60	20.87	-1.28%	40.01	34.17	+17.09%

Operating Results

Service Revenue

Service revenue remained the Company's principal source of revenue, accounting for approximately 96.7% of total revenue in both Q2/2026 and the six-month period.

In Q2/2026, service revenue increased by 13.40% despite only a 0.29% increase in industrial waste volume, mainly due to a 13.10% increase in the average service fee compared with the previous year.

For the six-month period, service revenue increased by 16.94%, supported by both an increase in industrial waste volume of 2,834 tons or 8.89% and an increase in the average service fee of Baht 363 per ton or 7.30%.

Gross Profit and Cost of Services

In Q2/2026, the Company recorded gross profit of Baht 22.58 million, a decrease of Baht 3.05 million or 11.90% from the previous year. Gross profit margin was 21.34%, compared with 27.47% in the prior-year period, as cost of services increased by 23.0%, at a higher rate than the increase in service revenue.

For the six-month period, gross profit amounted to Baht 43.65 million, an increase of Baht 0.85 million or 1.97%, while gross profit margin decreased from 24.64% to 21.48%. Cost of services increased by Baht 28.59 million or 21.83%.

The key factors were higher waste incineration costs resulting from gas prices and increased incineration volume, higher transportation costs, and repair and maintenance expenses for the incinerator. During Q2/2026, the Company carried out refractory brick replacement and Wet Scrubber repairs, while maintenance activities in Q1/2026 were part of normal maintenance.

Expenses and Operating Profit

For the six-month period, service expenses, administrative expenses and management remuneration totaled Baht 33.72 million, an increase of Baht 2.19 million or 6.95% from the corresponding period of the previous year. As a result, operating profit amounted to Baht 16.85 million, an increase of Baht 3.20 million or 23.44%.

The increase in expenses was partly attributable to employee expenses, overtime and allowances, depreciation of improvements and related assets, as well as expenses associated with the higher level of business activities. At the same time, the Company continued to manage office expenses on an ongoing basis.

Share of Profit from Investment in an Associate and Net Profit

In Q2/2026, the Company recognized share of profit from investment in an associate of Baht 2.46 million, an increase of Baht 1.69 million in the previous year or 220.34%. The Company reported net profit of Baht 6.41 million, compared with Baht 8.68 million in the prior-year period, representing a decrease of 26.18%, mainly due to lower gross profit and operating profit during the quarter.

For the six-month period, the Company recognized share of profit from investment in an associate of Baht 5.26 million, an increase of Baht 2.58 million in the previous year or 96.49%, and reported net profit of Baht 14.82 million, an increase of Baht 2.77 million or 22.98% from the previous year.

Financial Position

Assets

As at 30 June 2026, the Company had total assets of Baht 812.62 million, an increase of Baht 3.82 million or 0.47% from the end of 2025. Current assets amounted to Baht 388.33 million, representing 47.79% of total assets, while non-current assets amounted to Baht 424.28 million, representing 52.21% of total assets.

Significant asset items were as follows:

- Investment in an associate of Baht 278.93 million, representing 34.3% of total assets.
- Short-term loan and accrued interest receivable from the parent company of Baht 150.00 million, representing 18.5% of total assets.
- Trade and other current receivables, net, of Baht 94.88 million, representing 11.7% of total assets.
- Cash and cash equivalents of Baht 86.52 million, representing 10.6% of total assets.
- Other current financial assets of Baht 40.00 million, representing 4.9% of total assets.

Liabilities

The Company had total liabilities of Baht 122.47 million, an increase of Baht 7.59 million or 6.60% from the end of 2025. Significant liability items were as follows:

- Trade and other current payables of Baht 51.84 million, representing 6.4% of total assets.
- Lease liabilities totaling Baht 45.64 million, representing 5.6% of total assets. The increase in lease liabilities was mainly associated with the increase in right-of-use assets during the period.
- Provisions for employee benefits totaling Baht 23.09 million, representing 2.8% of total assets.

Shareholders' Equity

As at the end of Q2/2026, shareholders' equity amounted to Baht 690.15 million, a decrease of Baht 3.76 million or 0.54% from the end of 2025. The Company continued to maintain a strong capital structure, with a debt-to-assets ratio of approximately 0.15 times and a debt-to-equity ratio of approximately 0.18 times.

Cash Flows

For the first six months of 2026, the Company generated net cash flows from operating activities of Baht 30.46 million, reflecting its ability to generate cash flows from operations.

Net cash flows from investing activities were positive at Baht 0.12 million.

Net cash flows used in financing activities amounted to Baht 33.06 million, comprising payments of lease liabilities of Baht 14.5 million and dividend payments of Baht 18.6 million.

Consequently, cash and cash equivalents decreased by Baht 2.48 million from the beginning balance of Baht 89.00 million to Baht 86.52 million as at 30 June 2026.

Conclusion

The Company's operating performance for the first six months of 2026 improved from the previous year in terms of revenue, industrial waste volume, average service fee, operating profit, EBITDA and net profit. Nevertheless, the cost of services increased, particularly costs relating to waste incineration, transportation, and repair and maintenance. The Company therefore continues to focus on cost management, operational efficiency, maintaining its customer base and appropriate service fee levels, while maintaining a sound financial position and an appropriate level of liquidity.

Yours sincerely,

(Mrs.Wannarat Khumngern)

Vice President (Accounting And Finance)