

## Executive Summary

In Q2/2025, total revenue decreased compared to Q2/2024; however, the Company was able to maintain and improve its gross profit margin. The business continued to be indirectly affected by the subdued economic conditions following the COVID-19 pandemic, as well as the ongoing war in Europe and the energy crisis. Additionally, both global and domestic economies were further pressured by the recent increase in import tariffs by the United States, resulting in a significant slowdown in economic activity both domestically and internationally.

### Gross Profit Margin Continues to Grow Despite Economic Slowdown

PMC was able to increase its gross profit margin through effective negotiation of raw material costs.

### Ongoing Focus on Sales Growth in Film and Specialty Product Segments

PMC continues to prioritise sales growth in its film and specialty product segments, successfully maintaining a strong sales trajectory in these categories. This has enabled the Company to improve gross profit margins and sustain net profit, as these segments typically yield healthy margins.

### Expanding Growth Base into Essential Consumer Products

PMC is also focusing on increasing sales and expanding its growth base through essential consumer products, particularly those required for daily life.

## Q2/2025 Financial Summary

- Total revenue was THB 198.86 million, with sales revenue of THB 198.25 million, representing a decrease of 10.2% from Q1/2025 and a decrease of 6.4% year-over-year (YoY).
- Gross profit was THB 42.44 million, an increase of 14.0% year-over-year (YoY), but a decrease of 10.2% from Q1/2025. The Company continued to maintain its gross profit margin at 21.4% in Q2/2025.
- EBITDA was THB 23.17 million, a decrease of 21.5% from the previous quarter and a decrease of 9.1% year-over-year (YoY).
- Net profit was THB 11.05 million, a decrease of 29.6% from the previous quarter and a decrease of 8.5% year-over-year (YoY).

## Consolidated Income Statement for Q2/2025

Unit: Million Baht	Quarter					6 Months		
Consolidated Financial Statement	Q2/2025	Q1/2025	Q2/2024	% QoQ	% YoY	6M 2025	6M 2024	% YoY
Revenue from goods and services	198.25	220.78	211.92	(10.2%)	(6.4%)	419.03	432.15	(3.0%)
Gain on exchange rate	-	-	-	--	--	0.00	0.00	--
Other income	0.61	0.29	0.46	110.9%	31.3%	0.89	1.23	(27.6%)
<b>Total Revenue</b>	<b>198.86</b>	<b>221.06</b>	<b>212.38</b>	<b>(10.0%)</b>	<b>(6.4%)</b>	<b>419.92</b>	<b>433.39</b>	<b>(3.1%)</b>
Cost of sales	155.81	173.50	170.06	(10.2%)	(8.4%)	329.31	346.40	(4.9%)
<b>Gross Profit (excluding others)</b>	<b>42.44</b>	<b>47.28</b>	<b>41.86</b>	<b>(10.2%)</b>	<b>1.4%</b>	<b>89.72</b>	<b>85.75</b>	<b>4.6%</b>
Loss on exchange rate	0.71	0.39	0.02	84.0%	3,181.5%	1.10	2.84	(61.3%)
Selling expenses	9.32	9.89	9.28	(5.7%)	0.4%	19.21	19.13	0.4%
Administrative expenses	16.13	14.46	13.97	11.6%	15.5%	30.59	27.67	10.6%
<b>EBITDA</b>	<b>23.17</b>	<b>29.52</b>	<b>25.49</b>	<b>(21.5%)</b>	<b>(9.1%)</b>	<b>52.69</b>	<b>50.28</b>	<b>4.8%</b>
Depreciation	6.29	6.69	6.45	(5.9%)	(2.4%)	12.98	12.92	0.4%
<b>EBIT</b>	<b>16.88</b>	<b>22.83</b>	<b>19.05</b>	<b>(26.1%)</b>	<b>(11.4%)</b>	<b>39.71</b>	<b>37.35</b>	<b>6.3%</b>
Financial cost	2.79	3.16	3.95	(11.8%)	(29.4%)	5.95	7.63	(22.0%)
<b>EBT</b>	<b>14.09</b>	<b>19.67</b>	<b>15.09</b>	<b>(28.4%)</b>	<b>(6.7%)</b>	<b>33.75</b>	<b>29.72</b>	<b>13.6%</b>
Income tax	3.04	3.97	3.02	(23.5%)	0.7%	7.01	5.72	22.5%
<b>Net Profit</b>	<b>11.05</b>	<b>15.70</b>	<b>12.08</b>	<b>(29.6%)</b>	<b>(8.5%)</b>	<b>26.75</b>	<b>24.00</b>	<b>11.4%</b>

## Financial Performance

### Revenue

Sales and service revenue amounted to THB 198.25 million, a decrease of 6.4% compared year-over-year (YoY), primarily due to the ongoing economic slowdown, particularly in international markets.

### Sales & Services Revenue Structure

PMC's main revenue is derived from four key product groups: Paper products, Film products, Specialty label products, and other products. The sales breakdown is as follows: paper products 52%, film products 25%, specialty labels 18%, and other products 5%.

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
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	2.1%	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%
<b>Total Sales</b>	<b>198.25</b>	<b>220.78</b>	<b>211.92</b>	<b>(10.2%)</b>	<b>(6.4%)</b>	<b>419.03</b>	<b>432.15</b>	<b>(3.0%)</b>

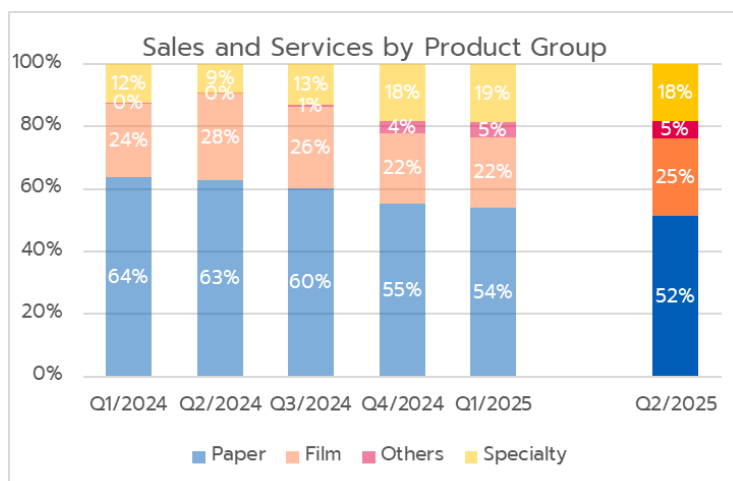
**Paper Labels:** Sales amounted to THB 102.11 million in Q2/2025, a decrease of 14.6% from the previous quarter and a decrease of 18.3% year-over-year (YoY), primarily due to subdued economic conditions, especially in international markets.

**Filmic Labels:** Sales were THB 49.06 million in Q2/2025, representing a decrease of 0.7% from the previous quarter and a decrease of 19.2% year-over-year (YoY).

**Specialty Labels:** Sales of specialty label products amounted to THB 36.26 million in Q2/2025, a decrease of 11.9% from the previous quarter but an increase of 43.4% year-over-year (YoY). This growth was driven by increased demand in 2025 for labels used in specific temperature conditions as well as double-layer adhesive labels.

**Other Products:** "Other products" are categorised as products that do not fall within the other groups of labels mentioned above. This type of product is usually sold in much lower quantities when compared to the other groups of labels.

## PMC Label Materials Public Company Limited Management Discussion & Analysis Q2/2025

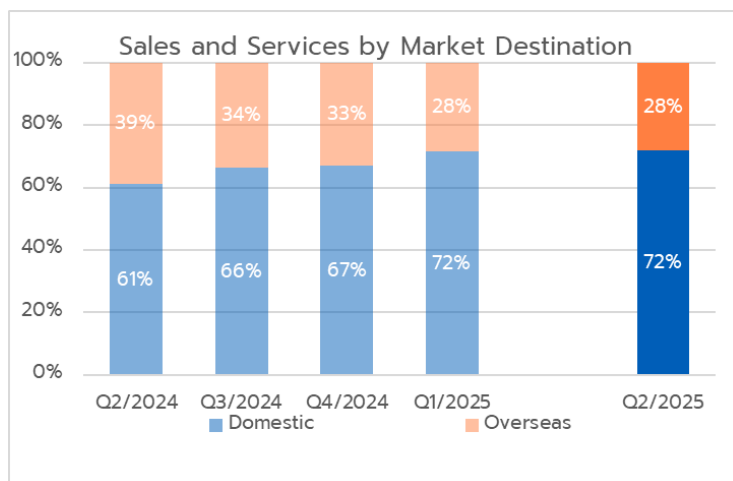


### Revenue Structure by Region

PMC generated 72% of its sales revenue from the domestic market and 28% from international markets in Q2/2025. The proportion of sales in international markets was affected by inflationary pressures and the slowdown resulting from United States trade policy.

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	142.67	158.21	133.39	(9.8%)	7.0%	300.88	281.38	6.9%
Oversea	55.58	62.57	78.53	(11.2%)	(29.2%)	118.15	150.78	(21.6%)
<b>Total Sales</b>	<b>198.25</b>	<b>220.78</b>	<b>211.92</b>	<b>(10.2%)</b>	<b>(6.4%)</b>	<b>419.03</b>	<b>432.15</b>	<b>(3.0%)</b>

Remark: Intercompany transaction Elimination



### Cost of Goods Sold and Gross Profit

Cost of sales in Q2/2025 was THB 155.81 million, a decrease of 10.2% from the previous quarter and a decrease of 8.4% year-over-year (YoY). The gross profit margin was 21.4%, unchanged from the previous quarter.

PMC Label Materials Public Company Limited  
Management Discussion & Analysis Q2/2025

## Operational Expenditure

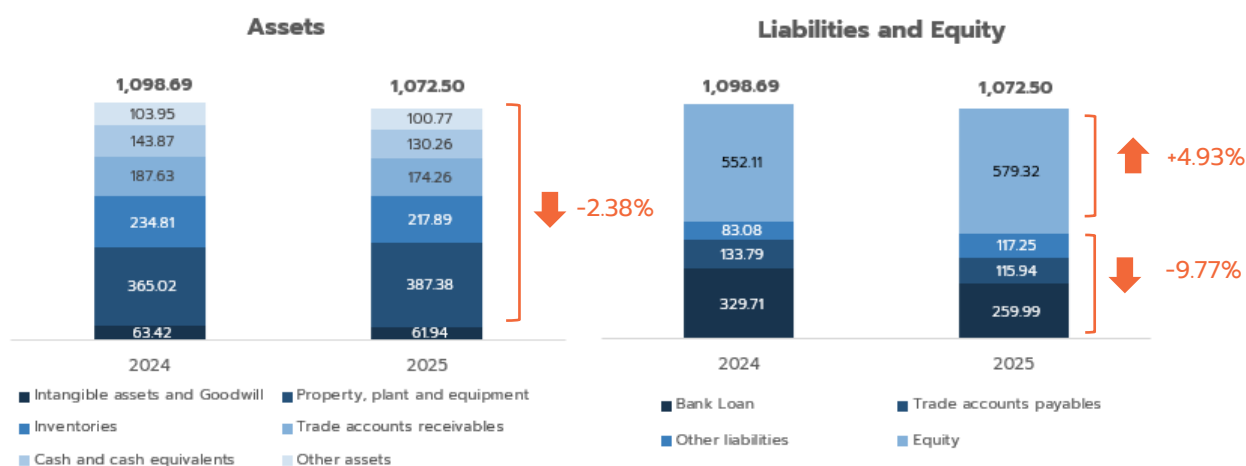
Operating expenses in Q2/2025 amounted to THB 25.5 million, an increase of 9.5% year-over-year (YoY). This was primarily due to provisions for doubtful debts in accordance with TFRS 9, as well as expenses related to the shareholders' meeting. Operating expenses comprised selling expenses of THB 9.32 million and administrative expenses—including net foreign exchange losses—of THB 16.84 million.

## EBITDA & Net Profit

EBITDA for Q2/2025 was THB 23.17 million, a decrease of 21.5% from the previous quarter and a decrease of 9.1% year-over-year (YoY). As a result, net profit for the quarter stood at THB 11.05 million, a decrease of 29.6% from the previous quarter and a decrease of 8.5% from the same quarter last year.

## Statement of Financial Position Q1/2025

Unit: Million Baht



## Assets

Total assets as at Q2/2025 stood at THB 1,072.5 million, a decrease of 2.38% from 2024, mainly due to a reduction in trade receivables and inventories as a result of lower sales compared to Q4/2024.

## Liabilities

Total liabilities as at Q2/2025 were THB 493.18 million, a decrease of 9.77%, primarily due to a reduction in trade payables and both short- and long-term loans previously used for investment in new machinery.

## Equity

Total shareholders' equity as at Q2/2025 was THB 579.32 million, an increase of 4.93% from 2024.

## Business Outlook 2025

Although the Ministry of Finance forecasts GDP growth in the range of 1.8%–2.3%, supported by the recovery in industrial production, stronger-than-expected exports, and robust domestic consumption—particularly driven by countervailing tax policies against the United States and domestic activities—PMC maintains a neutral outlook for the business. This is due to ongoing risks, including lower-than-expected global economic expansion and prolonged geopolitical conflicts. In addition, China, as another major global player, continues to show signs of economic slowdown. These circumstances have prompted PMC to proceed with caution.

Nonetheless, any growth in consumer demand would have a positive impact on the Company's operations.

## Maintaining Revenue and Profit Growth

PMC remains committed to sustaining domestic market growth, while also seeking to expand into international markets where economic conditions remain favourable. The Company continues to focus on maintaining and improving its gross profit margin.

## Cost and Expense Management to Support Gross and Net Profit Growth

PMC is enhancing internal cost management efficiency through improved supply chain processes, including the selection of suitable suppliers, maintaining pricing and product quality, and minimising production waste. These measures aim to support continued growth in both gross profit and net profit.

## Sustainable Development

Looking ahead, the Company has reaffirmed its commitment to sustainable business practices. PMC has renewed its organisational carbon footprint certification from the Thailand Greenhouse Gas Management Organization (Public Organization) and continues to hold product recyclability certification from The Association of Plastic Recyclers, first received in 2022.

The Company recognises the importance of ongoing sustainable product development and remains focused on creating products that incorporate recycled materials and sourcing raw materials from certified sustainable sources.

Contact us:

Email: [ir@pmclabel.com](mailto:ir@pmclabel.com)

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