



Selic Corp Public Company Limited

Management Discussion & Analysis Q3/2024

Executive Summary

In Q3/2024, Selic was able to maintain its revenue despite the sluggish economy. In Q3/2024, Selic's revenue and profit grew, driven by its industrial adhesive and sticker businesses, while the healthcare business has been able to maintain a stable level of revenue.

Selic continues to face challenges in exporting self-adhesive stickers and labels due to a slowdown in demand in international markets, which are experiencing an economic recession and have not yet fully recovered. Additionally, limited supply has made exporting in the sticker business more challenging for international markets.

As domestic market demand still remains at a suitable level, causing Selic's sales proportion to shift more towards the domestic market. At the same time, Selic has implemented plans to expand into a more diverse range of countries to prepare for growth after the economic recession. This is an adjustment of the business model in response to the appropriate situation.

The fact that Selic has a diversified business group that covers both B2B and B2C including the reasonable proportion of both domestic and foreign customers, this enables appropriate adaptation in business operations under uncertain economic conditions.

Achieved high level of growth sales revenue

Selic showed growth from the healthcare business and the self-adhesive business, as the international market for self-adhesive business had partially recovered. Additionally, Selic has been able to expand sales in the domestic market for the sticker or self-adhesive label business.

Jump gross profit as a result of diversified business model that drive to sustainability

Selic has been able to significantly increase its gross profit, driven by the healthcare business and the self-adhesive business. The healthcare business boosted a high gross profit margin, while the self-adhesive business and adhesives business have improved gross profit margins from last year.

EBITDA and net profit

Selic was able to increase EBITDA and net profit in the 3rd quarter of 2024 which it is a result of good performance of all business units.

Q3/2024 Financial Summary

- Total revenue was at 523.18 million baht, increased 3.1% from Q2/2024 and increased 8.3% from the same period last year, mainly from revenue increment of both Healthcare business and self-adhesive business.
- Gross profit was at 141.88 million baht, decreased 5.5% from Q2/2024 and decreased 2.8% from the same period last year. Gross profit margin also decreased to 27.6% from 30.3% YOY due to the drop of gross profit margin ratio from both self-adhesive business and adhesive business.
- EBITDA was at 69.70 million baht, decreased 18.2% from previous quarter and decreased 19.5% from the same period last year.
- Net profit was 20.90 million baht, decreased 31.1% from Q2/2024 and decreased 24.7% from the same period last year.



Selic Corp Public Company Limited

Management Discussion & Analysis Q3/2024



9M/2024 Financial Summary

- Total revenue was at 1,591.01 million baht, improved 14.1% compared to the same period last year. The growth came mainly from healthcare business's performance.
- Gross profit was at 467.68 million baht, improved 25.6% compared to the same period last year with gross profit margin increased to 29.6% from high gross profit margin of Health care business and the improvement of self-adhesive business's gross profit margin.
- EBITDA was at 271.51 million baht, a growth of 45.1% and net profit of 94.14 million baht, an increased of 100.0% compared to the same period last year.

Consolidated Financial Statement Q3/2024

Unit: Million Baht	Quarter					9 Months		
Consolidated Financial Statement	Q3/2024	Q2/2024	Q3/2023	% QoQ	% YoY	9M 2024	9M 2023	% YoY
Sales of goods and services	514.49	505.38	482.39	1.8%	6.7%	1,580.51	1,389.81	13.7%
Gain on exchange rate	7.71	0.55	0.00	1,304.3%	--	7.17	0.00	--
Other income	0.97	1.33	0.83	(26.9%)	18.0%	3.32	4.30	(22.7%)
Total Revenue	523.18	507.27	483.22	3.1%	8.3%	1,591.01	1,394.11	14.1%
Cost of sales	372.61	355.28	336.40	4.9%	10.8%	1,112.83	1,017.39	9.4%
Gross Profit (excluding others)	141.88	150.11	145.99	(5.5%)	(2.8%)	467.68	372.42	25.6%
Loss on exchange rate	0.00	0.00	0.63	--	(100.0%)	0.00	3.74	(100.0%)
Selling expenses	50.17	39.35	27.53	27.5%	82.2%	119.23	82.81	44.0%
Administrative expenses	50.73	47.90	52.25	5.9%	(2.9%)	148.53	161.33	(7.9%)
Share of profit/ (loss) of JV	-0.01	-0.01	-0.01	100.3%	7.6%	-0.03	-0.28	(87.9%)
EBITDA	69.70	85.24	86.61	(18.2%)	(19.5%)	271.51	187.09	45.1%
Depreciation	20.06	20.52	20.22	(2.2%)	(0.8%)	61.13	58.53	4.4%
EBIT	49.64	64.72	66.39	(23.3%)	(25.2%)	210.38	128.56	63.6%
Financial cost	10.89	11.34	11.34	(3.9%)	(4.0%)	33.70	33.39	0.9%
EBT	38.75	53.38	55.05	(27.4%)	(29.6%)	176.68	95.17	85.6%
Income tax	8.25	10.85	9.69	(24.0%)	(14.9%)	35.98	17.21	109.0%
Net Profit	30.50	42.53	45.36	(28.3%)	(32.8%)	140.70	77.96	80.5%
Net Profit Attribution to owner	20.90	30.35	27.75	(31.1%)	(24.7%)	94.14	47.07	100.0%

Financial Performance

Revenue

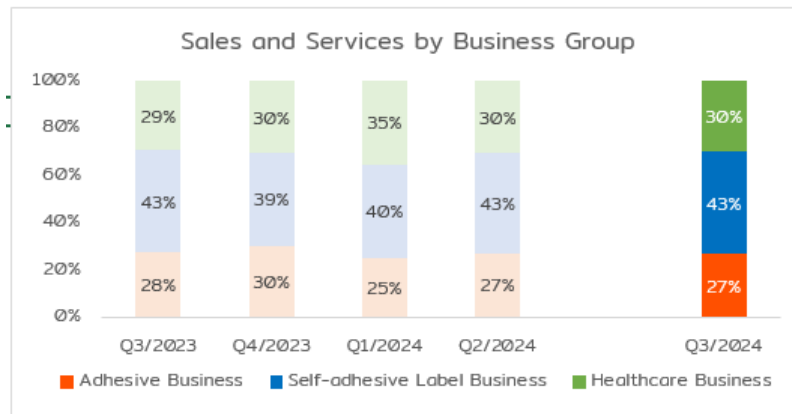
Revenue from sales and services of Q3/2024 was at 514.49 million baht, increase of 1.8% from previous quarter and an increase of 6.7% from the same period last year, due to the increment of revenue from healthcare and self-adhesive business.

For the 9M/2024, Revenue from sales and services was at 1,580.51 million baht. An improvement of 13.7% from the performance of both healthcare business and self-adhesive business.

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 27% adhesive, 43% self-adhesive label, and 30% healthcare as of Q3/2024

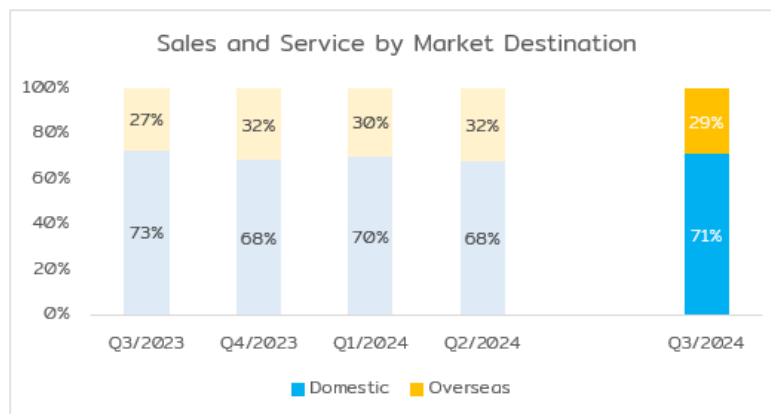


Remark: Intercompany transaction elimination

Sales and services by destination has proportion of 71% domestic and 29% export market as of Q3/2024.

Unit: Million Baht	Quarter					9 Months		
Sales & Services by Market Destination	Q3/2024	Q2/2024	Q3/2023	% QoQ	% YoY	9M 2024	9M 2023	% YoY
Domestic	363.88	341.68	350.31	6.5%	3.9%	1,096.29	977.89	121%
Overseas	150.61	163.70	132.08	(8.0%)	14.0%	484.22	411.92	17.6%
Total	514.49	505.38	482.39	1.8%	6.7%	1,580.51	1,389.81	13.7%

Remark: Intercompany transaction elimination



Remark: Intercompany transaction elimination

Cost of goods sold and Gross Profit

Cost of sales in Q3/2024 was at 372.61 million baht, an increase of 4.9% from previous quarter and increased 10.8% compare to the same period last year while gross profit was at 141.88 million baht, a decrease of 5.5% from previous quarter and decreased 2.8% from the same period last year as a result of the increase in cost of goods sold from both adhesive and self-adhesive business.

Operational expenditure

Operational expenditure in Q3/2024 was at 100.91 million baht, an increase of 15.6% from previous quarter and an increase of 26.5% from the same period last year. The operational expenditure consisted of selling expenses 50.17 million baht and administrative expense 50.73 million baht. The operational expense to sales ratio slightly increased from previous quarter due to the increase of marketing expense of healthcare business.



Selic Corp Public Company Limited

Management Discussion & Analysis Q3/2024

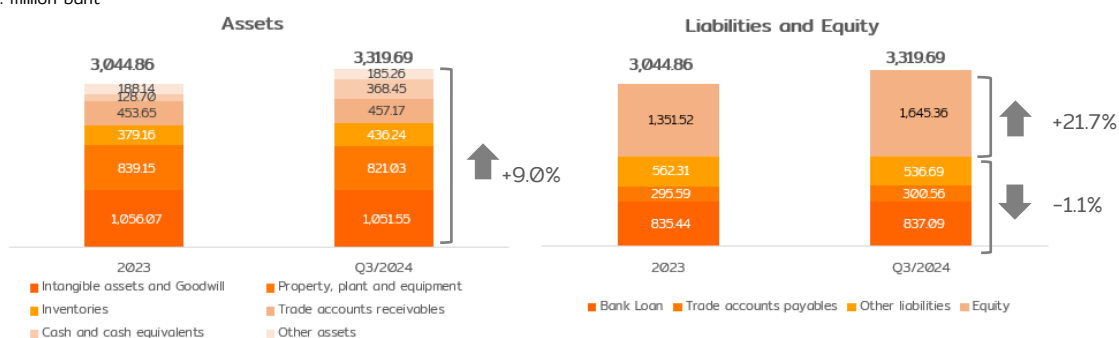


EBITDA and net profit

EBITDA was at 69.7 million baht, decreased 18.2% from previous quarter and decreased 19.5% from the same period last year. Net profit of Q3/2024 was 20.9 million baht, decreased 31.1% from previous quarter and decreased 24.7% from the same period last year.

Statement of Financial Position Q3/2024

Unit: million baht



Assets

Total assets as of Q3/2024 was 3,319.69 million baht, an increase of 9% from 2023 which was mainly from an increase in cash, trade account receivables and inventory of healthcare and self-adhesive business.

Liabilities

Total liabilities as of Q3/2024 was 1,674.33 million baht, a decrease of 1.1% from 2023 mainly due to the decrease from other liabilities.

Equity

Shareholders' equity as of Q3/2024 was 1,645.36 million baht, an increase of 21.7% from 2023.

Segment Reporting

Adhesive Business

Adhesive business recorded total sales and service in Q3/2024 at 142.24 million baht, increased 3.7% from the previous quarter but increased 6.4% from the same period last year.

Adhesive business: Sales and services revenue by product group

Unit: Million Baht	Quarter					9 Months		
Sales and Services by Product Group	Q3/2024	Q2/2024	Q3/2023	%QoQ	%YoY	9M 2024	9M 2023	% YoY
Solvent	66.13	57.43	62.48	15.1%	5.8%	179.43	213.93	(16.1%)
Hot Melt	53.69	61.37	55.64	(12.5%)	(3.5%)	184.10	157.39	17.0%
Water based	14.50	15.96	11.21	(9.2%)	29.4%	45.12	44.90	0.5%
Others	7.92	2.38	4.42	232.8%	79.4%	11.99	11.12	7.9%
Total Sales and Services	142.24	137.14	133.75	3.7%	6.4%	420.64	427.34	(1.6%)

Remark: Intercompany transaction elimination

Solvent Product: sales was 66.13 million baht, increased 15.1% from previous quarter and increased 5.8% from the same period last year mainly from the incremental demand of South Asia's countries.

Selic Corp Public Company Limited

Management Discussion & Analysis Q3/2024

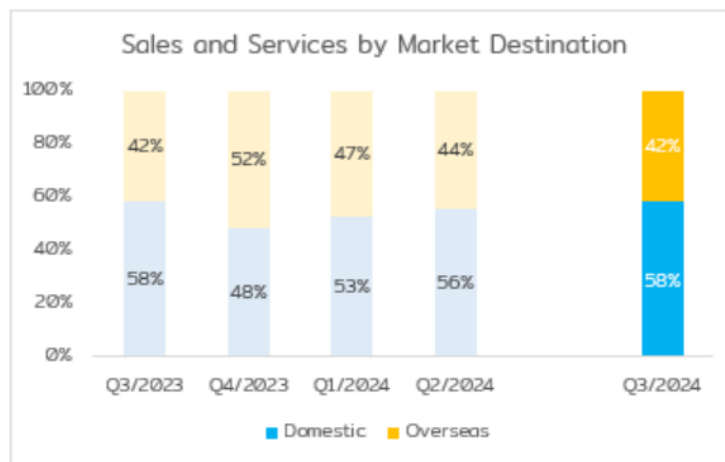
Hot Melt Product: sales was 53.69 million baht, decreased 12.5% from previous quarter and decreased 3.5% from the same period last year due to slow down order from export market.

Water Based Product: sales was 14.5 million baht, decreased 9.2% from previous quarter but increased 29.4% from the same period last year as the business can expand more base customer in Asia.

Adhesive business: Sales and services revenue by market destination

Unit: Million Baht	Quarter					9 Months		
Sales by Market Type	Q3/2024	Q2/2024	Q3/2023	% QoQ	% YoY	9M 2024	9M 2023	% YoY
Domestic	8261	7660	7800	7.8%	5.9%	23395	24393	(41%)
Overseas	5963	6054	5574	(1.5%)	7.0%	18669	18340	18%
Total Sales	14224	13714	13375	3.7%	6.4%	42064	42734	(1.6%)

Remark: Intercompany transaction elimination



Remark: Intercompany transaction elimination

Domestic Market: sales was 82.61 million baht, increased 7.8% from previous quarter and increased 5.9% from the same period last year due to sales increase from Solvent and Water Based products, while Hotmelt product still maintain its revenues.

Oversea Market: sales was 59.63 million baht, decreased 1.5% from previous quarter but increased 7.0% from the same period last year due to the slowdown from Hotmelt product

Breaking down by market for adhesive as of Q3/2024, domestic sales was 58% whereas overseas sales was 42%

Adhesive business had gross profit in Q3/2024 at 33.89 million baht, decreased 8.8% from previous quarter and 0.2% from the same period last year. Gross profit margin was at 23.8% decreased from previous quarter and the same period last year. EBITDA was at 10.0 million baht, decreased 44.0% from previous quarter and decreased 39.1% from the same period last year. Net Profit was 2.84 million baht, decreased 68.5% from previous quarter and decreased 62.6% from the same period last year. Total net profit for 9M/2024 was at 21.07 million baht, an improvement from last year of 17.7%



Selic Corp Public Company Limited

Management Discussion & Analysis Q3/2024

Unit: Million Baht	Q3/2024					9 Months		
	Q3/2024	Q2/2024	Q3/2023	% QoQ	% YoY	9M 2024	9M 2023	% YoY
Revenue from goods and services	14224	13714	13375	3.7%	6.4%	42064	42734	(1.6%)
Cost of Sales	10835	9998	9977	8.4%	8.6%	31300	32360	(3.3%)
Gross Profit (excluding others)	3389	3716	3397	(8.8%)	(0.2%)	10763	10374	3.8%
Gross Profit %	23.8%	27.1%	25.4%	(121%)	(6.2%)	25.6%	24.3%	5.4%
EBITDA	1000	1785	1642	(44.0%)	(391%)	4609	4237	8.8%
Net Profit	284	901	760	(68.5%)	(62.6%)	2107	1790	17.7%

Remark: Intercompany transaction elimination

Self-adhesive Label Business

Self-adhesive label business recorded total sales and service in Q3/2024 at 224.30 million baht, increased 5.8% from previous quarter and increased 9.6% from the same period last year from the recovery of international market and the increase demand from domestic market.

Self-adhesive label business: sales revenue by product groups

หน่วย: ล้านบาท Sales by Product Category	Quarter					9 Months		
	Q3/2024	Q2/2024	Q3/2023	% QoQ	% YoY	9M 2024	9M 2023	% YoY
Paper	135.01	125.03	122.93	8.0%	9.8%	400.66	397.06	0.9%
Film	58.58	60.69	52.81	(3.5%)	10.9%	171.08	150.86	13.4%
Others	1.35	0.91	1.28	48.1%	5.5%	2.69	3.49	(23.0%)
Specialty	29.35	25.28	27.72	16.1%	5.9%	82.03	73.94	10.9%
Total Sales	224.30	211.92	204.75	5.8%	9.6%	656.46	625.35	5.0%

Remark: Intercompany transaction elimination

Paper Label: sales was 135.01 million baht, increased 8.0% from previous quarter and increased 9.8% from the same period last year due to the higher demand in domestic market.

Film Label: sales was 58.58 million baht, decreased 3.5% from previous quarter and increased 10.9% from the same period last year due to the increase in domestic demand while the oversea demand slightly decreased.

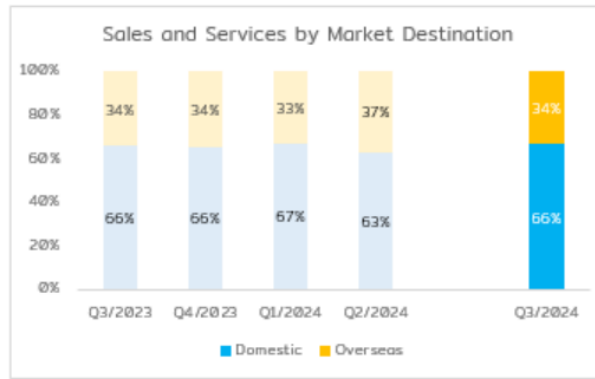
Specialty Label: sales at 29.35 million baht, increased 16.1% from previous quarter and increased 5.9% from the same period last year, this is due to this product category has acceptable margin and the business would like to focus in this area.

Self-adhesive label business: sales revenue by market destination

Unit: Million Baht Sales and Services by Market Destination	Quarter					9 Months		
	Q3/2024	Q2/2024	Q3/2023	% QoQ	% YoY	9M 2024	9M 2023	% YoY
Domestic	149.09	133.39	134.88	11.8%	10.5%	430.47	417.72	3.1%
Overseas	75.21	78.53	69.87	(4.2%)	7.6%	225.98	207.63	8.8%
Total Sales	224.30	211.92	204.75	5.8%	9.6%	656.46	625.35	5.0%

Remark: Intercompany transaction elimination

Selic Corp Public Company Limited Management Discussion & Analysis Q3/2024



Remark: Intercompany transaction elimination

Domestic Market: sales was 149.09 million baht, increased 11.8% from previous quarter and increased 10.5% from the same period last year.

Oversea Market: sales was 75.21 million baht, decreased 4.2% from previous quarter but increased 7.8% when compare to the same period last year.

Breaking down by market for self-adhesive label as of Q3/2024, domestic sales was 66% whereas overseas sales was 34%

Healthcare Business

Healthcare business recorded total sales and service in Q3/2024 at 154.58 million baht, increased 0.8% from previous quarter and increased 9.0% from the same period last year, as a result of market demand expansion in pain relief product,

Healthcare business: sales revenue by product groups

Unit: Million Baht	Quarter					9 Months		
Sales and Services by Product Group	Q3/2024	Q2/2024	Q3/2023	% QoQ	% YoY	9M 2024	9M 2023	% YoY
Pain Relief	121.65	114.64	114.29	6.1%	6.4%	397.06	281.12	41.2%
First Aids Dressing	32.93	38.68	27.48	(14.9%)	19.8%	108.49	52.01	108.6%
Total Sales	154.58	153.32	141.77	0.8%	9.0%	505.55	333.13	51.8%

Remark: Intercompany transaction elimination

Pain Relief: sales was 121.65 million baht, increased 6.1% from previous quarter and increased 6.4% from the same period last year due to hard marketing activities and increase sales to CLMV in Q1/2024.

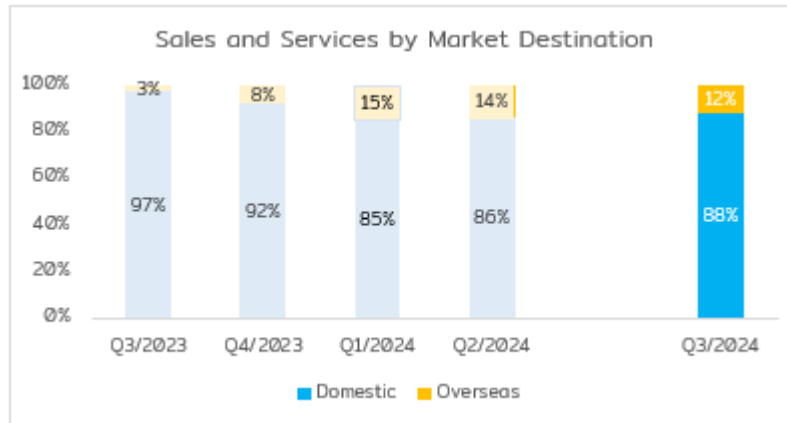
First Aids Dressing: sales was 32.93 million baht, decreased 14.9% from previous quarter but increased 19.8% from the same period last year.

Healthcare business: sales revenue by market destination

Selic Corp Public Company Limited Management Discussion & Analysis Q3/2024

Unit: Million Baht	Quarter					9 Months		
Sales and Services by Market Destination	Q3/2024	Q2/2024	Q3/2023	% QoQ	% YoY	9M 2024	9M 2023	% YoY
Domestic	136.21	131.69	137.65	3.4%	(1.0%)	435.91	316.82	37.6%
Overseas	18.37	21.63	4.12	(15.1%)	346.0%	69.64	16.31	327.0%
Total Sales	154.58	153.32	141.77	0.8%	9.0%	505.55	333.13	51.8%

Remark: Intercompany transaction elimination



Domestic Market: sales was 136.21 million baht, increased 3.4% from previous quarter but decreased 1.0% from the same period last year due to the demand increase from pain relief products compare to last quarter.

Oversea Market: sales was 18.37 million baht, decreased 15.1% from previous quarter but increased 346% from the same period last year due to the export of pain relief group to CLMV countries.

2024 Business Outlook

Ministry of Finance cut down 2024 GDP forecast from 2.8% to 2.4% due to export may recover less than expected. Selic received a positive sign on export in Q4/2023 then expect that export sales of adhesive and sticker business shall gradually recover in 2024. Meanwhile, healthcare business strategy to gain more market share of targeted customer segment from both domestic and overseas market.

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 overseas 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.



Selic Corp Public Company Limited

Management Discussion & Analysis Q3/2024



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 will continuously our journey on sustainability policies and strategies. This will include new product development on more "green" products to support our customers by offering sustainable materials in their supply chain. Moreover, we will continue to collaborate with external organizations for projects relating to ESG. As a result of sustainability performance, Selic was selected through the SET ESG Rating of Sustainable Stock which demonstrating our commitment for continuous sustainability.

Contact us:

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

Disclaimer: Some statements made in this material are forward-looking statements with the relevant assumptions, which are subject to various risks and uncertainties. These include statements with respect to our corporate plans, strategies and beliefs and other statements that are not historical facts. These statements can be identified by the use of forward-looking terminology such as "may", "will", "expect", "anticipate", "intend", "estimate", "continue" "plan" or other similar words. The statements are based on our management's assumptions and beliefs in light of the information currently available to us. These assumptions involve risks and uncertainties which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Please note that the company and executives/staff do not control and cannot guarantee the relevance, timeliness, or accuracy of these statements