

26th February, 2025

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 year 2024, ended 31st December 2024 as detailed below:

Operating Performance Analysis

Overall operating results for the Year ended 31st December 2024

(Unit: Baht)

Statements of income	31-Dec-24	percent	31-Dec-23	percent	Increase(decrease)	percent
Services revenue	345,644,398	98.23%	366,910,151	98.54%	(21,265,753)	-5.80%
Other income	6,220,495	1.77%	5,418,351	1.46%	802,144	14.80%
Total income	351,864,893	100.00%	372,328,502	100.00%	(20,463,609)	-5.50%
Cost of service	(250,850,052)	-72.57%	(290,471,015)	-79.17%	(39,620,963)	-13.64%
Gross Margin	94,794,346	27.43%	76,439,136	20.83%	18,355,210	24.01%
Services expenses	(5,726,822)	-1.63%	(5,686,683)	-1.53%	40,139	0.71%
Administrative expenses	(39,668,917)	-11.27%	(35,057,709)	-9.42%	4,611,208	13.15%
Executive compensation	(14,281,165)	-4.06%	(18,019,008)	-4.84%	(3,737,843)	-20.74%
Total Expenses	(59,676,904)	-16.96%	(58,763,400)	-15.78%	913,504	1.55%
EBIT	41,337,937	11.75%	23,094,087	6.20%	18,243,850	79.00%
Finance costs	(3,524,882)	-1.00%	(4,146,347)	-1.11%	(621,465)	-14.99%
Profit before share investment in associates	37,813,055	10.75%	18,947,740	5.09%	18,865,315	99.56%
Share of profit investment in associates	6,667,743	1.89%	2,213,178	0.59%	4,454,565	201.27%
Profit (loss) before income tax expense	44,480,798	12.64%	21,160,918	5.68%	23,319,880	110.20%
Inome tax expense	(8,126,998)	-2.31%	(4,305,594)	-1.16%	3,821,404	88.75%
Net profit (loss) for the period	36,353,800	10.33%	16,855,324	4.53%	19,498,476	115.68%

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 the year 2024 decreased by THB 21 million, or 6%, compared to the same period of the previous year. This was due to the Company's pricing strategy, which focused on adjusting service fees, resulting in a 30% increase in the average service fee per ton compared to the prior year. However, this pricing adjustment had an impact on the volume of industrial waste received for disposal, leading to a 30% decline in waste volume compared to the same period last year. Despite this decrease in volume, the pricing strategy contributed to an increase in gross profit by THB 18 million, representing a 24% growth.

Cost of service:

The cost of industrial waste disposal services primarily consists of variable expenses, including fuel costs for incineration, transportation expenses such as vehicle and fuel costs, and concession fees paid to the Department of Industrial Works. Additionally, there are fixed costs, mainly comprising salaries and benefits for plant employees, depreciation of machinery and equipment, and depreciation of transportation vehicles. With the increase in service fee rates, the cost of service as a percentage of revenue decreased compared to the same period of the previous year. The cost-to-revenue ratio for the year stood at 73%, compared to 79% in the previous year.

Other income:

Other income, derived from ancillary services and interest income, increased by THB 0.8 million compared to the same period of the previous year.

Service and Administrative expenses, Executive compensation and Financial costs:

The majority of expenses consist of salaries and benefits for office staff, as well as general administrative and office management expenses. For this year, the total expenses remained comparable to those of the previous year.

Share of profit from investment in associates:

This represents an investment in the small-scale power plant business. The Company recognized a profit under the equity method for the year 2024 in the amount of THB 7 million.

Profit (loss) for the Quarter and 9-Months:

Based on the aforementioned factors, the Company reported a net profit of THB 36 million for the year 2024, compared to a net profit of THB 17 million in the previous year. This represents an increase of THB 19 million, or 116%.

Financial Position Analysis

Overall financial position as at 31st December 2024

(Unit : Baht)

Statement of financial position	31 Dec 24	percent	31 Dec 23	percent	Increase(decrease)	percent
Total assets	744,000,190	100.00%	716,553,998	100.00%	27,446,192	3.83%
Total liabilities	101,239,224	13.61%	106,994,181	14.93%	(5,754,957)	-5.38%
Total shareholders' equity	642,760,966	86.39%	609,559,817	85.07%	33,201,149	5.45%

Analysis of asset

As of December 31, 2024, total assets increased by THB 27 million from the beginning of the year, primarily driven by overall operating performance. There were no significant changes in any specific asset category.

Analysis of liabilities

As of December 31, 2024, total liabilities decreased by THB 6 million from the beginning of the year, primarily due to payments made to trade creditors and general operating liabilities. There were no new liabilities incurred or significant changes in existing liabilities.

Analysis of shareholders' equity

As of December 31, 2024, shareholders' equity increased by a net amount of THB 33 million, primarily driven by the Company's operating performance.

Please be informed accordingly.

Sincerely yours,

(Mrs.Wannarat Khumngern)

Vice President (Accounting And Finance)