

10 August 2022

Subject: Management Discussion and Analysis (MD&A) for the Second Quarter of 2022

To The President

Stock Exchange of Thailand

Peerapat Technology Public Company Limited (the “Company” or “PRAPAT”) would like to inform its operation performance for the Second Quarter of 2022 as follows,

Operation Performance Analysis

Statement of Comprehensive Income	Consolidated (Reviewed)			
	The second Quarter of 2021 (Apr. – Jun.)		The second Quarter of 2022 (Apr. – Jun.)	
	MN THB	%	MN THB	%
Revenue				
Sales Revenue	143.66	81.08%	185.56	81.54%
Rent and Service Revenue	33.53	18.92%	42.02	18.46%
Total Sales Rent and Service Revenue	177.19	100.00%	227.57	100.00%
Cost of Sales	-79.48	-44.85%	-111.34	-48.92%
Cost of Rent and Service	-22.29	-12.58%	-26.28	-11.55%
Total Cost	-101.77	-57.43%	-137.62	-60.47%
Gross Profit	75.42	42.57%	89.95	39.53%
Other Incomes	1.36	0.77%	2.14	0.94%
Selling Expenses	-24.67	-13.92%	-30.86	-13.56%
Administration Expenses	-45.07	-25.43%	-51.73	-22.73%
Earnings Before Interest and Tax	7.04	3.97%	9.50	4.17%
Finance cost	-4.32	-2.44%	-4.77	-2.09%
Earnings Before Tax	2.72	1.53%	4.73	2.08%
Tax Expenses	-2.39	-1.35%	-0.85	-0.37%
Net Profit for the Year	0.32	0.18%	3.89	1.71%
Attribution of net profit				
Equity-holder of the Company	-1.74	-0.98%	3.25	1.43%
Non- Controlling Interests	2.06	1.16%	0.64	0.28%

Revenue from Operation

Sales Revenue

In 2Q22 the Company and its subsidiaries had sales revenue decreased from the same period of the previous year by 41.89 million baht or 29.16%, consisting of an increase in laundry product revenue of 11.24 million baht. Kitchen products revenue amounted to 14.05 million baht and income from pool products revenue amounted to 12.95, increasing according to the situation of domestic tourism and the opening of the restaurant business, hotel business, the expansion of real estate business.

Rent and Service Revenue

In 2Q22, the Company and its subsidiaries had rental and service income increased 8.49 million baht, or increased 25.31%, consisting of an increase in service income, swimming pool product group of 6.79 million baht and revenue from kitchen product rental income increased by 1.78 million baht because of the better in the country. As a result, hotel and restaurant customers have increased income.

Gross Profit and Gross Profit Margin

In 2Q22, the Company and its subsidiaries had gross profit from sales of 74.22-million-baht, accounting for 32.61 percent of gross profit from sales, while the same period of the previous year, the Company and subsidiaries had gross profit from sales of 64.19 million. Million-baht, accounting for the gross profit margin from sales of 36.22 percent. The Company and its subsidiaries had lower gross profit margin. The Company and its subsidiaries had a lower gross profit margin from sales. due to raw materials, packaging and transportation costs increased This was due to the problem of the Thai economy on the supply side due to the sanctions on Russia. and the impact of energy prices and domestic inflation, resulting in higher selling costs.

In 2Q22, the Company and its subsidiaries had a gross profit from rental and service fees of 15.74 million baht, or gross profit from rental and service fees of 6.91% while the same period of the previous year. The Company and its subsidiaries had a gross profit from rental and service fees of 11.24 million baht, or the gross profit margin on rental and service expenses was of 6.34% due to the increase in gross margins from rental and service is because the company because the company has income for renting the dishwasher machine for customers, hotels and restaurants are come back to order more.

Selling and Administration Expenses

In 2Q22, the Company and its subsidiaries had distribution expenses of 30.86 million baht, an increase of 6.19 million baht from the same period of the previous year due to an increase in sales commission shipping

cost on sale according to the increase in sales and service revenue Expenses for exhibitions at THAIFEX 2022, PROPAK 2022 and FTI Chiang Mai 2022

In 2Q22, the Company and its subsidiaries had administrative expenses increased from the same period of the previous year by 6.67 million baht or 14.79%, due to an increase expense on employee severance pay by 1.46 million baht, the expenses bonus by 3.10 million baht, the expenses travel 0.81 million baht.

Net profit and net profit margin attribute to equity-holders of the Company

In 2Q22, The Company and its subsidiaries had a net profit of the Company's shareholders at 3.25 million baht or equivalent to a net profit margin of the Company's shareholders equity of 1.43 percent, an increase from the same period of the previous year. Which had net profit in the Company's shareholders equity of -1.74 million baht or equivalent to -0.98 percent of the Company's shareholders equity. The company's sales are starting to gradually improve.

Please be informed accordingly,

Best Regards,

Mr. Veerapong Luesakul

Chief Executive Officer