

August 8, 2024

Subject: Management discussion and analysis for the 6 months period ended June 30, 2024

Attention: Managing Director, The Stock Exchange of Thailand

PanelésMatic Solutions Public Company Limited (“Company”) provides Management discussion and analysis for the 6 months period ended June 30, 2024 as follows:

Explanation of financial position and operation result:
1) Operation result

Statement of Comprehensive Income	For the 6 months period ended				Changed	
	June 30, 2023		June 30, 2024			
	Million	% ^{1/}	Million	% ^{1/}	Million	% ^{1/}
Revenues from sales and services	62.67	99.60	56.84	98.70	(5.83)	(9.30)
Cost of sales and services	37.93	60.28	35.47	61.59	(2.46)	(6.49)
Gross profit	24.74	39.32	21.37	37.11	(3.37)	(13.62)
Other income	0.25	0.40	0.75	1.30	0.50	200.00
Selling expenses	2.59	4.11	3.09	5.36	0.50	19.30
Administrative expenses	9.92	15.76	11.95	20.75	2.03	20.46
Management benefit expenses	1.98	3.15	2.36	4.10	0.38	19.19
Profit from operating	10.51	16.70	4.72	8.20	(5.79)	(55.09)
Finance costs	0.01	0.01	0.07	0.12	0.06	600.00
Profit before income tax expense	10.50	16.69	4.65	8.08	(5.85)	(55.71)
Income tax expenses	2.21	3.51	0.85	1.48	(1.36)	(61.54)
Profit for the period	8.29	13.18	3.80	6.60	(4.49)	(54.16)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	8.29	13.18	3.80	6.60	(4.49)	(54.16)
Total comprehensive income attributable to:						
Owners of the Company	8.29	100.00 ^{2/}	3.80	100.00 ^{2/}	(4.49)	(54.16)
Non-controlling interests	-	-	-	-	-	-

Remark: 1/ Percentage of total revenue

2/ Percentage of profit for the period

For the 6 months period ended June 30, 2023 and 2024, the Company's revenue from sales and services were THB 62.67 million and THB 56.84 million, respectively, accounted for an decreasing of THB 5.83 million or 9.30 percent. The Company's cost of sales and services were THB 37.93 million and THB 35.47 million, respectively, accounted for a decreasing of THB 2.46 million or 6.49 percent. Gross profit accounted for 39.32 percent and 37.11 percent of total revenues, respectively.

For the 6 months period ended June 30, 2023 and 2024, the Company's net profit were THB 8.29 million and THB 3.80 million, respectively, accounted for an decreasing of THB 4.49 million or 54.16 percent, representing net profit margins of 13.18 percent and 6.60 percent of total revenue, respectively. The details are as follows:

Total revenue

For the 6 months period ended March 31, 2023 and 2024, the Company's total revenue were THB 62.92 million and THB 57.59 million, respectively, by (1) Revenues from sales and services were THB 62.67 million and THB 56.84 million, respectively, and (2) Other income were THB 0.25 million and THB 0.75 million, respectively.

Total revenue	For the 6 months period ended				Changed	
	June 30, 2023		June 30, 2024			
	Million	%	Million	%	Million	%
1. Revenues from sales	56.22	89.35	51.28	89.05	(4.94)	(8.79)
- Hospital and Healthcare Products ^{1/}	22.46	35.69	30.69	53.30	8.23	36.64
- Interior Products ^{1/}	33.76	53.66	20.58	35.75	(13.18)	(39.04)
2. Revenues from services	6.45	10.25	5.56	9.66	(0.89)	(13.80)
Revenues from sales and services	62.67	99.60	56.84	98.70	(5.83)	(9.30)
Other income ^{2/}	0.25	0.40	0.75	1.30	0.50	200.00
Total revenue	62.92	100.00	57.58	100.00	(5.34)	(8.49)

remark: 1/ Prepared by the management

2/ Other income such as: interest income, gain (loss) from asset disposal, gain (loss) from foreign exchange

For the 6 months period ended June 30, 2023 and 2024, the Company's revenue from sales and services were THB 62.67 million and THB 56.84 million, respectively.

(1) Revenues from sales – Hospital and Healthcare Products: The Company's revenue from sales - Hospital and Healthcare Products during the 6 months period ended June 30, 2023 and 2024 were THB 22.46 million and THB 30.69 million, respectively, with growth equal to 36.64 percent which increased from the number of new projects from the regular customer which focused on construction of hospital and healthcare

facilities including government hospital, private hospital and private clinic, for example, Chulalongkorn Memorial Hospital, Klongsamwa Hospital, Synphaet Ramintra Hospital, Bangkok Hospital Sanamchan, Ubonrak Thonburi Hospital, Bangkok Hospital Pluakdaeng and Samitivej Sukhumvit Hospital, etc.

- (2) Revenues from sales – Interior Products: The Company's revenue from sales - Interior Products during the 6 months period ended June 30, 2023 and 2024 were THB 33.76 million and THB 20.58 million, respectively, which decreased by 39.04 percent mainly from the UNESCAP project and Forest Valley – La Basilica Project which recognize revenues during the period ended 30 June 2023 were THB 5.04 million and THB 3.47 million, respectively.
- (3) Revenues from services: The Company's revenues from services during the 6 months period ended June 30, 2023 and 2024 were THB 6.45 million and THB 5.56 million, respectively, with decrease equal to 13.80 percent and were 10.25 percent and 9.66 percent of total revenues, respectively. Revenues from services consisted of transportation, installation and after-sales service fees. Revenue from services varies in line with revenues from sales.

Cost of sales and services and Gross profit margin

List	For the 6 months period ended				Changed	
	June 30, 2023		June 30, 2024		Million	%
	Million	%	Million	%		
Revenue from sales and services	62.67	99.60	56.84	98.70	(5.83)	(9.30)
Cost of sales and services	37.93	60.28	35.47	61.59	(2.46)	(6.49)
Gross profit	24.74	39.32	21.37	37.11	(3.37)	(13.62)

The Company's cost of sales and services the 6 months period ended June 30, 2023 and 2024 were THB 37.93 million and THB 35.47 million, respectively, accounted for 60.28 percent and 61.59 percent of total revenue from sales and services, respectively. The main costs of the business are the raw material cost such as wood panel, aluminum door frames, rubber door seals imported door equipment and others, salary cost such as worker's salary, welfare benefit, and others and overhead cost such as machinery's depreciation, utilities cost, transportation and others. Gross profit in the 6 months period ended June 30, 2023 and 2024 were THB 24.74 million and THB 21.37 million, respectively, accounted for a decreasing of THB 3.37 million or 13.62 percent came from a decreasing of revenues from sales and services.

Selling expense

The Company's selling expense during the first 6 months of 2023 and 2024 were THB 2.59 million and THB 3.09 million, respectively, accounted for 4.11 percent and 5.36 percent of total revenue. The 6 months period ended June 30, 2024, the Company expanded the Marketing Department in respond to the growing of the business to

underlie the new factory building and machinery in the future by hiring more employees and established an exhibition booth in the trade fair to increase our sales and enlighten individuals about our products and services resulting in increased in selling expense.

Administrative expense and management benefit expense

The Company’s administrative expense and management benefit expense during the 6 months period ended June 30, 2023 and 2024 were THB 11.90 million and THB 14.31 million, accounted for 18.91 percent and 24.85 percent of total revenue, respectively. In the 6 months period ended June 30, 2024, administrative expense and management benefit expense increase mainly due to the expansion to support future growth of the business to underlie the new factory building and machinery and the Public Relations fee related to Initial Public Offering (IPO) in amounting of THB 1.66 million which is an extraordinary items occurring in only one time.

Net profit

The Company’s net profit during the 6 months period ended June 30, 2023 and 2024 were THB 8.29 million and THB 3.80 million, respectively, accounted for 13.18 percent and 6.60 percent respectively. The 6 months period ended June 30, 2024 had its net profit margin lower than other period due to the revenues from sales and services was THB 5.83 million or amounted to 9.30 percent of the revenues from sales and services of the same period in 2023 while maintaining the stable cost and expense. The 6 months period ended June 30, 2024 had a higher Administrative expense and management benefit expense came from the expansion of the Marketing Department in respond to the growing of the business to underlie the new factory building and machinery in the future by hiring more employees and established an exhibition booth in the trade fair to increase our sales and enlighten individuals about our products and services including Public Relations fee related to Initial Public Offering (IPO) in amounting of THB 1.66 million which is an extraordinary items occurring in only one time.

2) Summary of financial position

List	December 31, 2023		June 30, 2024		Changed	
	Million	%	Million	%	Million	%
Total Asset	146.61	100.00	284.37	100.00	137.76	93.96
Total Liabilities	54.72	37.72	21.00	9.30	(33.72)	(61.62)
Shareholder’s equity	91.89	62.68	263.37	90.70	171.48	186.61

Total asset

As of December 31, 2023, and as of June 30, 2024, total assets of the Company amounted to THB 146.61 million and THB 284.37 million, respectively. Main assets of the Company consist of cash and cash equivalent, trade and other current receivable and property, plant, and equipment where these assets amounted to 89.93 percent and 94.85 percent of total asset. Company's cash and cash equivalents amounted to THB 15.00 million and THB 152.36 million, respectively. An increasing in cash and cash equivalents increased as of June 30, 2024 is from Initial Public Offering (IPO) for common shares deducted by redemption of long-term loan from financial institution and Dividend paid out for the fiscal year 2023. The Company's trade and other current receivable amounted to THB 26.57 million and THB 23.25 million, respectively. The Inventory amounted to THB 10.45 million and THB 15.76 million, respectively. The Company's property, plant and equipment amounted to THB 79.83 million and THB 78.35 million, respectively.

Total liabilities

As of December 31, 2023, and as of June 30, 2024, total liabilities of the Company amounted to THB 54.72 million and THB 21.00 million, respectively. Company's trade and other current payables amounted to THB 11.82 million and THB 10.71 million, respectively, slightly decreased of trade and other current payables as of June 30, 2024

As of 30 June 2024, Company's total liabilities amounted to THB 21.00 million, decreased by THB 33.72 million compared to as of 31 December 2023, mainly from redemption of long-term loan from financial institution amounted to THB 28.44 million and paid of Corporate Income Tax for the fiscal year 2023. The loan was made to acquire new land to construct new factory.

Shareholder's equity

As of December 31, 2023 and as of June 30, 2024, the shareholder's equity amounted to THB 91.89 million and THB 263.37 million, respectively. As of 30 June 2024, Company's shareholder's equity increased due to Initial Public Offering (IPO) for common shares deducted by underwriter expense and other direct costs result in common share issued increased by THB 25.00 million and additional paid-in capital increased by THB 150.28 million, an increasing in retained earnings from net profit for the period amounted to THB 3.80 million and decreasing from Dividend paid out for the fiscal year 2023 amounted to THB 7.60 million.

3) Key financial ratios

Key financial ratios	Unit	June 30,2023	June 30, 2024
Efficiency Ratio			
Return on Assets (ROA)	%	5.66	1.34
Profitability Ratio			
Gross Profit Margin	%	39.32	37.11
Operating Margin	%	16.70	8.20
Net Profit Margin	%	13.18	6.60
Return on Equity (ROE)	%	9.02	1.44
Key financial ratios	Unit	December 31,2023	June 30, 2024
Liquidity Ratio			
Current Ratio	Times	2.15	11.40
Financial Ratio			
Debt to Equity Ratio (D/E)	Times	0.60	0.08

Best regards,

PanelésMatic Solutions Public Company Limited