

16 February 2024

Subject: Management Discussion and Analysis (MD&A) for the fourth Quarter of 2023

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 2023 as follows,

Operation Performance Analysis

Statement of Comprehensive Income	Consolidated (Reviewed)			
	The Fourth Quarter of 2022		The Fourth Quarter of 2023	
	(Oct – Dec.)		(Oct – Dec.)	
	mn THB	%	mn THB	%
Revenue				
Sales Revenue	216.90	81.31%	220.94	80.06%
Rent and Service Revenue	49.87	18.69%	55.02	19.94%
Total Sales Rent and Service Revenue	266.77	100.00%	275.96	100.00%
Cost of Sales	-130.39	-48.88%	-124.91	-45.26%
Cost of Rent and Service	-31.22	-11.70%	-32.47	-11.76%
Total Cost	-161.61	-60.58%	-157.37	-57.03%
Gross Profit	105.16	39.42%	118.58	42.97%
Other Incomes	3.32	1.24%	1.64	0.60%
Selling Expenses	-28.16	-10.56%	-33.21	-12.03%
Administration Expenses	-57.34	-21.50%	-63.42	-22.98%
Earnings Before Interest and Tax	22.97	8.61%	23.59	8.55%
Share of profit (loss) from investments in joint venture	-0.25	-0.09%	-0.25	-0.09%
Finance cost	-4.78	-1.79%	-5.89	-2.14%
Earnings Before Tax	17.94	6.72%	17.45	6.32%
Tax Expenses	-5.42	-2.03%	-1.75	-0.63%
Net Profit for the Year	12.52	4.69%	15.70	5.69%
Attribution of net profit				
Equity-holder of the Company	11.46	4.30%	15.70	5.69%
Non- Controlling Interests	1.05	0.40%	-3.86	-1.40%

Revenue from Operation

Sales Revenue

In 4Q23 the Company and its subsidiaries had sales revenue increase from the same period of the previous year by 4.03 million baht or 1.86%, consisting of an increase in laundry product revenue of 4.08 million baht. Kitchen products revenue amounted to 2.56 million baht. Building Care Products revenue amounted to 0.98 million baht and Household Products revenue amounted to 2.27 million baht increased in the hotel and resort business and the restaurant business.

Rent and Service Revenue

In 4Q23, the Company and its subsidiaries had rental and service income increased 5.15 million baht, or increased 10.33%, consisting of an increase in rental income, kitchen product group of 7.17 million baht and revenue service from swimming pool decreased by 1.74 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 4Q23, the Company and its subsidiaries had gross profit from sales of 96.03-million-baht, accounting for 43.46 percent of gross profit from sales, while the same period of the previous year, the Company and subsidiaries had gross profit from sales of 86.51-million-baht, accounting for the gross profit margin from sales of 39.89 percent, the cost of raw materials and the cost of packaging for production has decreased price.

In 4Q23, the Company and its subsidiaries had a gross profit from rental and service fees of 22.56 million baht, or gross profit from rental and service fees of 40.99% in the same period of the previous year. The Company and its subsidiaries had a gross profit from rental and service fees of 18.64 million baht, or the gross profit margin on rental and service expenses was of 37.39% 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 has decreased depreciation and installation.

Selling and Administration Expenses

In 4Q23, the Company and its subsidiaries had distribution expenses of 33.28 million baht, an increase of 5.05 million baht or 17.93% from the same period of the previous year due to an increase transportation costs in the amount of 1.29-million-baht, royalty expenses in the amount of 1.17 million baht resulting from increased sales. and marketing expenses amounting to 1.12 million baht.

In 4Q23, the Company and its subsidiaries had administrative expenses of 63.42 million baht, an increase of 6.08 million baht or 10.60% from the same period, due to the increase in expenses. Regarding employee salaries and welfare in the number of 0.95-million-baht, or service fee expenses in the amount of 2.16-million-baht, doubtful debt increased in the amount of 0.31 million baht. There were more days of debt repayment received.

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

In 4Q23, The Company and its subsidiaries had a net profit of the Company's shareholders at 15.70 million baht or equivalent to a net profit margin of the Company's shareholders equity of 5.69 percent, an increase from the same period of the previous year. Which had a net profit in the Company's shareholders' equity of 11.46 million baht or equivalent to 4.30 percent of the Company's shareholders equity. The company's sales are in a better improved.

Please be informed accordingly,

Best Regards,

Mr. Veerapong Luesakul

Chief Executive Officer