



Selic Corp Public Company Limited Management Discussion & Analysis Q2/2025



Executive Summary

In Q2/2025, Selic continued to focus on maintaining its revenue, gross profit and net profit across all product segments despite the ongoing indirect economic slowdown post pandemic both domestic market and international market. Additionally, the prolonged wars in various regions, the effects of the energy crisis, and economic strain stemming from the U.S. President's announcement to raise import tariffs have further added pressure.

Nevertheless, Selic has managed to improve its overall gross profit margin. Selic's diverse business portfolio, which spans both B2B and B2C segments, along with a balanced mix of domestic and international customers, has enabled the company to adapt effectively amid economic uncertainties.

Sustain sales across all segments with a softer adjustment than the overall economic conditions

Selic's sales across all business segments remained at a similar level to the previous period. For the adhesive business, Selic made strong efforts to maintain revenue in both domestic and international markets and achieved solid growth in both revenue and profit.

For the sticker business, Selic has focused on the food and beverage sector since late last year, which helped domestic sales remain stable. However, international sales declined due to the economic downturn and increased competition from lower-priced products in the market.

As for the healthcare business, Selic has remained committed and actively driven sales across all distribution channels, supported by well-targeted marketing strategies.

Maintaining the gross profit margin through the balance of diversified business model

Selic was able to sustain and improve its gross profit margin, driven by its diversified business portfolio. In Q2/2025, both the adhesive business and healthcare business segments increased in gross profit margins, supported by strategies in supply chain management, market targeting, and pricing. These efforts helped maintain cost levels and optimize gross profit margins.

EBITDA and net profit

Net profit and EBITDA slightly decreased in Q2/2025.

Q2/2025 Financial Summary

- Total revenue was at 495.22 million baht, decreased 11.0% from previous quarter and decreased 2.4% from the same period last year because of sticker and healthcare business segments sales revenue declined compared to the previous quarter.
- Gross profit was at 166.50 million baht decreased 9.6% from previous quarter but increased 10.9% from the same period last year with gross profit margin at 33.7%
- EBITDA was 77.82 million baht decreased 14.9% from previous quarter and decreased 8.7% from the same period last year due to the increase in marketing expenses of Healthcare business.
- Net profit attributed to owner was 29.36 million baht decreased 15.8% from previous quarter and decreased 3.3 from the same period last year.



Selic Corp Public Company Limited

Management Discussion & Analysis Q2/2025



Consolidated Financial Statement Q2/2025

Unit: Million Baht	Quarter					6 Months		
Consolidated Financial Statement	Q2/2025	Q1/2025	Q2/2024	% QoQ	% YoY	6M 2025	6M 2024	% YoY
Sales of goods and services	494.09	555.23	505.38	(11.0%)	(2.2%)	1,049.31	1,066.02	(1.6%)
Gain on exchange rate	0.00	0.57	0.55	(100.0%)	(100.0%)	0.00	0.00	--
Other income	1.14	0.57	1.33	99.1%	(14.9%)	1.71	2.35	(27.4%)
Total Revenue	495.22	556.36	507.27	(11.0%)	(2.4%)	1,051.02	1,068.37	(1.6%)
Cost of sales	327.58	371.06	355.28	(11.7%)	(7.8%)	698.64	740.22	(5.6%)
Gross Profit (excluding others)	166.50	184.17	150.11	(9.6%)	10.9%	350.67	325.80	7.6%
Loss on exchange rate	3.01	0.00	0.00	--	--	2.44	0.54	353.9%
Selling expenses	50.74	58.86	39.35	(13.8%)	28.9%	109.60	69.06	58.7%
Administrative expenses	54.98	54.39	47.90	11%	14.8%	109.37	97.80	11.8%
Share of profit/ (loss) of JV	-0.02	-0.02	-0.01	(0.3%)	105.8%	-0.03	-0.02	57.2%
EBITDA	77.82	91.41	85.24	(14.9%)	(8.7%)	169.23	201.81	(16.1%)
Depreciation	18.93	19.36	20.52	(2.2%)	(7.8%)	38.29	41.07	(6.8%)
EBIT	58.89	72.05	64.72	(18.3%)	(9.0%)	130.94	160.74	(18.5%)
Financial cost	8.37	9.20	11.34	(9.0%)	(26.2%)	17.58	22.81	(22.9%)
EBT	50.52	62.85	53.38	(19.6%)	(5.4%)	113.36	137.93	(17.8%)
Income tax	11.59	12.73	10.85	(9.0%)	6.8%	24.31	27.73	(12.3%)
Net Profit	38.93	50.12	42.53	(22.3%)	(8.5%)	89.05	110.20	(19.2%)
Net Profit Attribution to owner	29.36	34.87	30.35	(15.8%)	(3.3%)	64.22	73.24	(12.3%)

Financial Performance

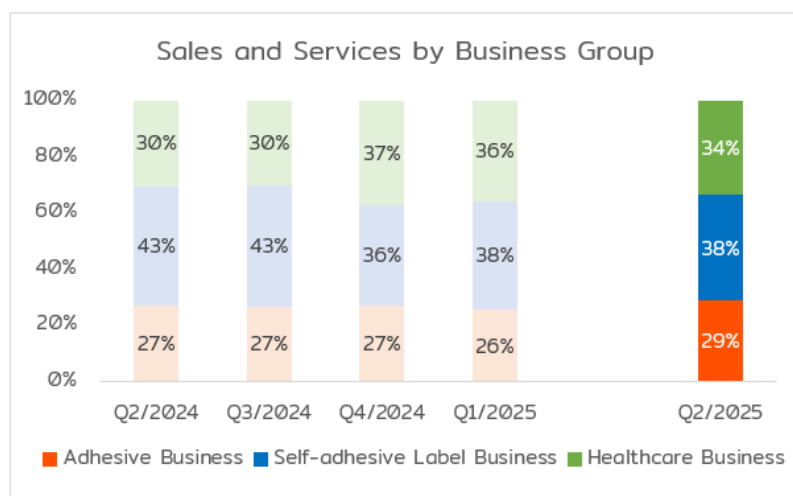
Revenue

In Q2/2025, revenue from sales and services was 494.09 million baht, decrease of 11.0% from previous quarter and decreased 2.2% from the same period last year. This was a result of the continued economic sluggishness in the post-COVID-19 period, which led to a decline in overall demand.

Sales & services revenue structure

Selic's sales and services is generated by three businesses including adhesive, self-adhesive label, and healthcare which sell to both domestic and overseas market.

Proportion of sales and services by business is at 29% adhesive, 38% self-adhesive label, and 34% healthcare as of Q2/2025



Remark: Intercompany transaction elimination

Selic Corp Public Company Limited

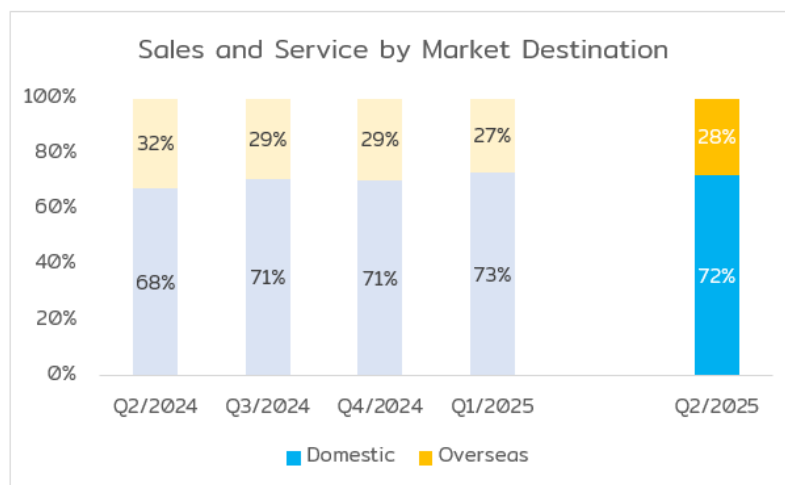
Management Discussion & Analysis Q2/2025



Sales and services by destination have proportion of 72% domestic and 28% export market as of Q2/2025

Unit: Million Baht	Quarter					6 Months		
Sales & Services by Market Destination	Q2/2025	Q1/2025	Q2/2024	% QoQ	% YoY	6M 2025	6M 2024	% YoY
Domestic	357.04	405.70	341.68	(12.0%)	4.5%	762.74	732.42	4.1%
Overseas	137.05	149.52	163.70	(8.3%)	(16.3%)	286.57	333.60	(14.1%)
Total	494.09	555.23	505.38	(11.0%)	(2.2%)	1,049.31	1,066.02	(1.6%)

Remark: Intercompany transaction elimination



Remark: Intercompany transaction elimination

Cost of goods sold and Gross Profit

In Q2/2025, cost of sales was 327.58 million baht decreased 11.7% from previous quarter and decreased 7.8% from the same period last year while gross profit was 166.50 million baht decreased 9.6% from previous quarter but increased 10.9% from the same period of last year. Keys driver for higher gross profit margin is Supply Chain strategy, market target and pricing strategy that Selic has been implementing in order to maintain appropriate level of its cost of sales and gross profit margin.

Operational expenditure

In Q2/2025, total operating expenses was at 105.73 million baht, a decrease of 6.6% compared to the previous quarter but increase 21.2% from the same period of last year. These consisted of selling expenses of 50.74 million baht and administrative expenses of 54.98 million baht. The operational expense to sales ratio increased from the previous quarter and from the same period last year, mainly due to the implementation of marketing strategies for the healthcare business.

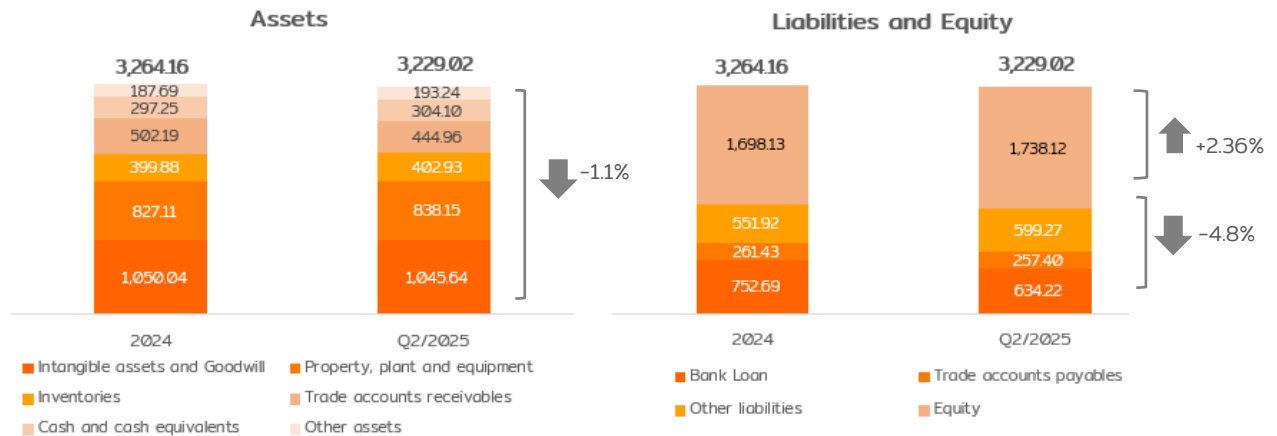
EBITDA and net profit

EBITDA amounted to 77.82 million baht, a decrease of 14.9% compared to the previous quarter and a decrease of 8.7% compared to the same period last year. Meanwhile, net profit was 29.36 million baht, a decrease of 15.8% compared to the previous quarter and a decrease of 3.3% compared to the same period last year.



Statement of Financial Position Q2/2025

Unit: million baht



Assets

Total assets as of Q2/2025 was 3,229.02 million baht, a decrease of 1.1% from 2024, primarily due to a reduction in trade receivables.

Liabilities

Total liabilities as of Q2/2025 was 1,490.89 million baht, a decrease of 4.8% from 2024, mainly due to a reduction in both short-term and long-term loans, as well as trade payables.

Equity

Shareholders' equity as of Q2/2025 was 1,738.12 million baht, an increase of 2.36% from 2024 as increasing of retain earning.

Segment Reporting

Adhesive Business

Adhesive business recorded total sales and service in Q2/2025 at 154.45 million baht, an increase of 5.6% from previous quarter and an increase of 12.6% from the same period of last year.

Adhesive business: Sales and services revenue by product group

Unit: Million Baht	Quarter					6 Months		
Sales and Services by Product Group	Q2/2025	Q1/2025	Q2/2024	% QoQ	% YoY	6M 2025	6M 2024	% YoY
Solvent	6285	6262	5743	0.4%	9.4%	12546	11330	10.7%
Hot Melt	6258	6051	6137	3.4%	2.0%	12310	13041	(5.6%)
Water based	1401	1616	1596	(13.3%)	(122%)	3016	3062	(1.5%)
Others	1502	736	238	104.2%	531.1%	2237	407	449.4%
Total Sales and Services	154.45	146.64	137.14	5.3%	12.6%	301.10	278.39	8.2%

Remark: Intercompany transaction included

Solvent Product: sales was 62.85 million baht, increased 0.4% from previous quarter and increased 9.4% from the same period of last year. This was due to gaining new customers since Q1 of 2025. Additionally, there are several prospective customers currently in the negotiation stage.

Selic Corp Public Company Limited

Management Discussion & Analysis Q2/2025

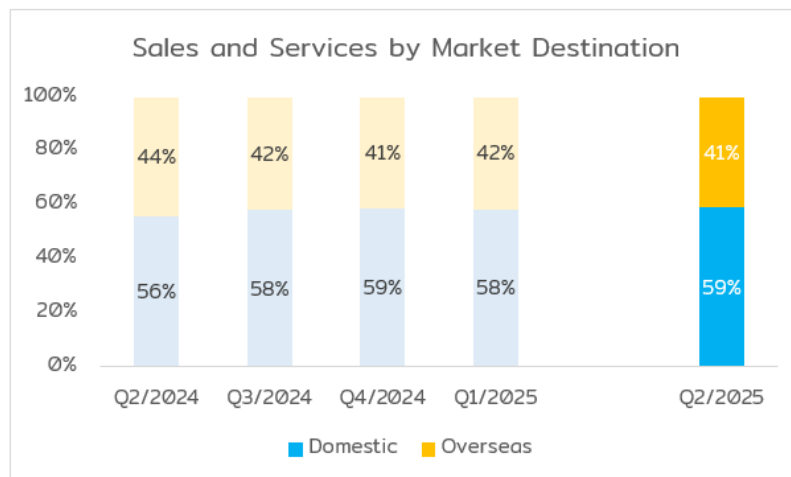
Hot Melt Product: sales was 62.58 million baht. Sales an increase of 3.4% from previous quarter and an increase of 2.0% from the same period of last year. Products utilizing hot melt adhesives continued to show slight growth, with sales to new customers contributing to a modest increase in overall sales.

Water Based Product: sales was 14.01 million baht. Sales revenue decreased 13.3% from previous quarter and decreased 12.2% from the same period of previous year. The product group using water-based adhesives, primarily in the beverage industry, experienced a significant slowdown due to the sluggish economy, leading to reduced consumer demand. Additionally, the food industry, particularly the seasoning segment, declined in production volume. This was partly a result of the increased import tariffs announced by the United States, causing customers to delay their exports to international markets.

Adhesive business: Sales and services revenue by market destination

Unit: Million Baht	Quarter					6 Months		
Sales by Market Type	Q2/2025	Q1/2025	Q2/2024	% QoQ	% YoY	6M 2025	6M 2024	% YoY
Domestic	9120	8553	7660	6.6%	191%	17673	15134	16.8%
Overseas	6325	6111	6054	3.5%	4.5%	12437	12705	(21%)
Total Sales	154.45	146.64	137.14	5.3%	12.6%	30110	278.39	8.2%

Remark: Intercompany transaction included



Remark: Intercompany transaction included

Domestic Market: sales was 9120 million baht increased 6.6% from previous quarter and increased 19.1% from the same period of last year.

Oversea Market: sales was 63.25 million baht increased 3.5% from previous quarter and 4.5% from the same period of last year.

Breaking down by market for adhesive as of Q2/2025, domestic sales was 59% whereas overseas sales was 41%.

Adhesive business had gross profit in Q2/2025 at 48.66 million baht, increased 14.6% from previous quarter and 31.0% from the same period of last year. Gross profit margin was 31.5% increased from previous quarter but increased from the same period of last year. EBITDA was 29.57 million baht increased from previous quarter 30.1% and increased from the same period of last year 65.6%. Net profit was 18.45 million baht increased from previous quarter 36.0% and increased from the same period of last year 104.8%.



Selic Corp Public Company Limited

Management Discussion & Analysis Q2/2025



Unit: Million Baht	Quarter					6 Months		
	Q2/2025	Q1/2025	Q2/2024	% QoQ	% YoY	6M 2025	6M 2024	% YoY
Revenue from goods and services	154.45	146.64	137.14	5.3%	12.6%	301.10	278.39	8.2%
Cost of Sales	105.79	104.20	99.98	1.5%	5.8%	209.99	204.65	2.6%
Gross Profit (excluding others)	48.66	42.45	37.16	14.6%	31.0%	91.11	73.74	23.5%
Gross Profit %	31.5%	28.9%	27.1%	8.8%	16.3%	30.3%	26.5%	14.2%
EBITDA	29.57	22.73	17.85	30.1%	65.6%	52.29	36.09	44.9%
Net Profit	18.45	13.57	9.01	36.0%	104.8%	32.02	18.23	75.6%

Remark: Intercompany transaction included

Self-adhesive Label Business

Self-adhesive label business recorded total sales and service in Q2/2025 at 198.25 million baht decreased 10.2% from previous quarter and decreased 6.4% from the same period of last year.

Self-adhesive label business: sales revenue by product groups

Unit: Million Baht	Quarter					6 Months		
	Q2/2025	Q1/2025	Q2/2024	% QoQ	% YoY	6M 2025	6M 2024	% YoY
Sales and Services by Product Group								
Paper	102.11	119.63	125.03	(14.6%)	(18.3%)	221.74	265.65	(16.5%)
Film	49.06	49.39	60.69	(0.7%)	(19.2%)	98.45	112.50	(12.5%)
Others	10.82	10.60	0.91	21%	1,084.2%	21.42	1.33	1,506.0%
Specialty	36.26	41.15	25.28	(11.9%)	43.4%	77.41	52.68	47.0%
Total Sales	198.25	220.78	211.92	(10.2%)	(6.4%)	419.03	432.15	(3.0%)

Remark: Intercompany transaction included

Paper Label: sales was 102.11 million baht decreased 14.6% from previous quarter and decreased 18.3% from the same period of last year due to the slowdown from international market.

Film Label: sales was 49.06 million baht decreased 0.7% from previous quarter and decreased 19.2% from the same period of last year as oversea market was slowdown

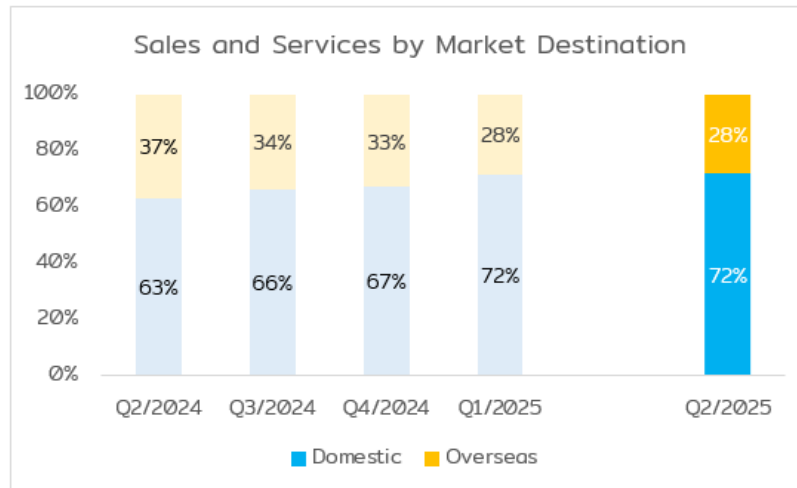
Specialty Label: sales was 36.26 million baht decreased 11.9% from previous quarter but increased 43.4% from the same period last year. This was a result of the company's efforts to increase revenue in this product segment.

Self-adhesive label business: sales revenue by market destination

Unit: Million Baht	Quarter					6 Months		
	Q2/2025	Q1/2025	Q2/2024	% QoQ	% YoY	6M 2025	6M 2024	% YoY
Sales and Services by Market Destination								
Domestic	142.58	158.21	133.39	(9.9%)	6.9%	300.79	281.38	6.9%
Overseas	55.67	62.57	78.53	(11.0%)	(29.1%)	118.24	150.78	(21.6%)
Total Sales	198.25	220.78	211.92	(10.2%)	(6.4%)	419.03	432.15	(3.0%)

Remark: Intercompany transaction included

Selic Corp Public Company Limited Management Discussion & Analysis Q2/2025



Remark: Intercompany transaction included

Domestic Market: sales was 142.58 million baht decreased 9.9% from previous quarter but increased 6.9% from the same period of last year which sales increased from both film and specialty.

Oversea Market: sales was 55.67 million baht decreased 11.0% from previous quarter and 29.1% from the same period of last year. The international market continues to be affected by the slowdown of global economy and market price competition.

Breaking down by market for self-adhesive label as of Q2/2025, domestic sales was 72% whereas overseas sales was 28%

Healthcare Business

Healthcare business recorded total sales and service in Q2/2025 at 165.81 million baht decreased 16.7% from previous quarter but increased 8.1% from the same period of last year.

Healthcare business: sales revenue by product groups

Unit: Million Baht	Quarter					6 Months		
Sales and Services by Product Group	Q2/2025	Q1/2025	Q2/2024	% QoQ	% YoY	6M 2025	6M 2024	% YoY
Pain Relief	10195	14458	11464	(29.5%)	(11.1%)	24652	27541	(10.5%)
First Aids Dressing	6386	5440	3868	17.4%	65.1%	11826	7555	56.5%
Total Sales	165.81	198.98	153.32	(16.7%)	8.1%	364.78	350.97	3.9%

Remark: Intercompany transaction included and adjusting listing fee allocation into product group

Pain Relief: sales was 101.95 million baht decreased 29.5% from previous quarter and decreased 11.1% from the same period of last year. This was influenced by the slowdown of Tourism industry and weather conditions does not allow outdoor activities.

First Aids Dressing: sales was 63.86 million baht increased 17.4% from previous quarter and 65.1% from the same period of last year. This is due to continued demand for this product group in both domestic and international markets, as it is considered an essential category

Healthcare business: sales revenue by market destination

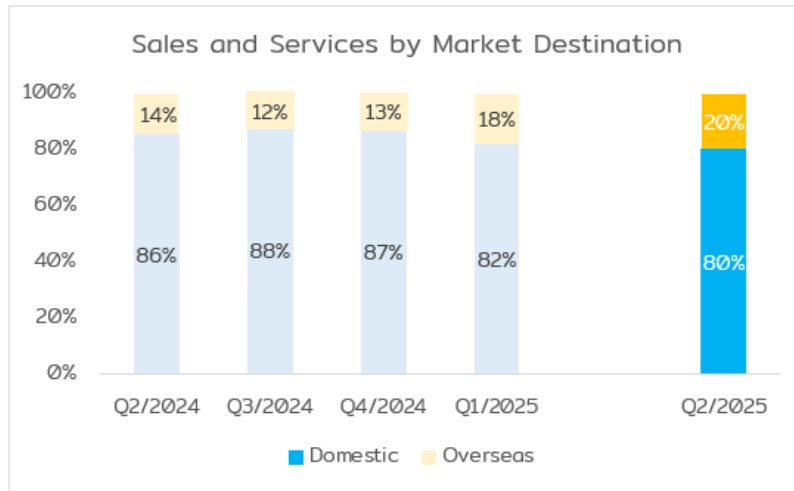
Unit: Million Baht	Quarter					6 Months		
Sales and Services by Market Destination	Q2/2025	Q1/2025	Q2/2024	% QoQ	% YoY	6M 2025	6M 2024	% YoY
Domestic	13310	16352	13169	(18.6%)	11%	29663	29971	(1.0%)
Overseas	3271	3545	2163	(7.7%)	51.2%	6816	5126	33.0%
Total Sales	165.81	198.98	153.32	(16.7%)	8.1%	364.79	350.97	3.9%

Selic Corp Public Company Limited

Management Discussion & Analysis Q2/2025



Remark: Intercompany transaction included



Remark: Intercompany transaction included

Domestic Market: sales was 133.10 million baht decreased 18.6% from previous quarter but increased 1.1% from the same period of last year. This is due to the slowing down of the tourism sector

Oversea Market: sales was 32.71 million baht decreased 7.7% from previous quarter but increased 51.2% from the same period of last year which mainly from incremental sales of pain relief product to CLMV.

Breaking down by market for healthcare business as of Q2/2025, domestic sales was 80% whereas overseas sales was 20%.



Selic Corp Public Company Limited

Management Discussion & Analysis Q2/2025

2025 Business Outlook

In 2025, the Thai economy is projected to grow, though at a slightly slower rate than in 2024, due to a decline in exports amidst heightened risks from global trade tensions, a continuously sluggish growth of the Chinese economy, and the slower than anticipated recovery of the manufacturing sector in Thailand. Global economic uncertainties, particularly the deceleration of China's economic growth and the potential onset of a new round of trade wars are expected to exert a negative impact on the Thai economy. Notably, Thailand remains among the 15 countries with which the United States has the highest trade deficits; therefore, Thailand is likely to be affected both directly and indirectly by the increase in U.S. import tariffs. As a result, Thai exports in 2025 are expected to grow at a more subtle rate. These external challenges have continued to affect the export performance of adhesive and sticker sectors, carrying over from the previous year.

Despite these headwinds, Selic has remained proactive in its operations, maintaining stable sales through strategic initiatives encompassing raw material cost optimization, targeted customer segmentation, and competitive pricing strategies. These measures have been instrumental in ensuring that the company sustains its market share over the long term.

Continuous Growth on Revenue

Selic focus on revenue growth from all business group. Adhesive and sticker business aim to expand market shares into growth industry sectors and also expand to countries still have good economic growth with high purchasing power while healthcare will continue launching new products and expanding sales channels to cover and reach the customers both in domestic and oversea market.

Cost and Expenditure Management for better GP and Net Profit

Selic intend to continue improve on cost management for better result through efficient of supply chain process and proper risk management to manage uncontrolled fluctuating factors such as oil price or exchange rate.

Investment strategy for growth opportunity

One of our strategy is to search for opportunity in investment such as joint venture, M&A to drive inorganic growth. However prior to any investment project, there are certain protocol and assessment to ensure the projects will bring or be the growth mechanism for the business and shareholders. Target business could be in the same value chain of both business segment of the company, including healthcare and technology.

Sustainability Development Journey

Selic places great importance in sustainable growth, which is why it continues to conduct its business in accordance with corporate governance and sustainable development policies, as well as continuously integrating ESG dimensions — Environmental, Social, and Governance — across its business operations. The company has progressively increased the development of environmentally friendly products each year to better align with market demand and emerging sustainability trends.

In addition, Selic actively collaborates with many organizations and initiatives from both private and public sector to promote awareness and understanding of sustainable business practices across all stakeholder groups. On the social front, Selic and its subsidiaries have implemented programs to educate and empower local communities near its facilities by providing training in



Selic Corp Public Company Limited Management Discussion & Analysis Q2/2025

traditional massage techniques and basic self-care for injuries related to physical movements and exercise.

Furthermore, the company has been awarded with a SET ESG Rating as part of the Thailand Sustainability Investment assessment, underscoring its continued commitment to sustainable business practices and operational development.

Contact us:

<http://seliccorp.com/investor-contact.php> or email: investorrelation@seliccorp.com

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