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MGT FNC 2024/002

14 May 2024

Subject: Management Discussion and Analysis for Operating results for the first quarter of 2024

To: Director and Manager of the Stock Exchange of Thailand

Megachem (Thailand) Public Company Limited ("The Company") would like to clarify the overview of the operating results for the first quarter of Year 2024 ended March 31, 2024 as follows:

Description	Q1 2024	Q1 2023	Var	% Var	Q4 2023	Var	% Var
Sale of Goods	242.41	261.27	(18.86)	(7.22)	230.46	11.95	5.19
Less Cost of sales	161.37	183.76	(22.39)	(12.18)	156.18	5.19	3.32
Gross Profit	81.04	77.51	3.53	4.55	74.28	6.76	9.10
Gross Profit (%)	33%	30%			32%		
Other income	2.20	0.76	1.44	189.47	2.31	(0.11)	(4.76)
Selling & distribution & Administrative expenses	48.95	47.58	1.37	2.88	44.48	4.47	10.05
Profit for the Period	26.83	23.88	2.95	12.35	23.47	3.36	14.32

Sales Revenue

In Q1/2024, sales revenue decreased by 18.86 million baht or 7.22% compared to Q1/2023 but increased by 11.95 million baht or 5.19% compared to Q4/2023.

Gross Profit

- Gross profit in Q1/2024 increased by 3.53 million baht, representing an increase of 4.55% compared to Q1/2023 and gross profit increased by 6.76 million baht or 9.10% compared to Q4/2023.

- Gross profit margin in Q1/2024 increased from 30% to 33% compared to the same period of FY2023 and increased from 32% to 33% compared to Q4/2023.

Selling, distribution and administrative expenses

In Q1/2024, the Company's selling, distribution and administrative expenses increased by 1.37 million baht, accounted for 2.88% compared to the same period of FY2023. The incurred expenses are in accordance with the company's structure and when compared to Q4/2023, overall expenses were at the same level.

Net Profit

In Q1/2024, the Company's net profit increased by 2.95 million baht or 12.35% and Company's net profit increased by 3.36 million baht or 14.32% compared to Q4/2023.

According to the Company's operating results in Q1/2024, the Company was able to manage and cope with the current exchange rate fluctuations and other fluctuations which is expected to cause risks and



may affect the company in every aspect. The Company determines to creating business opportunities to increase consistently profitable to maintain the best interest of investors and the Company.

Sincerely Yours

(Vitthaya Inala, Ph.D.)

Chief Executive Officer