

13 August 2024

Subject: Management's Discussion and Analysis of Operating Results for the six-months period ended 30 June 2024

Attention: The President
the Stock Exchange of Thailand

Masterkool International Public Company Limited (“the Company”) would like to announce the operating results of the Company and its subsidiaries for the six-months period ended 30 June 2024 which has been reviewed in the Board of Directors’ Meeting No. 6/2024 arranged on 13 August 2024 as following:

Statement of Financial Position (Consolidated)

Unit: Million Baht

Description	As of			
	30/06/2024	31/12/2023	Changes	%
Assets				
Current assets				
Cash and cash equivalents	118.59	72.16	46.43	64.34%
Loans to debtors	413.69	544.50	(130.81)	(24.02%)
Trade accounts and other receivables	228.01	70.74	157.27	222.32%
Current contract assets	0.42	0.75	(0.33)	(44.00%)
Inventories	73.02	120.07	(47.05)	(39.19%)
Cost of real estate development projects	117.68	119.39	(1.71)	(1.43%)
Foreclosed properties	-	3.40	(3.40)	-
Other current financial assets	118.51	111.38	7.13	6.40%
Other current assets	48.13	55.88	(7.75)	(13.87%)
Total current assets	1,118.05	1,098.27	19.78	1.80%
Non-current assets				
Deposits at financial institutions pledged as collateral	55.70	59.09	(3.39)	5.74%

Description	As of			
	30/06/2024	31/12/2023	Changes	%
Investments in associates	34.05	36.07	(2.02)	(5.60%)
Loans to debtors	12.00	30.17	(18.17)	(60.23%)
Investment property	156.86	148.88	7.98	5.36%
Land, building and equipment	264.38	275.74	(11.36)	(4.12%)
Land awaiting development	51.88	44.66	7.22	16.17%
Foreclosed properties	5.35	-	5.35	-
Right of used assets	305.91	197.73	108.18	54.71%
Non-current financial assets	56.46	28.28	28.18	99.65%
Intangible assets	3.52	2.21	1.31	59.28%
Deferred tax assets	5.35	1.73	3.62	209.25%
Other non-current assets	42.24	31.15	11.09	35.60%
Total non-current assets	993.70	855.71	137.99	16.13%
Total assets	2,111.75	1,953.98	157.77	8.07%
Liabilities and equity				
Current liabilities				
Bank overdrafts and short-term loan from financial institutions	76.36	37.96	38.40	101.16%
Trade and other current payables	73.96	80.52	(6.56)	(8.15%)
Liabilities under the lease agreement due within one year	85.04	83.33	1.71	2.05%
Short-term loans	30.00	30.00	-	-
Provision for warranty	4.08	3.69	0.39	10.57%
Accrued corporate income Tax	8.05	3.02	5.03	166.56%
Other current financial liabilities	-	1.53	(1.53)	-
Other current liabilities	11.57	6.16	5.41	87.82%
Total current liabilities	289.06	246.21	42.85	17.40%
Non-current liabilities				
Lease liabilities	221.74	135.04	86.70	64.20%
Non-current debt estimates for employee benefits	40.74	38.10	2.64	6.93%
Deferred tax liabilities	34.34	38.69	(4.35)	(11.24%)
Other non-current liabilities	21.16	20.00	1.16	5.80%

Description	As of			
	30/06/2024	31/12/2023	Changes	%
Total non - current liabilities	317.98	231.83	86.15	37.16%
Total liabilities	607.04	478.04	129.00	26.99%
Share capital	750.00	750.00	-	-
Issued and paid-up share capital	618.07	618.07	-	-
Treasury stock	(32.03)	(32.03)	-	-
Share premium	724.23	724.23	-	-
Surplus on share-based payment transactions	3.06	3.06	-	-
Appropriated to legal reserve	5.40	5.40	-	-
Treasury stock reserve	32.03	32.03	-	-
Unappropriated	72.90	52.33	20.57	39.31%
Other components of shareholders' equity	0.49	8.10	(7.61)	(93.95%)
Total shareholders' equity of parent company	1,424.15	1,411.19	12.96	0.92%
Non-controlling interests	80.56	64.75	15.81	24.42%
Total shareholders' equity	1,504.71	1,475.94	28.77	1.95%
Total liabilities and shareholders' equity	2,111.75	1,953.98	157.77	8.07%

Details of significant changes are as follows

- Loans to debtors decreased by 24% due to receiving debt repayment from distressed debtors purchased from financial institutions.
- Trade accounts and other receivables increased by 222% varies to the increased sales from the sales of evaporative fan products and debtors from the Legal Execution Department from the sale of mortgaged assets of distressed debtors.
- Inventories decreased by 39% due to the sale of large quantities of evaporative fan products during the Summer.
- Right of used assets increased by 55% due to leasing vehicles to renting out the corporate car rental business group.
- Bank overdrafts and short-term loan from financial institutions increased by 101% due to using the credit line to purchase evaporative fan products for sale.

6. Lease liabilities increased by 64% due to leasing vehicles to renting out.

Income Statement (Consolidated)

Unit: Million Baht

Description	Jan.-Jun. 2024	Jan.-Jun. 2023	Changes	%
Sales revenue	281.46	215.59	65.87	30.55%
Vehicle rental revenue	104.73	-	104.73	-
Service revenue	53.27	51.40	1.87	3.64%
Interest income	34.57	23.89	10.68	44.70%
Other income	24.13	2.89	21.24	734.95%
Total revenues	498.16	293.77	204.39	69.57%
Cost of sales	198.56	155.39	43.17	27.78%
Cost of vehicle rental	71.67	-	71.67	-
Cost of services	32.22	29.13	3.09	10.61%
Selling expenses	58.25	42.45	15.80	37.22%
Administrative expenses	75.55	36.29	39.26	108.18%
Total expenses	436.25	263.26	172.99	65.71%
Profit (loss) from operating activities	61.91	30.52	31.39	102.85%
Finance cost	(9.66)	(1.30)	8.36	643.08%
Reversal of (impairment loss) determine in accordance with TFRS9	(4.74)	(3.52)	1.22	34.66%
Share of profit (loss) from investment in JV	(2.01)	1.05	(3.06)	(291.43%)
Profit from buying at a price below fair value	4.84	-	4.84	-
Profit (loss) before income tax	50.34	26.75	23.59	88.19%
Income tax	(2.09)	4.40	(6.49)	(147.50%)
Profit (loss) for the period	48.25	22.35	25.90	115.88%

Details of significant changes are as follows

- Sales revenue increased by 31% due to selling a lot of products in the category of evaporative fan during the summer.

2. Vehicle rental revenue arose from the vehicle rental business of CL Lease Limited, in which the Company purchased shares in the 3rd quarter of 2023.
3. Other income increased due to the management of non-performing debtors.
4. Selling & Administrative expenses increased due to the consolidation of the financial statements of CL Lease Limited and Just Asset Management Company Limited, which the Company acquired after 30 June 2023.
5. Profit from buying at a price lower fair value due to the purchase of ordinary shares of Just Asset Management Company Limited at a price lower than fair value.

Please be informed accordingly.

Sincerely yours,

-Noppachai Veeraman-

(Mr. Noppachai Veeraman)

Managing Director