

17 February 2023

Subject: Management Discussion and Analysis (MD&amp;A) for the fourth 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 fourth Quarter of 2022 as follows,

**Operation Performance Analysis**

Statement of Comprehensive Income	Consolidated (Reviewed)			
	The second Quarter of 2021		The second Quarter of 2022	
	(Oct. – Dec.)		(Oct. – Dec.)	
	mn THB	%	mn THB	%
Revenue				
Sales Revenue	170.08	84.42%	216.90	81.31%
Rent and Service Revenue	31.39	15.58%	49.87	18.69%
<b>Total Sales Rent and Service Revenue</b>	<b>201.47</b>	<b>100.00%</b>	<b>266.77</b>	<b>100.00%</b>
Cost of Sales	-102.25	-50.75%	-130.39	-48.88%
Cost of Rent and Service	-24.12	-11.97%	-31.22	-11.70%
<b>Total Cost</b>	<b>-126.37</b>	<b>-62.73%</b>	<b>-161.61</b>	<b>-60.58%</b>
<b>Gross Profit</b>	<b>75.10</b>	<b>37.27%</b>	<b>105.16</b>	<b>39.42%</b>
Other Incomes	2.58	1.28%	3.32	1.24%
Selling Expenses	-27.08	-13.44%	-28.16	-10.56%
Administration Expenses	-50.21	-24.92%	-57.34	-21.50%
<b>Earnings Before Interest and Tax</b>	<b>0.38</b>	<b>0.19%</b>	<b>22.97</b>	<b>8.61%</b>
Share of profit (loss) from investments in joint venture	0.00	0.00%	-0.25	-0.09%
Finance cost	-4.49	-2.23%	-4.78	-1.79%
<b>Earnings Before Tax</b>	<b>-4.11</b>	<b>-2.04%</b>	<b>17.94</b>	<b>6.72%</b>
Tax Expenses	-0.80	-0.40%	-5.42	-2.03%
<b>Net Profit for the Year</b>	<b>-4.90</b>	<b>-2.43%</b>	<b>12.52</b>	<b>4.69%</b>
<b>Attribution of net profit</b>				
Equity-holder of the Company	-5.89	-2.93%	11.46	4.30%
Non- Controlling Interests	0.99	0.49%	1.05	0.40%

## Revenue from Operation

### Sales Revenue

In 4Q22 the Company and its subsidiaries had sales revenue decreased from the same period of the previous year by 46.82 million baht or 27.53%, consisting of an increase in laundry product revenue of 17.66 million baht. Kitchen products revenue amounted to 17.10 million baht and income from disinfectant products revenue amounted to 3.59 million baht, increasing with tourism at the hotel business, restaurant business has increased sales.

### Rent and Service Revenue

In 4Q22, the Company and its subsidiaries had rental and service income increased 18.48 million baht, or increased 58.86%, 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 11.00 million baht because of the this was a result of an increase in the rental of dishwasher's machine from the restaurant business.

### Gross Profit and Gross Profit Margin

In 4Q22, the Company and its subsidiaries had gross profit from sales of 86.51million baht, accounting for 39.89 percent of gross profit from sales, while the same period of the previous year, the Company and subsidiaries had gross profit from sales of 67.82million baht, accounting for the gross profit margin from sales of 39.88 percent.

In 4Q22, the Company and its subsidiaries had a gross profit from rental and service fees of 18.64 million baht, or gross profit from rental and service fees of 37.39% in the same period of the previous year. The Company and its subsidiaries had a gross profit from rental and service fees of 7.27 million baht, or the gross profit margin on rental and service expenses was of 23.17% due to the increase in gross margins from rental and service is 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 4Q22, the Company and its subsidiaries had distribution expenses of 28.16 million baht, an increase of 1.08 million baht or 3.98% from the same period of the previous year due to an increase in sales commission of 1.02 million baht due to increased sales.

In 4Q22, the Company and its subsidiaries had administrative expenses of 57.34 million baht, an increase of 7.13 million baht or 14.21% from the same period, due to an increase salary expense by 5.11 million baht, Wages and service fees increase amounted to 1.99-million-baht, depreciation increased by 0.87 million baht, an increase from solar cells on the office side and depreciation of dishwasher machine.

**Net profit and net profit margin are attributed to equity-holders of the Company.**

In 4Q22, The Company and its subsidiaries had a net profit of the Company's shareholders at 11.46 million baht or equivalent to a net profit margin of the Company's shareholders equity of 4.30 percent, an increase from the same period of the previous year. Which had a net profit in the Company's shareholders' equity of -5.89 million baht or equivalent to -2.93 percent of the Company's shareholders equity. The company's sales are starting to improve.

Please be informed accordingly,

Best Regards,

Mr. Veerapong Luesakul

Chief Executive Officer