

November 7, 2024

Subject: Management discussion and analysis for the 3 months period ended September 30, 2024

Attention: Managing Director, The Stock Exchange of Thailand

PanelesMatic Solutions Public Company Limited (“Company”) provides Management discussion and analysis for the 3 months period ended September 30, 2024 as follows:

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

Statement of Comprehensive Income	For the 3 months period ended				Changed	
	September 30, 2023		September 30, 2024			
	Million	% <sup>1/</sup>	Million	% <sup>1/</sup>	Million	% <sup>1/</sup>
Revenues from sales and services	27.51	99.89	39.81	99.60	12.30	44.71
Cost of sales and services	16.51	59.95	27.18	68.00	10.67	64.63
<b>Gross profit</b>	<b>11.00</b>	<b>39.94</b>	<b>12.63</b>	<b>31.60</b>	<b>1.63</b>	<b>14.82</b>
Other income	0.03	0.11	0.16	0.40	0.13	433.33
Selling expenses	1.37	4.97	1.34	3.35	(0.03)	(2.19)
Administrative expenses	5.73	20.81	4.56	11.41	(1.17)	(20.42)
Management benefit expenses	0.99	3.59	1.18	2.95	0.19	19.19
<b>Profit from operating</b>	<b>2.94</b>	<b>10.68</b>	<b>5.71</b>	<b>14.29</b>	<b>2.77</b>	<b>94.22</b>
Finance costs	0.29	1.06	0.03	0.08	(0.26)	(89.66)
<b>Profit before income tax expense</b>	<b>2.65</b>	<b>9.62</b>	<b>5.68</b>	<b>14.21</b>	<b>3.03</b>	<b>114.34</b>
Income tax expenses	0.54	1.96	1.09	2.73	0.55	101.85
<b>Profit for the period</b>	<b>2.11</b>	<b>7.66</b>	<b>4.59</b>	<b>11.48</b>	<b>2.48</b>	<b>117.54</b>
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>2.11</b>	<b>7.66</b>	<b>4.59</b>	<b>11.48</b>	<b>2.48</b>	<b>117.54</b>
<b>Total comprehensive income attributable to:</b>						
Owners of the Company	2.11	100.00 <sup>2/</sup>	4.59	100.00 <sup>2/</sup>	2.48	117.54
Non-controlling interests	-	-	-	-	-	-

Remark: 1/ Percentage of total revenue

2/ Percentage of profit for the period

For the 3 months period ended September 30, 2023 and 2024, the Company's revenue from sales and services were THB 27.51 million and THB 39.81 million, respectively, accounted for an increasing of THB 12.30 million or 44.71 percent. The Company's cost of sales and services were THB 16.51 million and THB 27.18 million, respectively, accounted for a increasing of THB 10.67 million or 64.63 percent. Gross profit accounted for 39.94 percent and 31.60 percent of total revenues, respectively.

For the 3 months period ended September 30, 2023 and 2024, the Company's net profit were THB 2.11 million and THB 4.59 million, respectively, accounted for an increasing of THB 2.48 million or 117.54 percent, representing net profit margins of 7.66 percent and 11.48 percent of total revenue, respectively. The details are as follows:

### Total revenue

For the 3 months period ended September 30, 2023 and 2024, the Company's total revenue were THB 27.54 million and THB 39.97 million, respectively, by (1) Revenues from sales and services were THB 27.51 million and THB 39.81 million, respectively, and (2) Other income were THB 0.03 million and THB 0.16 million, respectively.

Total revenue	For the 3 months period ended				Changed	
	September 30, 2023		September 30, 2024			
	Million	%	Million	%	Million	%
<b>1. Revenues from sales</b>	<b>24.73</b>	<b>89.80</b>	<b>24.47</b>	<b>61.21</b>	<b>(0.26)</b>	<b>(1.05)</b>
- Hospital and Healthcare Products <sup>1/</sup>	9.59	34.82	13.04	32.63	3.45	35.98
- Interior Products <sup>1/</sup>	15.14	54.98	11.42	28.58	(3.71)	(24.51)
<b>2. Revenue from system contract</b>	-	-	<b>11.55</b>	<b>28.90</b>	<b>11.50</b>	<b>N/A</b>
<b>3. Revenues from services</b>	<b>2.78</b>	<b>10.09</b>	<b>3.79</b>	<b>9.49</b>	<b>1.01</b>	<b>36.33</b>
<b>Revenues from sales and services</b>	<b>27.51</b>	<b>99.89</b>	<b>39.81</b>	<b>99.60</b>	<b>12.30</b>	<b>44.71</b>
Other income <sup>2/</sup>	0.03	0.11	0.16	0.40	0.13	433.33
<b>Total revenue</b>	<b>27.54</b>	<b>100.00</b>	<b>39.97</b>	<b>100.00</b>	<b>12.43</b>	<b>45.13</b>

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 3 months period ended September 30, 2023 and 2024, the Company's revenue from sales and services were THB 27.51 million and THB 39.81 million, respectively.

(1) Revenues from sales – Hospital and Healthcare Products: The Company's revenue from sales - Hospital and Healthcare Products during the 3 months period ended September 30, 2023 and 2024 were THB 9.59

million and THB 13.04 million, respectively, with growth equal to 35.98 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, 1) Klang Hospital 2) Princ Mukdahan Hospital 3) Masterpiece Hospital, which according to Thailand's healthcare industry. The Company's gross profit margin rate of Hospital and Healthcare Products is 38 % - 40 % for each quarter.

- (2) Revenues from sales – Interior Products: The Company's revenue from sales - Interior Products during the 3 months period ended September 30, 2023 and 2024 were THB 15.14 million and THB 11.42 million, respectively, which decreased by 24.51 percent mainly from the regression of Real Estate Industry. The Company's gross profit margin rate of Interior Products is 38 % - 40 % for each quarter.
- (3) Revenue from system contract: The Company's revenue from system contract during the 3 months period ended September 30, 2023 and 2024 were THB 0 million and THB 11.55 million, respectively. The revenue from system contract consist of 1) Air Conditioning System 2) Gas System 3) Ceiling System and 4) Wall System. During the 3 months period ended September 30, 2024, The Company obtain 4 Projects related to surgical system contract in amounting of THB 23 million consist of 1) GLH Hospital 2) The Art Hospital 3) IVF Lab and 4) My Spine Hospital. The Company's gross profit margin rate of Surgical System Contract is 13% - 17 % for the current quarter.
- (4) Revenues from services: The Company's revenues from services during the 3 months period ended September 30, 2023 and 2024 were THB 2.78 million and THB 3.79 million, respectively, with increase equal to 36.33 percent and were 10.09 percent and 9.49 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 3 months period ended				Changed	
	September 30, 2023		September 30, 2024		Million	%
	Million	%	Million	%		
Revenue from sales and services	27.51	99.89	39.81	99.60	12.30	44.71
Cost of sales and services	16.51	59.95	27.18	68.00	10.67	64.63
<b>Gross profit</b>	<b>11.00</b>	<b>39.94</b>	<b>12.63</b>	<b>31.60</b>	<b>1.63</b>	<b>14.82</b>

The Company's cost of sales and services for the 3 months period ended September 30, 2023 and 2024 were THB 16.51 million and THB 27.18 million, respectively, accounted for 59.95 percent and 68.00 percent of total revenue, 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. During the 3 months period ended September 30, 2024, The Company has started the new business unit regarding to surgical system contract as abovementioned. The surgical system contracts have gross profit margin about 13% - 17% and mostly contract without any additional administrative expenses. Meanwhile, the revenue from sales for both of 1) Hospital and Healthcare Products and 2) Interior Products have gross profit rate rounding 38% - 40% resulting to cost of sales and services for the 3 months period ended September 30, 2024 was sharply increased to 68.00 % of total revenues and gross profit in the 3 months period ended September 30, 2023 and 2024 were THB 11.00 million and THB 12.63 million, respectively, accounted for increasing of THB 1.63 million or 14.82 percent came from a increasing of revenues from sales and services.

### **Selling expense**

The Company's selling expense for the 3 months period ended September 30, 2023 and 2024 were THB 1.37 million and THB 1.34 million, respectively, accounted for 4.97 percent and 3.35 percent of total revenue. The 3 months period ended September 30, 2024, the Company was slightly decreased in selling expense in amounting of THB 0.03 million.

### **Administrative expense and management benefit expense**

The Company's administrative expense and management benefit expense during the 3 months period ended September 30, 2023 and 2024 were THB 6.72 million and THB 5.74 million, accounted for 24.40 percent and 14.36 percent of total revenue, respectively. In the 3 months period ended September 30, 2024, administrative expense and management benefit expense decrease mainly due to the Professional fees such as Legal fee and Financial Advisory fees related to Initial Public Offering (IPO)'s process which was occurred during the same period of 2023 that they were not occurred in the current period of 2024.

### **Net profit**

The Company's net profit during the 3 months period ended September 30, 2023 and 2024 were THB 2.11 million and THB 4.59 million, respectively, accounted for 7.66 percent and 11.48 percent respectively. The 3 months period ended September 30, 2024 had its net profit margin greater than other period due to the revenues from sales and services was increased THB 12.30 million or amounted to 44.71 percent of the revenues from sales and services of the same period in 2023 while the cost of sales and services was increased THB 10.67 million or amounted to 64.63 percent of the revenues from sales and services of the same period in 2023 as per abovementioned, resulting in gross profit for current period was increased THB 1.63 million from the same period in 2023. The 3 months period ended September 30, 2024 was decreased of selling and administrative expense as per abovementioned include the decreasing of finance costs came from the redemption of loan from the financial institutions. Finally, The Company's profit before tax during the 3 months period ended September 30, 2024 was increased THB 3.03

million from the same previous period and The Company's net profit during the 3 months period ended September 30, 2024 was increased THB 2.48 million accounted for 117.54 percent from the same previous period.

## **2) Summary of financial position**

List	December 31, 2023		September 30, 2024		Changed	
	Million	%	Million	%	Million	%
Total Asset	146.61	100.00	299.38	100.00	152.77	104.20
Total Liabilities	54.72	37.72	31.41	10.49	(23.31)	(42.60)
Shareholder's equity	91.89	62.68	267.97	89.51	176.08	191.62

### **Total asset**

As of December 31, 2023, and as of September 30, 2024, total assets of the Company amounted to THB 146.61 million and THB 299.38 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 94.75 percent of total asset. Company's cash and cash equivalents amounted to THB 15.00 million and THB 162.55 million, respectively. An increasing in cash and cash equivalents increased as of September 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 18.16 million, respectively. The Inventory amounted to THB 10.45 million and THB 24.17 million, respectively. The Company's property, plant and equipment amounted to THB 79.83 million and THB 78.78 million, respectively.

### **Total liabilities**

As of December 31, 2023, and as of September 30, 2024, total liabilities of the Company amounted to THB 54.72 million and THB 31.41 million, respectively. The Company's trade and other current payables amounted to THB 11.82 million and THB 7.78 million, respectively which was decreased THB 4.04 million as of September 30, 2024.

As of 30 September 2024, Company's total liabilities amounted to THB 31.41 million, decreased by THB 23.31 million compared to as of 31 December 2023, mainly from 1) redemption of long-term loan from financial institution amounted to THB 28.44 million 2) paid of Corporate Income Tax for the fiscal year 2023 3) the decreasing

of trade and other current payables amounted to THB 4.04 million 4) the increasing of current contract liabilities amounted to THB 10.02 million.

### Shareholder's equity

As of December 31, 2023 and as of September 30, 2024, the shareholder's equity amounted to THB 91.89 million and THB 267.97 million, respectively. As of 30 September 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 nine months amounted to THB 8.40 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	For the 3 months period ended	
		September 30, 2023	September 30, 2024
<b>Efficiency Ratio</b>			
Return on Assets (ROA)	%	1.54	1.53
<b>Profitability Ratio</b>			
Gross Profit Margin	%	39.94	31.60
Operating Margin	%	10.68	14.29
Net Profit Margin	%	7.66	11.48
Return on Equity (ROE)	%	2.50	1.71
Key financial ratios	Unit	December 31,2023	September 30, 2024
<b>Liquidity Ratio</b>			
Current Ratio	Times	2.15	8.26
<b>Financial Ratio</b>			
Debt to Equity Ratio (D/E)	Times	0.60	0.12

Best regards,

PanelésMatic Solutions Public Company Limited