

PANELESMATIC SOLUTIONS PUBLIC COMPANY LIMITED
INTERIM FINANCIAL INFORMATION
MARCH 31, 2024
AND AUDITOR'S REPORT ON REVIEW
OF INTERIM FINANCIAL INFORMATION

Auditor's Report on Review of Interim Financial Information

To The Board of Directors of Panelesmatic Solutions Public Company Limited

I have reviewed the interim financial information of Panelesmatic Solutions Public Company Limited. These comprise the statements of financial position as at March 31, 2024, the statements of comprehensive income, the statements of changes in shareholders' equity and cash flows for the three-month period then ended and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim financial information in accordance with the Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with the Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with the Thai Accounting Standard 34, "Interim Financial Reporting".

Other Matter

The statements of financial position of Panelesmatic Solutions Public Company Limited as at December 31, 2023, presented as comparative information, were audited by another auditor in my firm whose report dated on February 28, 2024, expressed an unqualified opinion. The statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period ended March 31, 2023, presented as comparative information reviewed, were audited by another auditor in my firm, allows for the conclusion that nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with the Thai Accounting Standard 34, "Interim Financial Reporting" whose report dated on October 20, 2023.

(Ms.Bongkotrat Suamsiri)

Certified Public Accountant Registration No. 13512

Karin Audit Company Limited

Bangkok

May 10, 2024

PANELESMATIC SOLUTIONS PUBLIC COMPANY LIMITED

STATEMENTS OF FINANCIAL POSITION

AS AT MARCH 31, 2024

(Unit : Baht)

		As at March 31, 2024 "Unaudited" "Reviewed"	As at December 31, 2023 "Audited"
	Notes		
ASSETS			
Current assets			
Cash and cash equivalents		169,548,150	14,999,105
Trade and other current receivables - net	4	22,454,883	26,566,956
Inventories - net	5	11,771,960	10,450,558
Other current assets		368,881	-
Total current assets		204,143,874	52,016,619
Non-current assets			
Restricted deposits with banks		3,838,590	5,050,044
Investments properties		4,960,000	4,960,000
Property, plant and equipment - net	6	78,900,570	79,832,844
Right of use assets	3.2	123,359	164,478
Intangible assets - net		2,300,922	2,375,021
Deferred tax assets		1,134,876	1,095,007
Other non-current assets		952,754	1,111,201
Total non-current assets		92,211,071	94,588,595
Total assets		296,354,945	146,605,214

The condensed notes to the interim financial information are an integral part of this interim financial information.

PANELESMATIC SOLUTIONS PUBLIC COMPANY LIMITED

STATEMENTS OF FINANCIAL POSITION (CONT.)

AS AT MARCH 31, 2024

(Unit : Baht)

		As at March 31, 2024 "Unaudited" "Reviewed"	As at December 31, 2023 "Audited"
	Notes		
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Trade and other current payables	7	15,698,855	11,824,883
Current contract liabilities		4,234,109	4,840,538
Current portion of long-term loans from financial institutions	8	558,256	3,590,697
Current portion of lease liabilities	3.2	131,713	174,331
Income tax payable		2,167,754	1,996,816
Other current liabilities		590,947	1,806,445
Total current liabilities		23,381,634	24,233,710
Non-current liabilities			
Long-term loans from financial institutions - net of current portion	8	-	25,778,447
Non-current provision for employee benefits		3,771,203	3,700,135
Other non-current liabilities		432,192	1,006,272
Total non-current liabilities		4,203,395	30,484,854
Total liabilities		27,585,029	54,718,564

The condensed notes to the interim financial information are an integral part of this interim financial information.

PANELESMATIC SOLUTIONS PUBLIC COMPANY LIMITED

STATEMENTS OF FINANCIAL POSITION (CONT.)

AS AT MARCH 31, 2024

(Unit : Baht)

		As at March 31, 2024 "Unaudited" "Reviewed"	As at December 31, 2023 "Audited"
	Notes		
Shareholders' equity			
Share capital	9		
Authorized share capital			
Ordinary shares 190,000,000 shares, Baht 0.50 par value		95,000,000	95,000,000
Issued and paid-up share capital			
Ordinary shares 190,000,000 shares, Baht 0.50 par value		95,000,000	
Ordinary shares 140,000,000 shares, Baht 0.50 par value			70,000,000
Premium (discount) on share capital	9	150,280,486	-
Retained (deficits) earnings			
Appropriated			
Statutory reserve		4,761,743	4,761,743
Unappropriated		18,727,687	17,124,907
Total shareholder's equity		268,769,916	91,886,650
Total liabilities and shareholders' equity		296,354,945	146,605,214

The condensed notes to the interim financial information are an integral part of this interim financial information.

PANELESMATIC SOLUTIONS PUBLIC COMPANY LIMITED
 STATEMENTS OF COMPREHENSIVE INCOME
 FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2024

"Unaudited"
 "Reviewed"

		(Unit : Baht)	
	Notes	2024	2023
Revenues from sales and services	10, 11	26,795,460	30,056,278
Cost of sales and services		(15,818,238)	(17,097,775)
Gross profit (loss)		10,977,222	12,958,503
Other income		187,867	137,310
Profit (loss) before expenses		11,165,089	13,095,813
Selling expenses		(1,561,588)	(1,230,386)
Administrative expenses		(6,479,074)	(5,315,487)
Management benefit expenses	3.1	(1,177,628)	(989,929)
Total expenses		(9,218,290)	(7,535,802)
Profit (loss) from operating		1,946,799	5,560,011
Finance costs		(65,329)	(7,493)
Profit (loss) before income tax		1,881,470	5,552,518
Income tax (expense) revenue		(278,690)	(1,127,529)
Profit (loss) for the period		1,602,780	4,424,989
Profit (loss) per share			
Basic earnings (loss) per share (Baht per share)		0.01	0.03
Weighted average number of ordinary shares (shares)		161,978,022	140,000,000

The condensed notes to the interim financial information are an integral part of this interim financial information.

PANELESMATIC SOLUTIONS PUBLIC COMPANY LIMITED
 STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
 FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2024

"Unaudited"

"Reviewed"

(Unit : Baht)

	Notes	Issued and paid		Retained earnings (deficit)		Total shareholder's equity
		share capital	Premium on share capital	Appropriated		
				Statutory reserve	Unappropriated	
Balance as at January 1, 2024		70,000,000	-	4,761,743	17,124,907	91,886,650
Increase in shares capital	9	25,000,000	150,280,486	-	-	175,280,486
Comprehensive income (expense) for the period		-	-	-	1,602,780	1,602,780
Ending balance as at March 31, 2024		<u>95,000,000</u>	<u>150,280,486</u>	<u>4,761,743</u>	<u>18,727,687</u>	<u>268,769,916</u>
Balance as at January 1, 2023		70,000,000	-	2,410,000	30,441,780	102,851,780
Dividend paid		-	-	-	(29,000,000)	(29,000,000)
Appropriated statutory reserve		-	-	1,450,000	(1,450,000)	-
Comprehensive income (expense) for the period		-	-	-	4,424,989	4,424,989
Ending balance as at March 31, 2023		<u>70,000,000</u>	<u>-</u>	<u>3,860,000</u>	<u>4,416,769</u>	<u>78,276,769</u>

The condensed notes to the interim financial information are an integral part of this interim financial information.

1. General information

Company information

The Company has been registered to be a limited company on May 10, 1990, in “Panelesmatic Solutions Company Limited” and registered change the name to “Panelesmatic Solutions Public Company Limited” on May 8, 2023. On February 13, 2024, the Company’s securities to be traded on MAI. The head office is located at No. 36 Moo 7, Bang Talat Subdistrict, Pak Kret District, Nonthaburi Province and has a branch office located at No. 10/12 Moo 5, Soi Bongkot 33, Klong Song Subdistrict, Klong Luang District, Pathum Thani Province.

The Company operates the business of manufacturing, selling, and installing, including after-sales service for door products, automatic door, operating room doors, soundproof walls, movable walls including other doors and walls.

2. Basis for the preparation of interim financial information

2.1 Basis of preparation of interim financial information

These interim financial information are prepared in accordance with Accounting Standards Pronouncement No. 34: “Interim financial reporting”, whereby the Company chooses to present condensed interim financial information. However, additional line items are presented in the financial information to bring them into the full format similar to the annual financial statements.

The interim financial information is prepared to provide statements in addition to those included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances to avoid repetition of statements previously reported. These interim financial information should, therefore, be read in conjunction with the financial statements for the year ended December 31, 2023.

The interim financial information is officially prepared in Thai language. The translation of these statutory interim financial information to other language must conform to the Thai interim financial information.

2.2 Significant accounting policies

The interim financial information is prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended December 31, 2023.

The revised financial reporting standards effective for fiscal years beginning on or after January 1, 2024 will not have any significant impact on the Company’s interim financial statements.

2.3 Significant accounting judgments and estimates

When preparing the interim financial information, management undertake judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management.

The judgments, estimates and assumptions applied in the interim financial information, including the key sources of estimation were the same as those applied in the preparation of annual financial statements for the year ended December 31, 2023.

3. Transactions with related persons and parties

Related persons and parties are individuals or companies related to the Company by being shareholders or having common shareholders or directors. During the year 2024, the Company had significant business transactions with related persons and parties as follows:

<u>Company's name</u>	<u>Relationships</u>
Doormatic Systems Company Limited	Related Company (Common directors)
Nicky International Company Limited	Related Company (Common directors)
Sanook sood Company Limited	Related Company (Common directors)
Paneles Asia Company Limited	Related Company (Common directors)
J and Associated Company Limited	Related Company (Common directors)
A.S. Industrial and mining Company Limited	Related Company (Common directors)
A.S. Associated Engineering (1964) Company Limited	Related Company (Common directors)
S.E.A Track Company Limited	Related Company (Common directors)
Oriental Residence Bangkok Company Limited	Related Company (Common directors)

During the period, the Company had significant business transactions with related persons and companies. Such business transactions are subject to commercial terms and criteria agreed between the company and those related parties and companies. The important business transactions with related persons and companies can be summarized as follows:

PANELESMATIC SOLUTIONS PUBLIC COMPANY LIMITED
CONDENSED NOTES TO THE INTERIM FINANCIAL INFORMATION
MARCH 31, 2024

"UNAUDITED"
"REVIEWED"

3.1 Related incomes and expenses for three-month period ended March 31, 2024 and 2023 are as follows:

Transactions type / relationship	(Unit : Baht)	
	2024	2023
Key management personnel compensations		
Short-term benefits	1,132,125	946,125
Benefits after leaving work for employee benefits	45,503	43,804
Total key management personnel compensations	<u>1,177,628</u>	<u>989,929</u>

3.2 Right-of-use-assets and lease liabilities to related parties

As at March 31, 2024, the Company has contracts affected the recorded of right-of-use assets are as follows:

The Company has entered a land and building lease agreement for use as a factory with a related company. With a period starting on January 1, 2022 ending on December 31, 2024 with a rental rate of Baht 15,000 per month (the rental rate between each other is lower than the market price).

Right-of-use assets

Right-of-use assets during the period ended March 31, 2024, the movements are as follows:

	(Unit : Baht)
Net book value as at January 1, 2024	<u>164,478</u>
Depreciation during the period	<u>(41,119)</u>
Net book value as at March 31, 2024	<u>123,359</u>

Lease liabilities

As at March 31, 2024 and December 31, 2023, the Company has lease liabilities as follows:

	(Unit : Baht)	
	As at March 31, 2024	As at December 31, 2023
Lease liabilities	135,000	180,000
<u>Less</u> deferred interest	<u>(3,287)</u>	<u>(5,669)</u>
Total	131,713	174,331
<u>Less</u> current portion of lease liabilities	<u>(131,713)</u>	<u>(174,331)</u>
Lease liabilities-net of current portion of lease liabilities	<u>-</u>	<u>-</u>

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4. Trade and other current receivables - net

As at March 31, 2024 and December 31, 2023, the Company has trade and other current receivables as follows:

	(Unit : Baht)	
	As at March 31, 2024	As at December 31, 2023
Trade receivables	13,938,347	16,671,753
<u>Less</u> allowance for expected credit losses	(492,048)	(741,420)
Trade receivables - net	<u>13,446,299</u>	<u>15,930,333</u>
Trade receivables - unbilled	7,630,615	7,305,480
<u>Less</u> allowance for expected credit losses	(849,777)	(513,160)
Trade receivables unbilled - net	<u>6,780,838</u>	<u>6,792,320</u>
Total trade receivables - net	<u>20,227,137</u>	<u>22,722,653</u>
Other current receivables:		
Prepaid expenses	1,834,434	3,573,392
Other receivables	<u>393,312</u>	<u>270,911</u>
Total other current receivables	<u>2,227,746</u>	<u>3,844,303</u>
Total trade and other current receivables - net	<u>22,454,883</u>	<u>26,566,956</u>
The aging of trade receivable are as follows:		
Within due	7,799,796	4,351,396
Overdue		
Not over 3 months	4,570,067	9,473,008
3 - 6 months	351,847	362,262
6 - 12 months	957,823	2,226,273
Over 12 months	<u>258,814</u>	<u>258,814</u>
Total trade receivables	13,938,347	16,671,753
<u>Less</u> allowance for expected credit losses	(492,048)	(741,420)
Total	<u>13,446,299</u>	<u>15,930,333</u>

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As at March 31, 2024 and December 31, 2023, the Company has accrued income is Baht 7.63 million and Baht 7.31 million, respectively. The bills have been collected is Baht 3.56 million and Baht 1.13 million, divided by time period as follows:

	(Unit : Baht)	
	As at March 31, 2024	As at December 31, 2023
Within 1 month	3,566,315	584,800
Within 2 months	-	-
Within 3 months	3,658,920	6,315,300
Unbilled *	405,380	405,380
Total	7,630,615	7,305,480

* As at March 31, 2024 and December 31, 2023, the Company has trade receivables - unbilled is Baht 0.41 million, which belongs to one customer who has a lawsuit against the Company form as default on debt payments and the Company has recognized the full value of allowance for credit losses.

5. Inventories - net

As at March 31, 2024 and December 31, 2023, the Company has inventories as follows:

	(Unit : Baht)	
	As at March 31, 2024	As at December 31, 2023
Finished goods	5,261,054	5,879,781
Raw materials supplies and packing materials	5,850,882	4,023,073
Work in process	1,776,597	1,647,465
Total inventories	12,888,533	11,550,319
<u>Less</u> Allowance for obsolete inventories	(546,732)	(529,920)
Allowance for impairment - work in process	(569,841)	(569,841)
Total inventories - net	11,771,960	10,450,558

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CONDENSED NOTES TO THE INTERIM FINANCIAL INFORMATION
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6. Property, plant, and equipment - net

For the three-month period ended March 31, 2024, the movements are as follows:

	(Unit : Baht)
Balance as at January 1, 2024	79,832,844
Acquisitions during period	124,136
Depreciation during the period	(1,056,410)
Balance as at March 31, 2024	<u>78,900,570</u>

Land and buildings mortgaged as collateral for long-term loans (Note 8).

7. Trade and other current payables

As at March 31, 2024 and December 31, 2023, the Company has trade and other current payables as follow:

	(Unit : Baht)	
	As at March 31, 2024	As at December 31, 2023
Trade payables	12,570,190	9,338,387
Other payables	2,992,053	2,126,315
Accrued expenses	61,128	314,345
Other	75,484	45,836
Total	<u>15,698,855</u>	<u>11,824,883</u>

PANELESMATIC SOLUTIONS PUBLIC COMPANY LIMITED
CONDENSED NOTES TO THE INTERIM FINANCIAL INFORMATION
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8. Long-term loans

As at March 31, 2024 and December 31, 2023, the Company has long-term loans as follow:

	(Unit : Baht)	
	As at March 31, 2024	As at December 31, 2023
Long-term loans from financial institutions	557,633	29,000,065
Increase (decrease) interest by effective interest rate	802	438,879
<u>Less</u> Deferred front-end fee	(179)	(69,800)
Total	558,256	29,369,144
<u>Less</u> Current portion due within one year - Long-term loans	(558,256)	(3,590,697)
Net	-	25,778,447

For the three-month period ended March 31, 2024, the movement of long-term loan are as follows:

	(Unit : Baht)
Balance as at January 1, 2024	29,000,065
Drawdown	-
Repayment	(28,442,432)
Balance as at March 31, 2024	557,633

The Board of Directors' Meeting No. 1/2023 held on May 10, 2023, approve requesting a loan from a financial institution for the purchase of land and on July 5, 2023, The Company had entered into loan agreements with commercial banks credit line Baht 30.43 million. The interest rate is determined as follows:

Month 1 - 3	Interest rate	0.00% p.a.
Month 4 - 12	Interest rate	MRR - 4.46% p.a.
Month 13 - 144	Interest rate	MRR - 3.90% p.a.

The loans are secured by mortgages of the Company's land and buildings (Note 6) and guaranteed by certain directors of the Company (free of charge).

The Company must pay a front-end fee for loans to financial institutions at the rate 0.25% of the above credit line. Which is recognized as an expense using the effective interest rate method.

On April 3, 2024, the Company has been in full as a repayment of amount of Baht 557,633, A loan above loan agreement is therefore final and the Company has already redeemed the land from the mortgage of the loan from the financial institution on May 3, 2024 (Note 6).

PANELESMATIC SOLUTIONS PUBLIC COMPANY LIMITED
CONDENSED NOTES TO THE INTERIM FINANCIAL INFORMATION
MARCH 31, 2024

"UNAUDITED"
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9. Share capital

The Extraordinary General Meeting of Shareholders No. 1/2023 held on April 25, 2023, Approved increase of registered capital of Baht 25,000,000 from the original registered capital of Baht 70,000,000 to a new registered capital of Baht 95,000,000 by issuing 50,000,000 new ordinary shares with a par value of Baht 0.5 per share for Initial Public Offering (IPO).

On February 13, 2024, The Company's shares were approved by the Securities and Exchange Commission ("SEC"), to the public offering. The Board of Directors passed a resolution to specify the subscription and payoff date of newly issued ordinary shares for the public on February 14 -16, 2024, with an offer price of Baht 3.68 per share. The Company received payment for those newly issued shares and registered the increased share capital with the Department of Business Development on February 19, 2024. This makes up the paid-up share capital of Baht 95,000,000 and share premium of Baht 159,000,000 (exclusive of financial advisory and underwriting fees), which there was an expense related to the offering of shares in the amount of Baht 8,719,514. The company has presented the item as a deduction from premium on share capital.

	(Unit : Baht)
Premium on ordinary shares	
Cash received from the shares offering 50,000,000 shares, Baht 3.68 par value	184,000,000
<u>Deducted</u> Ordinary shares 50,000,000 shares, Baht 0.50 par value	(25,000,000)
<u>Deducted</u> Initial Public Offering shares cost	(8,719,514)
Premium on ordinary shares - net	<u>150,280,486</u>

10. Revenue from contracts with customers

For the three-month period ended March 31, 2024 and 2023 the Company has revenue from contracts with customers as follow:

	(Unit : Baht)		
	For the three-month period ended March 31, 2024		
	Domestic	Overseas	Total
Type of revenues			
Sales revenues	22,700,956	1,532,584	24,233,540
Service revenues	1,256,009	-	1,256,009
Installation service revenues	1,305,911	-	1,305,911
Total revenue from contracts with customers	<u>25,262,876</u>	<u>1,532,584</u>	<u>26,795,460</u>
A point in time	23,956,965	1,532,584	25,489,549
Over time	1,305,911	-	1,305,911

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CONDENSED NOTES TO THE INTERIM FINANCIAL INFORMATION
MARCH 31, 2024

"UNAUDITED"
"REVIEWED"

	(Unit : Baht)		
	For the three-month period ended March 31, 2023		
	Domestic	Overseas	Total
Type of revenues			
Sales revenues	24,230,824	1,705,392	25,936,216
Service revenues	1,151,812	-	1,151,812
Installation service revenues	2,968,250	-	2,968,250
Total revenue from contracts with customers	<u>28,350,886</u>	<u>1,705,392</u>	<u>30,056,278</u>
A point in time	25,382,636	1,705,392	27,088,028
Over time	2,968,250	-	2,968,250

11. Information classified by segment

The Company provides financial information in term of business segments and geographical segments. The main form of reporting considers the management system and the Company's internal reporting structure as the basis for determining the segment.

Business segment

Management believes that the Company operates in a single segment, which is manufacturing, distribution, installation, and after-sales service for door products, automatic door, operating room doors, soundproof walls, movable walls, and other doors and walls. Accordingly, management determined that the Company has only one reportable segment. And the type of revenue recognition of the segment according to the timing of the transfer of goods to the customer at a point in time for sales and revenue recognition. over time for installation services.

Geographic segment

External customer revenue is determined based on the location of customer in the financial statements for the three-month period ended March 31, 2024 and 2023 are as follows:

	(Unit : Baht)	
	2024	2023
External customer revenue		
Thailand	25,262,876	28,350,886
Overseas	1,532,584	1,705,392
Total	<u>26,795,460</u>	<u>30,056,278</u>

Major customer

For the three-month period ended March 31, 2024 and 2023, the Company has 5 and 4 major customers, respectively, amounting to Baht 13.37 million and Baht 5.05 million, respectively.

12. Commitments

As at March 31, 2024, contingent liabilities arising from the Company having a bank issue a letter of guarantee for receiving advance deposits to customers in the total amount of Baht 3.84 million by the Company's savings account.

13. Financial instruments

13.1 Fair value of financial assets and liabilities

The fair value of the following financial assets and liabilities approximates their book value.

- A) For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, trade and other current receivables, restricted deposits with banks, trade and other current payables, their carrying amounts in the statements of financial position approximate their fair value.
- B) For lease liability and long-term loans with carrying interest approximate to the market rate, their carrying amounts in the statements of financial position approximates their fair value.

Book value of the above financial assets and liabilities is measured at amortized cost.

14. Subsequent events

The Board of Annual General Meeting No. 1/2024 held on May 9, 2024, Approved pay dividend from net profit for the year 2023. Dividend of Baht 0.04 per share a total amount Baht 7.60 million. That will be paid on May 24, 2024.

15. Approval of interim financial information

These interim financial information were authorized for issue by the Company's Board of Directors on May 10, 2024.