



November 11, 2024

Subject : Management Discussion and Analysis for 3 months and 9 months ended September 30, 2024

To : The President,  
The Stock Exchange of Thailand

Applied DB Public Company Limited (the “Company” or “we” or “our”) would like to submit the management discussion and analysis for the Company results of operations for three months and six months ended September 30, 2024 as follows;

**Management Discussion and Analysis for the 3<sup>rd</sup> Quarter of 2024  
Ended September 30, 2024**

Applied DB Public Company Limited (the “Company”) or (“ADB”) is one of the leading manufacturers and distributors of plastic compound and industrial adhesive and sealant products to our main customers located in Thailand and overseas. The main customers are from the industrial sectors, located in ASEAN, Middle East, Africa, Europe and South America, that use our products in their production process. Besides, the Company also manufactures and sells the products under the Company’s brands and also under customers’ brands. Our revenue depends highly on an industrial growth leading by each industrial sector that uses the Company’s products in the production process such as wire and cable industry, real estate and construction industry, shoes and leathers industry. In addition, the demand of products also leads by the economic condition, private sector investments and government bidding projects. In 2022, the Company has implemented corporate restructuring plan with the transfer of a portion of the Company business to ADB Sealant Co., Ltd. (ADBS). The business segments that were transferred to the new company include adhesive segment and Sealant & DIY segment in order to increase the efficiency of the operation in the company as well as increasing competitiveness. The partial business transfer to ADB Sealant Co., Ltd. is legally effective on February 1, 2023 with the registered capital of THB 50.00 million. ADB currently holds 99.99% shares in ADBS. After restructuring, the business operation can be classified into 2 major categories, 1) Applied DB Public Company Limited, operated in Compound Business. The compound business segment can be classified into 3 subcategories including 1.1) Wire and Cable PVC (Plastic compound used in wire and cable industry); 1.2) General Grade PVC (Plastic compound used in general applications, Rigid PVC, and Polypropylene Split Yarn (PPY) and 1.3) Medical Grade PVC). 2) ADB Sealant Co., Ltd. operated in Adhesive & Sealant Business. The Sealant business segment can be classified into 3 subcategories including 2.1) Adhesive for customers in shoe and leather and furniture business. 2.2) Silicone Business for both cartridges and commercial use and 2.3) DIY Products



**Performance Analysis**

*Table 1 : Financial Performance of Q3/2024 compared to Q3/2023*

	Quarter 3/2023		Quarter 3/2024		Changes +,-	
	MB	MB	MB	%	MB	%
Revenue from Sales	368.34	98.37	428.54	100.39	60.20	16.34
Cost of Sales	332.73	88.86	368.30	86.28	35.57	10.69
<b>Gross Profit</b>	35.61	9.51	60.24	14.11	24.63	69.17
Other Income	4.61	1.23	4.12	0.97	(0.49)	(10.63)
Net Foreign Exchange Gain	1.50	0.40	(5.78)	(1.35)	(7.28)	(485.33)
<b>Profit Before Expenses</b>	41.72	11.14	58.58	13.72	16.86	40.41
Distribution Costs	17.87	4.77	18.50	4.33	0.63	3.53
Administrative Expenses	2.26	0.60	27.43	6.43	25.17	1,113.72
Total SG&A	20.13	5.38	45.93	10.76	25.80	128.17
<b>Earnings before interest and tax</b>	21.59	5.77	12.65	2.96	(8.94)	(41.41)
Financial Costs	4.76	1.27	5.19	1.22	0.43	9.03
<b>Profit before tax expenses</b>	16.83	4.49	7.46	1.75	(9.37)	(55.67)
Tax expenses	1.49	0.40	0.78	0.18	(0.71)	(47.65)
<b>Net Income</b>	15.36	4.10	6.69	1.57	(8.67)	(56.45)
Other Comprehensive Income	0.00	0.00	(0.08)	(0.02)	(0.08)	#DIV/0!
<b>Total Comprehensive Income for the period</b>	15.36	4.10	6.61	1.55	(8.75)	(56.97)

*\*% is the proportion to the total revenue*

On the 3<sup>rd</sup> quarter of 2023 and 2024, our total revenue was THB 374.45 million and THB 432.66 million, respectively. From those amounts, revenue from sales was accounted of THB 368.34 million and THB 428.54 million, respectively, which represented the Increase of THB +60.20 million, or +16.34%. The increase in revenue was mainly attributed to the increase of revenue from Compound Business. Our revenue went up for THB +54.54 million, or +26.91% compared to the same period of Q3/2024. Our PVC Compound is currently focusing on the large wire and cable manufacturers, which supply the products to both government projects and industry group in Real Estate and Construction segments. Those Wire & Cable PVC revenue went up for THB +54.07 million or +69.36% compared to the same period of Q3/2024. Additionally, our pharmaceutical graded compound products to be used for medical applications such as blood infusion tube, bleeding bag slightly increased for THB +3.67 million. However, the General Grade PVC experienced weaken demand of THB (6.09) million, or went down of (14.07%) from its revenue Q3/2023. Another section of revenue derived from ADB Sealant Co., Ltd., our subsidiary. Those revenue from Adhesive and Sealant Business also went up from THB 176.85 million in Q3/2023 to THB 185.50 million in Q3/2024, which represents the increases of THB +8.65 million or +4.89%. The increase of our Sealant & Adhesive revenue was mainly driven by the increase of revenue of Sealant segment for THB +22.86 million, or 21.79% In contrast, our revenue of Adhesive segment dropped for THB (14.20) million since the segment has been impacted from the global economic slowdown and price competitions. When we combined our revenue from 2 Business Segments, the revenue of Compound Business, Adhesive and Sealant



Business was THB 243.04 million, THB 185.50 million, or 57%:43%, respectively, compared to the revenue of the Q3/2023 was at 52%:48%.

**Management Discussion and Analysis for the nine months ended  
September 30, 2024**

*Table 2 : Statement of Financial Position as at 30 September 2023 and 2024*

	9M/2023		9M/2024		Changes +,-	
	MB	%	MB	%	MB	%
Revenue from Sales	1,210.52	98.84	1,169.28	98.85	(41.24)	(3.41)
Cost of Sales	1,094.88	89.40	1,020.05	86.23	(74.83)	(6.83)
<b>Gross Profit</b>	<b>115.64</b>	<b>9.44</b>	<b>149.23</b>	<b>12.62</b>	<b>33.59</b>	<b>29.05</b>
Other Income	10.68	0.87	12.01	1.02	1.33	12.45
Net Foreign Exchange Gain	3.52	0.29	1.61	0.14	(1.91)	(54.26)
<b>Profit Before Expenses</b>	<b>129.84</b>	<b>10.60</b>	<b>162.85</b>	<b>13.77</b>	<b>33.01</b>	<b>25.42</b>
Distribution Costs	53.78	4.39	54.76	4.63	0.98	1.82
Administrative Expenses	97.11	7.93	92.05	7.78	(5.06)	(5.21)
Total SG&A	150.89	12.32	<b>146.81</b>	<b>12.41</b>	(4.08)	(2.70)
<b>Earnings before interest and tax</b>	<b>(21.05)</b>	<b>(1.72)</b>	<b>16.04</b>	<b>1.36</b>	<b>37.09</b>	<b>176.20</b>
Financial Costs	13.95	1.14	14.34	1.21	0.39	2.80
<b>Profit before tax expenses</b>	<b>(34.99)</b>	<b>(2.86)</b>	<b>1.71</b>	<b>0.14</b>	<b>36.70</b>	<b>104.89</b>
Tax expenses	(3.19)	(0.26)	3.09	0.26	6.28	196.87
<b>Net Income</b>	<b>(31.80)</b>	<b>(2.60)</b>	<b>(1.39)</b>	<b>(0.12)</b>	<b>30.42</b>	<b>95.66</b>
Other Comprehensive Income	0.02	0.00	(0.01)	(0.00)	(0.03)	(150.00)
<b>Total Comprehensive Income for the period</b>	<b>(31.78)</b>	<b>(2.60)</b>	<b>(1.40)</b>	<b>(0.12)</b>	<b>30.41</b>	<b>(95.60)</b>

*\*% is the proportion to the total revenue*

**Sales Revenue**

For the nine months ended September 30, 2023 and 2024, our total revenue was THB 1,224.73 million and THB 1,182.90 million, respectively. From those amounts, revenue from sales was accounted of THB 1,210.52 million and THB 1,169.28 million, respectively, which represented the decrease of THB (41.24) million, or (3.41%). The decrease in revenue was mainly attributed to the decrease of revenue from our Adhesives and Sealant Business, which reported a decrease of its revenue from THB 576.79 million to THB 489.99 million, compared to 9M/2024. Those segment revenue was mainly driven by the decrease of revenue from Adhesive products for THB (48.65) million from 9M/2024, or (21.78%) of its 9M/2024 revenue. Additionally, the revenue of Sealant and DIY products decreased for the total of THB (38.15) million as those segments have been impacted from the global economic slowdown and price competitions. In contrast, the revenue of plastic compound business has been increasing during 2024. The higher revenue led by more orders from Wire & Cable PVC for THB +45.56 million or +7.19% compared to the same period of 9M/2023. The majority revenue of Wire & Cable segments is to target to large wire and cable manufacturers, which supply the products to both government projects invested in the infrastructure and electrical during 9M/2024. For General Grade PVC, it also experienced weakened demand of THB (12.59) million, or went down of (10.22%) from its



revenue 9M/2023; while pharmaceutical graded compound products to be used for medical applications such as blood infusion tube, bleeding bag sold to our partner, Showa Global (Thailand) Co., Ltd. decreased for THB (18.58) million. When we combined our revenue from 2 Business Segments, the revenue of Compound Business, Adhesive and Sealant Business was THB 679.29 million and THB 489.99 million, or 58%:42%, respectively with the details below.

*Table 3 : Revenue breakdown by Business – for the nine-month period ending September 30*

Revenue of Business	For nine-month period				Increase (decrease)	
	Jan-Sep 2023		Jan-Sep 2024		MB	%
	MB	%	MB	%		
Wire and Cable PVC	281.59	23.26	358.33	30.65	76.74	27.25
General Grade PVC	123.19	10.18	110.60	9.46	(12.59)	(10.22)
Medical Graded PVC	228.94	18.91	210.36	17.99	(18.58)	(8.12)
<b>Total Plastic Compound Business</b>	<b>633.73</b>	<b>52.35</b>	<b>679.29</b>	<b>58.10</b>	<b>45.56</b>	<b>7.19</b>
Adhesive	223.40	18.45	174.75	14.95	(48.65)	(21.78)
<b>Total Adhesive Business</b>	<b>223.40</b>	<b>18.45</b>	<b>174.75</b>	<b>14.95</b>	<b>(48.65)</b>	<b>(21.78)</b>
Silicone	206.70	17.08	189.57	16.21	(17.13)	(8.29)
DIY	146.69	12.12	125.67	10.75	(21.02)	(14.33)
<b>Total Silicone &amp; Sealant Business</b>	<b>353.39</b>	<b>29.20</b>	<b>315.24</b>	<b>26.96</b>	<b>(38.15)</b>	<b>(10.80)</b>
<b>Total Revenue</b>	<b>1,210.52</b>	<b>100.00</b>	<b>1,169.28</b>	<b>100.00</b>	<b>(41.24)</b>	<b>(3.41)</b>

In terms of main customer types by industry from the past 9 months, approximately 70.43% of our revenue were classified under Real Estate and construction including Plastic compound and Sealant products. For the Plastic Compound group, the Company main targets are large wire and cable manufacturers who supply the products to both government projects and industry group in Real Estate and Construction segment. Furthermore, our General Graded PVC has also supported customers in those segments as well; while 10.99% of sales derived from Shoes and Leathers Industry selling under adhesive products. The demand of adhesive materials to be used in this segment has rebounded from last year as we have been focusing on the local manufacturers operating in shoes & leathers and furniture business. For automotive segment, it was accounted of 8.05% of total revenue, of which, most of the products were small package products for household use (DIY). The product applications were widely used in the decoration, repairment and parts and accessories of Automotive assembling industry. The rest of 10.53% was attributed to other industries.



Table 4 : Revenue by Industry – for the nine-month period ending September 30

Revenue by Industry	For the three-month period				For the nine-month period			
	Jul-Sep 2023		Jul-Sep 2024		Jan-Sep 2023		Jan-Sep 2024	
	MB	%	MB	%	MB	%	MB	%
Real Estate and Construction	243.43	66.09	304.62	71.08	839.87	69.38	823.50	70.43
Shoes and Leathers	36.79	9.99	38.29	8.93	117.23	9.68	128.53	10.99
Automotives	38.27	10.39	42.36	9.88	108.89	9.00	94.07	8.05
Others	49.82	13.53	43.28	10.10	144.49	11.94	123.18	10.53
<b>Total Revenue</b>	<b>368.31</b>	<b>100.00</b>	<b>428.54</b>	<b>100.00</b>	<b>1,210.49</b>	<b>100.00</b>	<b>1,169.28</b>	<b>100.00</b>

In terms of revenue breakdown by geography, in 9M/24, revenue from local customers was THB 954.84 million from our local revenue in 9M/23 of THB 918.99 million, or an increase of THB 35.85 million of last year. The increase of local revenue was mainly attributed to the rising in demand of Wire & Cable segment during 2024. For oversea customers, the revenue dropped from the revenue of adhesives, sealant and DIY products sold to Africa and Asian countries during the 9M/2024. The lower revenue of oversea segment was attributed to the weak demand and price competition in South East Asia and Africa markets such as Nigeria, India, Bangladesh, Singapore and Myanmar from the downstream of chemical material price globally and price war of Chinese manufacturers; most ly coming from ADB Sealant Co., Ltd., our subsidiary.

Table 5 : Revenue by Geographical segments

Geographical Segments	Jul-Sep 2023		Jul-Sep 2024		Jan-Sep 2023		Jan-Sep 2024	
	MB	%	MB	%	MB	%	MB	%
Thailand	268.29	72.84	349.28	81.49	918.99	75.92	954.84	81.65
Nigeria	20.06	5.45	13.52	3.15	53.34	4.41	33.62	2.88
Kenya	4.99	1.35	12.30	2.87	22.03	1.83	23.81	2.04
Singapore	4.27	1.16	0.56	0.13	16.55	1.37	5.12	0.44
Philippines	14.12	3.83	8.40	1.96	20.82	1.72	19.57	1.67
Bangladesh	8.12	2.20	0.47	0.11	29.37	2.43	10.18	0.87
Myanmar	5.87	1.59	-	-	23.43	1.94	5.07	0.43
Vietnam	9.99	2.71	8.70	2.03	27.20	2.25	28.77	2.46
Egypt	12.27	3.33	2.71	0.63	35.51	2.93	12.38	1.06
India	5.19	1.41	4.99	1.16	16.67	1.38	16.77	1.43
Other	15.13	4.11	27.70	6.46	46.56	3.85	59.21	5.06
<b>Total</b>	<b>368.31</b>	<b>100.00</b>	<b>428.63</b>	<b>100.00</b>	<b>1,210.47</b>	<b>100.03</b>	<b>1,169.37</b>	<b>100.00</b>



### Cost of Sales and Gross Profit

In the 9M of 2023 and 2024, cost of sales decreased from THB 1,094.88 million to THB 1,020.05 million, respectively. The cost of sales consists of cost of Plastic Compound Business for THB 606.03 million; cost of Adhesives, Sealant and DIY Business for THB 488.85 million in 9M/2023 and THB 639.59 million and THB 380.46 million respectively. With the fluctuation of chemical material costs in all 3 Business segment, the company reported an increase in gross profit from 9.55% in 9M/2023 to 12.76% in 9M/2024, respectively. The rising overall gross profit of Sealant & DIY business derived from the solid GPM of adhesives and DIY segments operated under ADB Sealant Co., Ltd., our subsidiary company, that has been constantly growing from the last year. The following table indicates the breakdown of cost of sales by business segment.

*Table 6 : Cost of sales and Gross Profit*

Cost of sales and Gross Profit	Jan-Sep 2023	Jan-Sep 2024
	MB	MB
Cost of Sales : Plastic Compound Business	606.03	639.59
Cost of Sales : Adhesives, Sealant & DIY Business	488.85	380.46
<b>Total Cost of Sales</b>	<b>1,094.88</b>	<b>1,020.05</b>
Gross Profit : Plastic Compound Business	27.70	39.70
Gross Profit : Adhesives, Sealant & DIY Business	87.94	109.53
<b>Gross Profit</b>	<b>115.64</b>	<b>149.22</b>
Gross Profit Margin : Plastic Compound	4.37	5.84
Gross Profit Margin : Sealant & DIY Business	15.25	22.35
<b>Gross Profit Margin</b>	<b>9.55%</b>	<b>12.76%</b>

Overall performance, gross margin of plastic compound business slightly increased in 9M/2024 caused by the material costs of production, including PVC Resin and Plasticizers to be used as additive solutions, has been fluctuation from the global energy crisis around the world; while the global oil price has also impacted to the plastics manufacturers during 9M/2024. Those rising chemical materials led to the negative impact of the past 9 months overall margin of Plastic Compound segments. For Adhesive and Sealant products, gross margin has been rising as the lower material costs including Synthetic Rubber, Toluene and other solvent materials using for industrial adhesive production led to the overall increase in Gross Margin in Adhesive segment. In Sealant and DIY Business, the margin increased compared to last year as Silicone materials to be used for productions have been decreasing to the normal status with less material speculation in the markets. Besides, we are focusing on the products that contribute to the higher margins to avoid the price competition from Chinese and South East Asia manufacturers. Additionally, the Company can sustain the long-term profitability in the future.

### Selling & Administrative Expenses

Total selling and administrative expenses in 9M/2024 decreased THB (4.08) million, or (3.39%) from 9M/2023. The decrease in selling and administrative costs was mainly due to the following reasons;



Table 7 : Selling & Administrative Expenses

Selling & Administrative Expenses	Jan-Sep 2023		Jan-Sep 2024		Increase (decrease)	
	MB	%	MB	%	MB	%
Selling Expenses	53.78	4.39	54.76	4.63	0.98	1.82
Administrative Expenses	97.11	7.93	92.05	7.78	(5.06)	(5.21)
<b>Selling &amp; Administrative Expenses</b>	<b>150.89</b>	<b>12.32</b>	<b>146.81</b>	<b>12.41</b>	<b>(4.08)</b>	<b>(3.39)</b>

### Selling Expenses

Total selling expenses increased for THB +0.98 million or +1.82% from THB 53.78 million of 9M/2023 to THB 54.76 million in 9M/2024. The increase of selling expenses was primarily due to the higher transportation costs both local and oversea logistics activities especially from the rising of global shipping costs due to the port congestions problems and product compensation to our Compound customer.

### Administrative Expenses

Total administrative expenses for 9M/2023 decreased for THB (5.06) million or (5.21%) from THB 97.11 million to THB 92.05 million during the same period of last year. The decrease of administrative expenses was mainly related to the decrease in costs associated with employees, and organization management and employee's benefits. In addition, there is no major expense associated to the business transfer of Sealant and Adhesives business into ADB Sealant Co., Ltd. as recognized in 2023.

### Finance Costs

When compared to the finance costs between 9M/2023 and 9M/2024, total finance costs increased from THB 13.95 million to THB 14.34 million, respectively. An increase of finance costs for THB +0.39 million or +2.80% was mainly due to the uprising in market interest rates of commercial bank loans compared to the same period of last year.

### Net Profit

The Company had a net profit for 9M/2024 for THB (1.39) million, from net loss of THB (31.78) million of 9M/2023. The rising major material costs used for production, including PVC Resin and Plasticizers to be used as additive solutions went up due to the increasing demand of global chemical materials around the world while the global oil price has also impacted to the plastics manufacturers during 9M/2024 as it is by products of petroleum. However, the performance of adhesives and DIY segments operated under ADB Sealant Co., Ltd., our subsidiary company, has been generating profit to compensate the underperforming Compound Business during the past 9 months.



### Total Assets

As at December 31, 2023 and September 30, 2024, the Company had total assets of THB 1,410.69 million and THB 1,421.76 million, respectively. The company's main assets were mainly consist of trade accounts receivable and other receivables, inventories, and property, plant and equipment. Among these assets; it can be classified as current assets for THB 880.14 million and THB 912.39 million and non-current assets for THB 530.55 million and THB 509.37 million, respectively.

Significant changes in assets during the 3<sup>rd</sup> Quarter of 2023 are summarized below;

#### 1. Current Assets

Cash and cash equivalents as at December 31, 2023, and September 30, 2024, the overall cash and cash equivalents increase of THB +40.75 million was attribute to the 3 major transactions, operating activities, investment activities and financing activities. During 9M/2024, our net cash flow were received from operating activities for THB +80.42 million, mainly attributed to the decrease of inventories for THB 19.55 million and increase of accounts payable for THB 4.84 million. In addition, the cash has also been used for the investment of fixed assets for THB (22.02) million. In financing activities, the company has net cashflow used in financing activities for THB (18.32) million mostly to repay of short-term and long-term bank loans as our Company has less working capital to be used for material purchase in accordance with less volume and purchase price.

Trade accounts receivable as at December 31, 2023, and September 30, 2024, trade accounts receivable increase of THB +7.93 million was led by the significantly higher in revenue from sales this year compared to our revenue during the same period of last year.

	For the nine-month period ended		
	Unit (MB)	31 December 2023	30 September 2024
Related parties		0.49	0.57
Other receivables		382.35	377.62
Total Receivables		382.84	388.25
Less allowance for doubtful accounts		(5.17)	(2.65)
<b>Net Accounts Receivable</b>		<b>377.67</b>	<b>385.60</b>

The allowance for doubtful accounts was set by considering ability to collect cash by using the percentage of outstanding balance over the different period of time. In addition, fully reserve 100% will be set once there are factors trigger to the potential credit defaults of any receivables. The decrease of allowance for doubtful accounts derived from the payment received from overdue payment operated under ADB Sealant Co., Ltd. The overall collection period increased from 85 days as at 9M/23 to 87 days as at 9M/24.



- *Inventories* as at December 31, 2023, and September 30, 2024, a decrease in inventory of THB (22.52) million was primarily the result of decreasing stocking level of finished products and materials as well as lower material costs of finished products and materials compared to last year.

	For the period ended	
	Unit (MB)	
Finished goods	113.65	126.31
Raw materials	186.53	161.63
Work in process	23.77	28.23
Factory supplies	31.97	35.75
Goods in transit	37.18	21.62
Allowance for decline in value	(10.15)	(13.12)
<b>Net Total</b>	<b>382.95</b>	<b>360.42</b>

## 2. Non-current Assets

- *Property, plant and equipment* as at December 31, 2023, and September 30, 2024, a decrease in property, plant and equipment of THB (14.04) million and sale of fixed assets that has not been used for THB 5.2 million.

## Total Liabilities & Shareholders' Equity

As at December 31, 2023 and September 30, 2024, the Company had total liabilities of THB 1,410.69 million and THB 1,421.77 million, respectively. The company's major liabilities were consisting of bank overdrafts and short-term borrowings from financial institutions, trade accounts payable, and other payables, and long-term loans from financial institutions. During this period, the Company had shareholders' equity of THB 600.60 million and THB 599.20 million, respectively. At the end of 9M/2024, the Company's shareholders' equity consisted of paid-up capital of THB 363.00 million. The other shareholders' equity included share premium of THB 202.20 million, surplus on share-base payment of THB 0.31 million, appropriated to legal reserve of THB 20.64 million, unappropriated reserve of THB 13.00 million and other component of shareholders' equity of THB 0.05 million.



Significant changes in liabilities and shareholders' equity during the 3<sup>rd</sup> Quarter of 2023 are summarized below;

1. Current Liabilities

- Short-term borrowings from financial institutions as at December 31, 2023, and September 30, 2024, an increase of short-term loan of THB +10.16 million was the result of the corporate restructuring process. We maintained our cash in ADB Sealant Co., Ltd. bank account before returning outstanding payment after the final stage of restructuring process.
- Trade accounts payable as at December 31, 2023, and September 30, 2024, a decrease in accounts payable of THB (3.47) million was mainly due to less materials procurement. During 9M/24, the average accounts payable period increased from 54 days as at 9M/2023 to 63 days as at 9M/2024.

2. Non-current liabilities

As at September 30, 2024, the Company's non-current liabilities consisted of long-term loan of THB 31.75 million, or a decrease of THB (4.43) million, and an increase of non-current provisions for employee benefit of THB +0.52 million with the reference of the actuarial report from the actuarial experts.

3. Shareholders' equity

As at September 30, 2024, the Company's shareholders' equity of THB 599.20 or a decrease of THB (1.40) million, was the results of net loss from operation during 9M/2024.



## Financial Ratio Analysis

Table 7 : Key Financial Ratios

Financial Ratio	Unit	For the year ended 31 Dec 23	For 3 months Ended 30 Sep 23	For 3 months Ended 30 Sep 24	For 9 months Ended 30 Sep 23	For 9 months Ended 30 Sep 24
<b>Liquidity Ratio</b>						
Current Ratio	Times	1.20	1.22	1.22	1.22	1.22
Collection Period	days	91	75	85	85	87
Inventory Period	days	110	98	94	108	96
Accounts Payable Period	days	59	52	60	54	63
<b>Profitability Ratio</b>						
Gross Profit Margin	%	9.85	9.67	14.06	9.55	12.76
Net Profit Margin	%	(2.85)	4.10	1.55	(2.60)	(0.12)
Return On Equity	%	(7.51)	(8.17)	(2.73)	(7.86)	(2.72)
<b>Turnover Ratio</b>						
Return on Assets	%	(3.08)	(3.36)	(1.15)	(3.21)	(1.15)
Asset Turnover	Times	1.08	1.17	1.12	1.12	1.12
<b>Financial Policy</b>						
Debt to Equity	Times	1.35	1.37	1.37	1.37	1.37
Interest Coverage Ratio	Times	0.25	(2.06)	0.57	(2.06)	0.57

### 1. Current Ratio

As at Sep 30, 2024, our liquidity ratio remained at 1.22 times in Q3/2024 For Liquidity management, the collection period increased from 85 days in 9M/2023 to 87 days in 9M/2024, primarily due to the delay of some oversea customers and the extension of some customers' credit terms. However, our inventory period decreased from 108 days in 9M/2023 to 96 days in 9M/2024 because of our strict procurement policy for less material stocking to be reserved for orders from customers. Our accounts payable days increased from 54 days to 63 days in 9M/2024 compared to the same period of 9M/2023.

### 2. Profitability Ratio

The Company gross profit margin slightly increased from 9.55% in 9M/2023 to 12.76% for 9M/2024. Although the gross margin of plastic compound business slightly increased in 9M/2024 caused by rising production costs of PVC production and fluctuation of raw material price from the global energy crisis around the world; while Adhesive and Sealant gross margin has been significantly rising as lower material costs including Synthetic Rubber, Toluene and other solvent materials using for industrial adhesive production led to the overall increase in Gross Margin in Adhesive segment. In Sealant and DIY Business, the margin has rebounded compared to last year as Silicone materials to be used for productions have been decreasing to the normal status with less material speculation in the markets. In addition, our selling & administrative has been decreasing in costs associated with employees, and organization management and employee's benefits. As a results, the net profit margin increased from (2.60%) in 9M/2023



to (0.12)% in 9M/2024. Additionally, Return on Equity also increased from (7.86%) in 9M/2023 to (2.72%) in 9M/2024.

3. Turnover Ratio

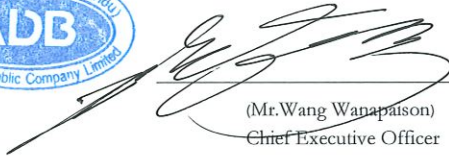
As at September 30, 2024, the Company return on assets decreased from (3.21%) in 9M/2023 to (1.15%) in 9M/2024. In addition, our asset turnover decreased from 1.21 times to 1.12 times in 9M/2024. While the assets increased, we have been experiencing lower revenue generated from product selling compared to the growth of asset invested.

4. Financial Policy

Debt to Equity ratio was stable at 1.37 times in 9M/2024 compared to the same period of last year, but interest expenses increased from THB 13.95 million to THB 14.34 million in 9M/2024 due to higher interest rate. With the increasing of earnings before interest and tax and rising interest expenses, our interest coverage ratio rebounded from (2.06) times in 9M/2023 to +0.57 times in 9M/2024.

Please be informed accordingly.

Yours Sincerely,



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(Mr. Wang Wanapaisorn)  
Chief Executive Officer