

August 7, 2024

The President

The Stock Exchange of Thailand

Dear Sir/Madam,

Re: Management's Discussion and Analysis for Q2/2024

### Q2/2024 Highlight

- Revenue grew 21% YoY to Baht 1,118.7 million from improvement in domestic demand.
- Gross Profit increased 80% YoY to Baht 214 million from both increase in volume and margin per ton.
- Our domestic NPK sales had a strong growth of 28% YoY to 46,144 ton.
- Our warehouse occupancy was high and logistic service and other income was at Baht 32.7 million in 2Q/2024 or 20% increase YoY.
- PMTA reported a solid net profit of Baht 50.2 million in 2Q/2024.

### Overview

During the first plantation season of 2024, fertilizer market was quite busy with strong domestic demand supported by good crop price, good weather, and rather stable fertilizer price. Farmers can now afford and concentrate on using high grade performing NPK from reputable quality brands such as Baconco. The export market has been still under price competition primarily from Russian manufacturers and much too high container freight costs. There has been a strong demand for warehousing service as Phu My has become one of the key logistic hubs for fertilizer both for Vietnam and South East Asia.

Revenue in 2Q/2024 grew 21% YoY to Baht 1,118.7 million from the strong growth in domestic volume. Gross profit improved 80% YoY to Baht 214 million owing to increase in domestic sales and improving YoY gross margin per ton. Subsequently, PMTA reported EBITDA of Baht 102.6 million or a very solid 260% increase YoY and the net profit of Baht 50.2 million in 2Q/2024.

**Table 1: Performance Summary**

<i>in Million Baht</i>	2Q/23	1Q/24	2Q/24	% YoY	% QoQ	6M/23	6M/24	% YoY
<b>Revenue from sales</b>	928.3	684.6	1,118.7	21%	63%	1,311.5	1,803.3	37%
<b>Gross Profit*</b>	119.1	133.7	214.0	80%	60%	166.8	347.7	108%
Gross Margin (%)	12.8%	19.5%	19.1%			12.7%	19.3%	
<b>EBITDA</b>	28.5	32.1	102.6	260%	220%	20.7	134.7	551%
EBITDA Margin (%)	3.1%	4.7%	9.2%			1.6%	7.5%	
<b>Net Profit (loss)</b>	3.1	4.5	50.2	1502%	1013%	(35.7)	54.7	253%
Net Profit Margin (%)	0.3%	0.7%	4.5%			-2.7%	3.0%	
<b>Basic earnings per share (in Baht)</b>	0.03	0.04	0.50	1502%	1013%	(0.35)	0.54	253%

Remark \*Gross Profit = Sales Revenue - Raw Material Cost

## Fertilizer, Pesticide and Factory Area Management Business

Fertilizer volume in Q2/2024 grew 22% YoY and 63% QoQ to 52,564 ton. NPK fertilizer rose 27% YoY to 40,105 ton while single fertilizer rose 6% YoY to 12,459 ton. As a result of fairly stable fertilizer price and stronger farmers income, our domestic sales grew 28% YoY to 46,144 ton. Our export decreased 11% YoY to 6,420 ton due to less export to Philippine.

Revenue from crop care business was at Baht 59.6 million, 36% decrease YoY due to lower product prices. Our warehouse occupancy remained high and logistic service and other income was at Baht 32.7 million in 2Q/2024 or 20% increase YoY.

**Table 2: Sales Volume**

Unit: Tons	2Q/23	1Q/24	2Q/24	% YoY	% QoQ	6M/23	6M/24	% YoY
NPK Fertilizer	31,501	27,257	40,105	27%	47%	43,155	67,362	56%
Single Fertilizer	11,702	5,086	12,459	6%	145%	14,123	17,545	24%
<b>Total</b>	<b>43,203</b>	<b>32,343</b>	<b>52,564</b>	<b>22%</b>	<b>63%</b>	<b>57,278</b>	<b>84,907</b>	<b>48%</b>

**Table 3: Sales Volume Breakdown**

Unit: Tons	2Q/23	1Q/24	2Q/24	% YoY	% QoQ	6M/23	6M/24	% YoY
Domestic	35,985	25,573	46,144	28%	80%	46,640	71,717	54%
Export	7,218	6,770	6,420	-11%	-5%	10,637	13,190	24%
<b>Total</b>	<b>43,203</b>	<b>32,343</b>	<b>52,564</b>	<b>22%</b>	<b>63%</b>	<b>57,278</b>	<b>84,907</b>	<b>48%</b>

## Consolidated Performance

**Table 4: Income Statement**

in Million Baht	2Q/23	1Q/24	2Q/24	% YoY	% QoQ	6M/23	6M/24	% YoY
<b>Revenue from sales</b>	928.3	684.6	1,118.7	21%	63%	1,311.5	1,803.3	37%
<i>Fertilizer</i>	834.9	651.9	1,059.1	27%	62%	1,183.3	1,711.0	45%
<i>Pesticide</i>	93.4	32.7	59.6	-36%	83%	128.3	92.3	-28%
<b>Raw Material Costs</b>	(809.3)	(550.9)	(904.7)	12%	64%	(1,144.7)	(1,455.6)	27%
<b>Gross Profit*</b>	119.1	133.7	214.0	80%	60%	166.8	347.7	108%
Service & Other Income	27.4	27.7	32.7	20%	18%	56.8	60.4	6%
Operating Cost	(51.0)	(49.2)	(57.3)	13%	17%	(86.1)	(106.5)	24%
Cost of providing services	(11.0)	(11.7)	(14.2)	29%	21%	(21.9)	(25.9)	18%
SG&A	(56.0)	(68.4)	(72.5)	30%	6%	(94.9)	(141.0)	49%
<b>EBITDA</b>	28.5	32.1	102.6	260%	220%	20.7	134.7	551%
Depreciation & Amortization	(19.0)	(19.3)	(19.4)	2%	1%	(38.4)	(38.7)	1%
<b>EBIT</b>	9.5	12.9	83.2	779%	547%	(17.7)	96.0	643%
Financial Cost	(14.9)	(9.5)	(10.4)	-30%	10%	(28.9)	(19.9)	-31%
Gain/(Loss) from Foreign Exchange	8.6	3.8	(5.8)	-168%	-254%	10.9	(2.0)	-119%
Profit before income tax	3.1	7.2	66.9	2036%	835%	(35.7)	74.1	308%
Income Tax Expense	-	(2.7)	(16.8)	n.a.	532%	-	(19.4)	n.a.
<b>Net Profit (loss)</b>	3.1	4.5	50.2	1502%	1013%	(35.7)	54.7	253%

Remark \*Gross Profit = Sales Revenue - Raw Material Cost

In 2Q/2024, Our revenue from sales was Baht 1,118.7 million, representing an increase of 21% YoY. Gross profit significantly rose 80% YoY amounting to Baht 214 million. Subsequently, PMTA reported net profit of Baht 50.2 million in the consolidated financial statements for 2Q/2024 and Baht 54.7 million for 6M/2024.

Yours faithfully,  
**PM Thoresen Asia Holdings Public Company Limited**

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Mr. Sigmund Stromme  
Managing Director