

Executive Summary

In 2025, PMC Label Materials Public Company Limited experienced a moderation in total revenue during certain periods of the year, in line with the broader economic slowdown both domestically and internationally. Nevertheless, PMC maintained consistent profitability, with net profit continuing to grow year-on-year. This performance was driven by effective cost management, product portfolio optimisation, and a strategic focus on higher gross margin products.

Sustained Growth in Net Profit

PMC successfully improved its gross profit margin on a continuous basis through disciplined cost management, particularly via quarterly fixed-price raw material contracts, which helped mitigate cost volatility. In addition, PMC refined its overseas pricing strategy to better align with prevailing market conditions, while undertaking comprehensive cost reviews and controls across all operational processes. These initiatives enhanced operational efficiency and supported sustained growth in net profit.

Strategic Focus on Film and Specialty Product Segments

PMC has continued to prioritise sales growth in its film-based and specialty product segments. These product groups offer comparatively attractive gross margins and are experiencing rising demand across several industries. As a result of this strategy, PMC has achieved consistent sales growth within these segments, leading to an improvement in overall gross margin and supporting the stability and growth of net profit.

Expanding Growth Platforms and Strengthening Strategic Partnerships for Sustainable Development

Over the past year, PMC has further strengthened its collaboration with key strategic partners to jointly develop new and environmentally friendly products. This includes the careful selection and importation of raw materials sourced from sustainably managed plantation forests. Such partnerships have enabled the Company to broaden its product portfolio and respond effectively to increasing customer demand for sustainable solutions. PMC believes that collaborative product development and the adoption of sustainable raw materials will support long-term growth, while aligning with industry trends and increasingly stringent environmental regulations.

Q4/2025 Financial Summary

- Total revenue amounted to THB 195.06 million, of which THB 192.49 million was derived from sales revenue. This represents a decrease of 6.9% compared to Q3 2025, primarily due to seasonal demand softness and holiday-related factors. Total revenue also declined by 9.8% compared to Q4 2024, mainly attributable to lower sales in both domestic and export markets.
- Gross profit totalled THB 44.32 million, representing an increase of 11.2% year-on-year, supported by continued raw material cost management, a competitive product mix, and favourable exchange rate movements. However, gross profit declined by 9.9% compared to Q3 2025, in line with the seasonal revenue slowdown in Q4 2025.
- EBITDA stood at THB 27.66 million, decreasing by 19.1% quarter-on-quarter, but increasing by 30.8% compared to the same quarter of the previous year.
- Net profit amounted to THB 15.01 million, decreasing by 25.5% from the previous quarter, yet increasing significantly by 65.3% year-on-year, primarily due to continued effective cost management.

12M/2025 Financial Summary

- Total revenue amounted to THB 823.46 million, of which THB 818.32 million was sales revenue, representing a decline of 6.2% compared to the previous year, reflecting softer demand in both domestic and international markets.
- Gross profit totalled THB 183.21 million, an increase of 13.0% year-on-year. Gross profit margin improved to 22.4%, compared to 18.6% in 2024, driven by effective cost management and a strategic shift towards higher-margin products.
- EBITDA amounted to THB 114.55 million, representing an increase of 16.5% year-on-year.
- Net profit totalled THB 61.92 million, an increase of 33.3% compared to 2024.

Consolidated Income Statement 2025

Unit: Million Baht	Quarter					12 Months		
Consolidated Financial Statement	Q4/2025	Q3/2025	Q4/2024	% QoQ	% YoY	YTD 2025	YTD 2024	% YoY
Revenue from goods and services	192.49	206.80	216.01	(6.9%)	(10.9%)	818.32	872.46	(6.2%)
Gain on exchange rate	160	0.52	-	208.0%	--	102	723	(85.9%)
Other income	0.97	2.25	0.35	(56.8%)	177.9%	4.12	2.02	104.3%
Total Revenue	195.06	209.57	216.36	(6.9%)	(9.8%)	823.46	881.71	(6.6%)
Cost of sales	148.18	157.62	176.14	(6.0%)	(15.9%)	635.11	710.27	(10.6%)
Gross Profit (excluding others)	44.32	49.18	39.86	(9.9%)	11.2%	183.21	162.19	13.0%
Loss on exchange rate	-	-	1.05	--	(100.0%)	0.00	0.00	--
Selling expenses	8.94	9.76	10.54	(8.4%)	(15.2%)	37.91	41.48	(8.6%)
Administrative expenses	16.85	14.36	14.02	17.3%	20.2%	61.81	57.10	8.2%
EBITDA	27.66	34.20	21.15	(19.1%)	30.8%	114.55	98.31	16.5%
Depreciation	6.56	6.37	6.55	3.0%	0.3%	25.92	25.46	1.8%
EBIT	21.10	27.83	14.60	(24.2%)	44.5%	88.63	72.86	21.7%
Financial cost	2.70	2.59	3.25	4.4%	(16.9%)	11.25	14.68	(23.4%)
EBT	18.39	25.24	11.35	(27.1%)	62.0%	77.39	58.18	33.0%
Income tax	3.38	5.08	2.27	(33.4%)	48.9%	15.46	11.73	31.9%
Net Profit	15.01	20.16	9.08	(25.5%)	65.3%	61.92	46.45	33.3%

Financial Performance

Revenue

In 2025, the Company recorded revenue from sales and services of THB 818.32 million, representing a decrease of 6.2% compared to 2024. The decline was primarily attributable to the economic slowdown, which led to reduced demand across both domestic and international markets. In addition, the Company faced intensified competition, particularly from manufacturers in China, which adversely affected sales in certain product segments.

Sales & Services Revenue Structure

PMC's sales revenue is generated from the sales of goods from these 4 main product groups: Paper labels, Filmic labels, Specialty labels, and other products. The proportion of sales is as follows: Paper labels at 53%, Filmic labels at 24%, Specialty labels at 19%, and other products at 5%.

Unit: Million Baht	Quarter					12 Months		
Sales and Services by Product Group	Q4/2025	Q3/2025	Q4/2024	% QoQ	% YoY	YTD 2025	YTD 2024	% YoY
Paper	97.15	110.88	119.74	(12.4%)	(18.9%)	429.77	520.26	(17.4%)
Film	47.03	48.76	48.19	(3.5%)	(2.4%)	194.24	219.27	(11.4%)
Others	9.91	5.95	8.60	66.7%	15.3%	37.28	11.29	230.3%
Specialty	38.40	41.22	39.47	(6.8%)	(2.7%)	157.03	121.65	29.1%
Total Sales	192.49	206.80	216.01	(6.9%)	(10.9%)	818.32	872.46	(6.2%)

Paper Labels: Sales in the paper product segment amounted to THB 429.77 million in 2025, representing a decrease of 17.4% compared to 2024. The decline was primarily attributable to intense price competition in the market.

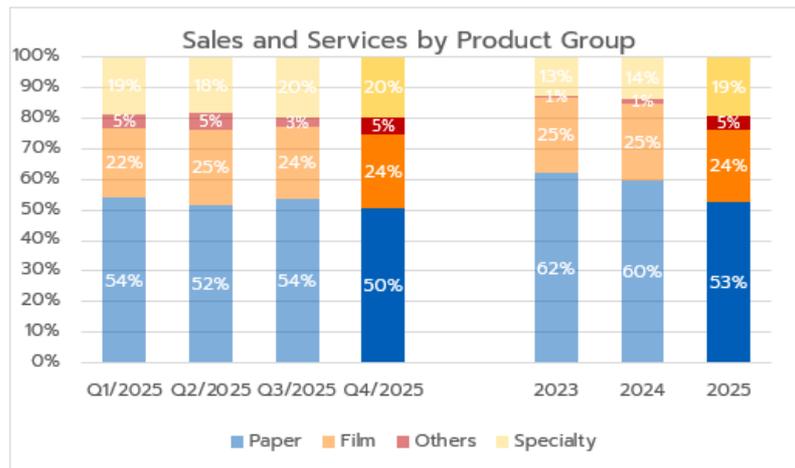
PMC Label Materials Public Company Limited Management Discussion & Analysis 2025

In response, the Company adjusted its strategy to prioritise the preservation of gross margin rather than engaging in aggressive price competition. As a result, sales volume within this segment declined during the year.

Filmic Labels: Sales of film products totalled THB 194.24 million in 2025, a decrease of 11.4% compared to 2024. The reduction was mainly due to a slowdown in export markets, which led to lower demand within this product category.

Specialty Labels: Sales of specialty label products reached THB 157.03 million in 2025, representing an increase of 29.1% compared to 2024. The growth was driven primarily by rising demand for specialised applications, including labels designed for specific temperature conditions, digital printing applications, and removable adhesive labels. This performance aligns with the Company’s strategic focus on expanding higher value-added product segments with attractive margin profiles.

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.



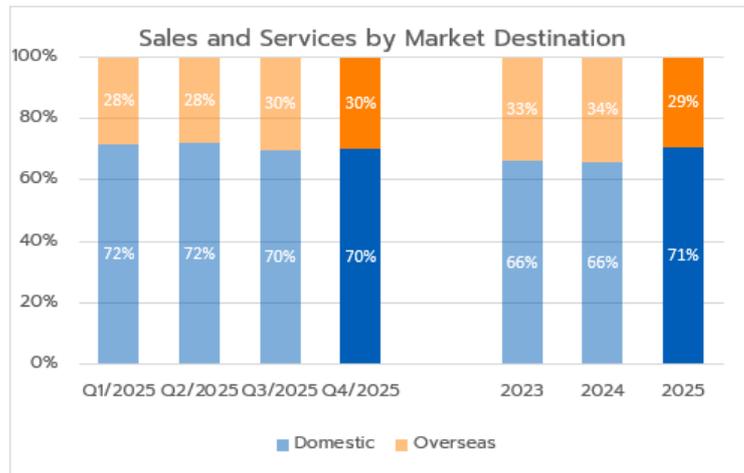
Revenue Structure by Region

PMC’s sales revenue is derived 71% from the domestic market and 29% from international markets, based on total revenue from sales and services. The Company continues to identify opportunities to expand sales in both domestic and overseas markets. In particular, Asia and Oceania present promising growth prospects, supported by sustained demand growth in related industries across these regions.

Unit: Million Baht	Quarter					12 Months		
	Q4/2025	Q3/2025	Q4/2024	% QoQ	% YoY	YTD 2025	YTD 2024	% YoY
Sales & Services by Market Destination								
Domestic	134.76	144.23	144.84	(6.6%)	(7.0%)	579.86	575.31	0.8%
Oversea	57.74	62.58	71.17	(7.7%)	(18.9%)	238.46	297.15	(19.8%)
Total Sales	192.49	206.80	216.01	(6.9%)	(10.9%)	818.32	872.46	(6.2%)

Remark: Intercompany Revenue Elimination

PMC Label Materials Public Company Limited Management Discussion & Analysis 2025



Cost of Goods Sold and Gross Profit

Cost of sales in 2025 amounted to THB 635.11 million, representing a decrease of 10.6% compared to the previous year, in line with the reduction in sales revenue. However, the gross profit margin improved to 22.4%, up from 18.6% in 2024. This improvement was primarily driven by a decline in several key input costs, together with enhanced cost management efficiency across operations.

Operational Expenditure

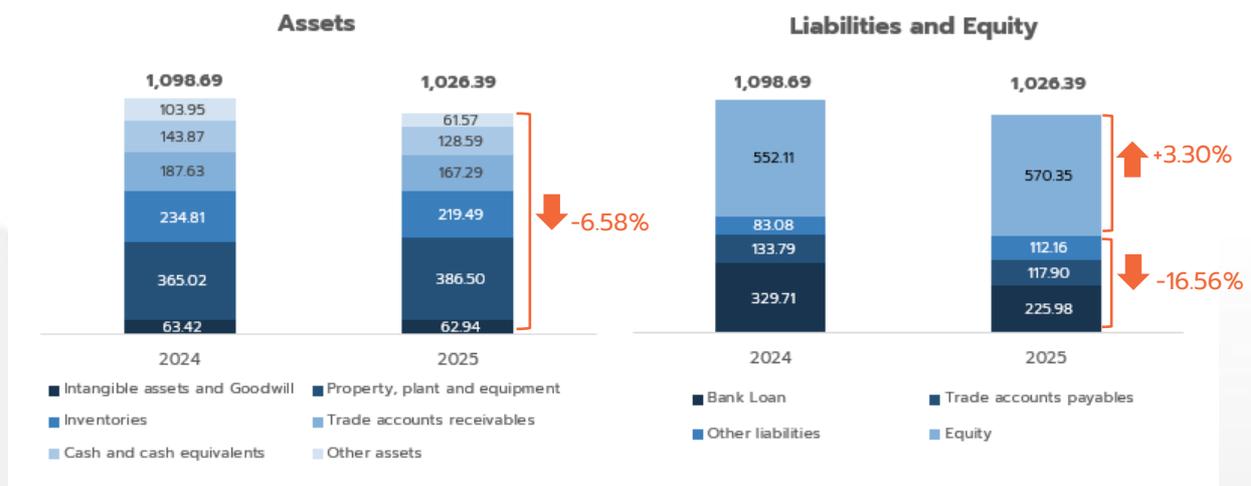
Selling and operating expenses in 2025 totalled THB 99.7 million, representing an increase of 12% compared to 2024. The increase was mainly attributable to higher provisions recognised in accordance with Thai Financial Reporting Standard (TFRS) 9. Operating expenses consist of selling expenses amounting to THB 37.91 million and administrative expenses of THB 61.81 million.

EBITDA & Net Profit

EBITDA for 2025 amounted to THB 114.55 million, an increase of 16.5% compared to the previous year. As a result, the Company's net profit totalled THB 61.92 million, representing growth of 33.3% compared to 2024.

Statement of Financial Position 2025

Unit: Million Baht



PMC Label Materials Public Company Limited Management Discussion & Analysis 2025

Assets

Total assets as at 2025 amounted to THB 1,026.39 million, representing a decrease of 6.58% compared to 2024. The reduction was primarily attributable to a decline in other assets following the fair value adjustment of the Company's investment in Aquapak Hydropolymers in Q3 2025, as well as decreases in trade receivables and inventories.

Liabilities

Total liabilities in 2025 amounted to THB 456.04 million, representing a decrease of 16.56% compared to the previous year. The decline was mainly due to reductions in borrowings and trade payables.

Equity

Total shareholders' equity as at 2025 stood at THB 570.35 million, an increase of 3.30% compared to 2024.

Business Outlook 2025

Based on economic assessments by various government agencies and research institutions, Thailand's economy in 2026 is expected to expand at a moderate pace, supported primarily by domestic consumption and the tourism sector. However, the economy continues to face risks arising from slowing global recovery, volatility in energy costs and exchange rates, and intensified competition within the industrial sector, particularly from manufacturers across Asia.

Under these conditions, the Company anticipates that domestic market demand will remain stable or grow slightly, while international markets are expected to recover gradually, albeit with potential short-term volatility depending on economic conditions in key trading partners.

Accordingly, the Company will continue to focus on maintaining its existing customer base while expanding into higher value-added product segments. Concurrently, it will emphasise disciplined cost and supply chain management in order to preserve profitability and support sustainable long-term growth.

Driving Revenue and Profit Growth

PMC remains committed to maintaining and expanding its domestic customer base, while also pursuing growth opportunities in international markets with favourable economic conditions and growth prospects. The Company continues to place strong emphasis on effective product portfolio management and cost optimisation to sustain and progressively enhance gross profit margins.

Cost and Expense Management to Strengthen Gross and Net Profit

The Company continues to enhance internal cost management efficiency through structured supply chain processes. This includes identifying suitable suppliers, maintaining price competitiveness and product quality, and controlling production waste. These measures are intended to support continued improvement in gross margin and net profit performance.

Sustainable Development

The Company continues to demonstrate its commitment to sustainable business practices. In 2025, PMC renewed its organisational carbon footprint certification with the Thailand Greenhouse Gas Management Organisation (Public Organisation). The Company also maintained its certification for recyclable product manufacturing from The Association of Plastic Recyclers, which it has held since 2022. In 2025, PMC was selected as a constituent of the ESG100 listed securities group and achieved a 5-star corporate governance rating ("Excellent CG Scoring") in its first year following its listing on the Stock Exchange. These recognitions further reaffirm the Company's success in developing sustainable products and enhancing environmental disclosure in line with international standards.

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