

(Translation)

Management Discussion and Analysis for the Second Quarter and Half Year of Year 2024

Business Overview

Business overview of Peer For You Public Company Limited and its subsidiaries (“the Group”) for the second quarter and half year of year 2024 compared to the same period of prior year and the prior period are as follows;

For the three-months period, the Group had total revenues (excluded other revenues) at THB 171.8 million increase by THB 14.9 million or 9.3%, when compared to the previous quarter and increased by THB 34.7 million or 25.3% when compared to the same period of the prior year. And had a net loss by THB 94.7 million, decrease by THB 33.7 million or 26.3%. This was a net loss for the company of THB 94.0 million. The increased loss was a result of losses from investments in equity investment by THB 59.9 million, as well as provisions for expected losses of Happy Products and service Company (“HPS”) in the amount of THB 42.3 million and when compared to the previous quarter, it was found that the loss increased by THB 127.9 million or 384.5% as a result of provisions for expected credit losses and losses from equity investments.

For the six-months period, the Group had total revenues (excluded other incomes) at THB 328.8 million, increased by THB 53.4 million or 19.4% from the same period of last year. And net loss by THB 61.4 million, an decrease by THB 39.7 million or 39.3%. Loss attributable to the Company was at THB 60.8 million, The increase in net loss was a result of other losses in the amount THB 76.1 million which mainly consisted of provisions for expected losses of Happy Products and service Company (“HPS”) in the amount of THB 42.3 million including loss from investment in equity instrument amounted to THB 28.5 million, which was divided into realize losses from sell investments of THB 29.6 million and gain from changes in investment value of THB 1.1 million.

Revenues

The structure of revenues for the three-months and six-months period ended 30 June 2024 and 2023 are as follows;

<i>Unit: THB million</i>	Three-month period			% Change +/-)		Six-month period		% Change
	Q2·23	Q1·24	Q2·24	QoQ	YoY	6M·23	6M·24	+/-)
1. Revenue from sales and contract work	1.8	3.9	3.4	-14.4%	91.2%	3.8	7.3	92.0%
1.1 Turnkey Total Solutions	1.8	3.9	3.4	-14.4%	91.2%	3.8	7.3	92.0%
2. Revenue from services	135.3	153.0	152.5	-0.1%	12.9%	268.3	305.6	13.9%
2.1 Fully Outsourced Contact Center Management	93.9	97.8	97.1	-0.3%	3.4%	185.7	195.0	5.0%
2.2 Contact Center Facility Outsourced	4.4	0.5	0.1	-84.4%	-98.2%	11.3	0.6	-94.7%

Unit: THB million	Three-month period			% Change +/-		Six-month period		% Change
	Q2:23	Q1:24	Q2:24	QoQ	YoY	6M:23	6M:24	+/-
2.3 Customer Service Representative Outsourced	34.5	52.7	53.2	1.0%	0.9%	67.3	105.9	57.4%
2.4 Maintenance Service	2.5	2.0	2.1	4.2%	-17.1%	4.0	4.1	2.5%
3. Other segment	-	-	15.9	-	-	3.3	15.9	-381.8%
Total	137.1	156.9	171.8	-0.4%	13.9%	275.4	328.8	19.4%

1. Revenue from sales and contract work

1.1 Revenue from Turnkey Total Solutions for the three-months period, revenue amounted to THB 3.4 million, increased from the same period of the prior year by THB 1.6 million and decreased from the previous quarter by THB 0.5 million. The increasing mainly came from corporate customers in the retail business.

2. Revenue from services

Revenue from services for the three-months period was THB 152.5 million, decreased by THB 0.5 million or 0.3% from the prior period and increased by THB 17.1 million or 12.7% when compared to the same period of prior year. In addition, the revenue from services for the six-months period was THB 305.6 million which increased by THB 37.3 million or 13.9% when compared with the same period of the prior year. The details are as follows;

2.1 Revenue from Fully Outsourced Contact Center Management Service for the three-months period was THB 97.1 million, decreased from the prior period by THB 0.7 million or 0.3%. Moreover, when compared to the same period of the prior year, it was increased by THB 3.2 million or 3.4%. For the six-months period, it was THB 195.0 million, increased by THB 9.3 million or 5.0% when compared to the same period of the prior year. The increase was mainly from the customers of government and state enterprise sector.

2.2 Revenue from Contact Center Facility Outsourced for the three-months period was THB 0.1 million, decreased from the previous quarter and the same period of the prior year. For the six-months period, it was at THB 0.6 million, decreased by THB 10.7 million or 94.7% when compared to the same period of the prior year. It was mainly decreased from corporate customer.

2.3 Revenue from Customer Service Representative Outsourced for the three-months period was THB 53.2 million increased from the previous period by THB 0.5 million or 0.9%, increased from the same period of the prior year by THB 18.7 million or 54.1%. For the six-months period, it was THB 105.9 million, increased from the same period of the prior year by THB 38.6 million or 57.4%. It mainly increased by the customers of government, corporate sector and state enterprise sector.

2.4 Revenue from Maintenance Service for the three-months period was THB 2.1 million, increased from the prior period by THB 0.1 million or 5.0% but it decreased from the same period of the prior year by THB 0.4 million or 16.0%. For the six-months period, it was THB 4.1 million, decreased from the same period of the prior year by THB 0.1 million or 2.5%. It mainly decreased from government and state enterprise customer.

3. Revenue from another segment

Revenue from another segment in amounting by THB 15.9 million came from the revenue of new 2 subsidiaries, Happy Products and Service Co., Ltd. (“HPS”) and Nestifly Co., Ltd. (“NTF”) in amounting of THB 15.2 million and THB 0.7 million, respectively.

Gross Profit

For the three-months period, the Group had gross profit by THB 26.8 million and the gross profit margin was at 15.6%, decreased by 0.3% when compared with the same period of the prior year. For the six-months period, the Group had gross profit by THB 51.1 million, when compared with the same period of the prior year, The gross profit margin was 15.5%, compared to the same period last year. The increase in gross profit margin occurred during the same period last year due to revenue increasing.

Selling Expenses, Administrative Expenses and Other Expenses

For the three-months period, the Group had selling expenses, administrative expenses and other expenses totally by THB 22.2 million, decreased by THB 12.1 million when compared with the same period of the prior year. This was a result of a reversal of the expected credit loss of the government sector of THB 4.3 million and a revision of estimate of investment in subsidiaries by THB 4.0 million. In addition, in the second quarter of 2023, there were additional expenses from the cancellation of the consulting contract for investment in the management business in the Lao People’s Democratic Republic of THB 4.9 million and when comparing the six-months period with the same period of the prior year, it was decreased by THB 8.8 million.

Other Profit (Loss)

The Group had other loss for the three-months totally by THB 104.1 million, decreasing by THB 13.9 million when compared with the same period of the prior year. Other (Profit) for the six-months period in the amount of THB 76.1 million due to the investments in equity instruments consisting of two main part a follows:

- 1) Loss from investment in equity instruments THB in the amount of 28.1 million
 - Gain from changes in the value of the listed companies' equity instruments in the amount of THB 1.1 million.
 - Loss from selling equity instruments of listed companies and non-listed companies in the amount of THB 29.2 million.
- 2) Provisions for expected losses of Happy Products and service Company (“HPS”) in the amount of THB 42.3 million

Net loss

For the three-months period, The Group had net loss in amounting of THB 94.7 million, decrease by THB 33.7 million, when compared to the same period of the prior year. The net loss to total revenue ratio was 52.5%. For the six-months period, the Group's total net loss was THB 61.4 million, decrease of THB 39.7 million when compared to the same period of the prior year. The net loss to total income ratio was 17.8% because of changes in the value of investments in listed companies' equity securities and provisions for expected losses of Happy Products and service Company (“HPS”).

Financial Position

Total Assets

As at June 30, 2024, the Group had total assets in amounting of THB 1,613.8 million, increased by THB 467.2 million or 40.8% when compared to the end of the prior year. It was mainly a result of non-current assets increasing by THB 534.0 million, This is main due to goodwill by THB 402.4 million and unallocated business acquisition costs of THB 226.3 million, which is the difference between the book value of the business and the actual trading value. It is a result of the company had invested in Peer For All Co., Ltd. (“PFA”) and another significant transaction as follows.

- 1) Short-term loan to other company (“WOW”) remaining at THB 56.0 million, due to the estimation of expected credit losses in the amount of THB 56.0 million (full amount)
- 2) Deposit to study a wind power plant project in Vietnam. After that, the company canceled and refunded the deposit. In the previous quarter, some parts have been repaid, with the remaining balance of THB 30.0 million.

Total liabilities

As of June 30, 2024, the Group had total liabilities in the amount of THB 426.7 million, increased by THB 325.6 million or 322.1% when compared to the end of the prior year. Arising from current liabilities, creditors owe outstanding shares in the amount of THB 179.7 million in Peer for all Co., Ltd. (“PFA”) in the amount of THB 102.7 million and Happy Products and services Co., Ltd (“HPS”) in the amount of THB 77.0 million, accounts payable and other payable 119.6 million and short-term loans from other businesses in the amount of THB 33.0 million.

Shareholder's equity

As of June 30, 2024, the Group had shareholder's equity in the amount of THB 1,187.1 million, increased by THB 141.6 million or 13.5% when compared to the end of the prior year. Which consists of paid-up capital of THB 1,721.1 million, which increased from the receipt of payment for capital

increasing of THB 261.7 million and decreased from the share discount on issue of share of THB 104.7 million, including a decrease from losses from operations result in the amount of THB 60.7 million, including the amount of non-controlling interests of THB 45.3 million.

Yours faithfully,



(Mr. Chirayu Chueyam)

Chairman of Executive Committee and Chief Executive Officer