

May 13, 2019

Re: Discussion and Analysis of Financial Position and Results of Operations

To: President

Stock Exchange of Thailand

Better World Green Public Company Limited and subsidiaries hereby (the "Company") clarifies the operating performance of the accumulated balance for the Quarter1, ended March 31, 2019 as detailed below:

Performance Analysis

Overall operating results for the Quarter1 ended March 31, 2019

(Unit : Thousand Baht)

Statements of Income	31/3/201	percent	31 Mar 18	percent	Increase(decrease)	percent
Total Income	466,836	100.00%	563,451	100.00%	(96,615)	-17.15%
Sale and service income	446,466	95.64%	552,092	97.98%	(105,626)	-19.13%
Construction income	14,671	3.14%	10,370	1.84%	4,301	41.48%
Total Revenues	461,137	98.78%	562,462	99.82%	(101,325)	-18.01%
Cost of sale and service	(326,703)	-73.18%	(346,428)	-62.75%	(19,725)	-5.69%
Cost of construction	(18,357)	-125.12%	(9,920)	-95.66%	8,437	85.05%
Total Costs	(345,060)	-74.83%	(356,348)	-63.36%	(11,288)	-3.17%
Gross profit Margin	116,077	26.00%	206,114	37.33%	(90,037)	-43.68%
Other income	5,699	1.22%	989	0.18%	4,710	476.24%
Profit before expenses	121,776	26.09%	207,103	36.76%	(85,327)	-41.20%
Service expenses	(22,941)	-4.91%	(12,114)	-2.15%	10,827	89.38%
Administrative expenses	(35,326)	-7.57%	(50,511)	-8.96%	(15,185)	-30.06%
Management benefit expenses	(13,609)	-2.92%	(13,471)	-2.39%	138	1.02%
finance costs	(22,549)	-4.83%	(21,066)	-3.74%	1,483	7.04%
Total expenses	(94,425)	-20.23%	(97,162)	-17.24%	(2,737)	2.82%
Profit before income tax expense	27,351	5.86%	109,941	19.51%	(82,590)	-75.12%
Income tax expense	(5,359)	-1.15%	(18,868)	-3.35%	(13,509)	-71.60%
Net profit for the period	21,992	4.71%	91,073	16.16%	(69,081)	-75.85%
Equity holders of the Company	12,612	2.70%	78,443	13.92%	(65,831)	-83.92%

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 the quarter1 decreased by 105.63 million Baht or 19.13 percent compared to the same period in the previous year due to a decreasing of sales volume by 21.59 percent causing from externalities factor which suitable strategies have been applied. However, average service fee per ton was increased by 1.11 percent compared to the same period in the previous year

Construction Income:

Revenue from Project of rehabilitation at Huay Kliti from Pollution Control Department, Ministry of Natural Resources and Environment with project value of 425.01 million Baht duration 1,000 working days has been acknowledged for 62 percent of total project value.

Cost of Service :

Cost of industrial waste disposal services depended on the variable costs landfill amortization, transportation and equipment fuel, remuneration to Department of Industrial Works, and some fixed cost of operation including salaries, employees' benefits. There were some extra cost from major maintenance of machines and equipments.

Cost of Construction :

Acknowledged as per cost of project.

Other income:

Other incomes were from other services, transportation, and interest income

Administrative expenses, Executive Compensation and Financial costs:

Most of these expenses are the Sales Support Expenses, Salaries and employee benefits, executive compensation, office expenses, preparation of subsidiaries' power plant to be operated and Interest payment from project expansion. In this Quarter, the expenses decreased by 2.74 million Baht or 2.82 percent compared with the same period of the previous year

Net profit attributable to equity holders of the Company:

From the above reasons and causes, The Company's net profit for the quarter1 decreased by 12.61 million Baht decreased 65.83 million Baht or 83.92 percent compared with the same period of the previous year.

Analysis

Overall financial position as at 31 March 2019

(Unit :Thousand Baht)

Statement of financial position	31 Mar 19	percent	31 Dec 18	percent	increase(decrease)	percent
total asset	6,969,088	100.00%	6,814,239	100.00%	154,849	2.27%
total liabilities	3,263,972	46.83%	2,937,401	43.11%	326,571	11.12%
total equity attributable to shareholders	3,179,593	45.62%	3,277,462	48.10%	(97,869)	-2.99%
Non-controlling interests	525,523	7.54%	599,376	8.80%	(73,853)	-12.32%

Analysis of Assets

The total assets as at 31 March 2019 increased by 154.85 million Baht or 2.27 percent Assets with significant changes in total asset are as follows:-

Cash and cash equivalents	808.07 million baht or 11.60 percent of total assets.
Trade receivables and accrued income	962.35 million baht or 13.81 percent of total assets.
Property, plants and equipment	4,898.75 million baht or 70.29 percent of total assets.

Analysis of liabilities

The total liabilities as at 31 March 2019 increased by 326.57 million Baht or 11.12 percent originated from business expansion. The details are as follows:-

Loans from financial institutions	2,709.89 million baht or 38.88 percent of total assets
Trade payables	454.90 million baht or 6.53 percent of total assets

In this Quarter, there were an increasing in land, buildings and equipments including investment in power plants and Refuse Derived Fuel (RDF) which will be completed and operated by this year which bank loans and company cash flow are the majority of funds.

Analysis of shareholders

The equity shares as 31 March 2019 decreased by 97.87 million Baht or 2.99 percent engendered from the changes in operational profit and portion of stakeholders of the Company in subsidiaries.

Please be informed accordingly.

Sincerely yours,

(Mr.Suthat Boonyaudomsart)

Vice Managing Director of Accounting & Finance Controller