



International Research  
Corporation Public Co., Ltd.

0107546000024

IRCP-FA 003/66

May 15, 2023

Subject: Submit Management Discussion and Analysis (MD&A) for Q1/2023 ended March 31,2023

To: The President

The Stock Exchange of Thailand

International Research Corporation Public Company Limited would like to clarify the operating results for the 1st quarter of 2023 ended March 31, 2023, which showed a net loss attributable to the parent company of Baht 5.69 million (loss per share of Baht 0.01) compared to the same quarter of the previous year with a net profit attributable to the parent company of Baht 12.42 million (earnings per share of Baht 0.03) with the following details:

#### **Total revenues**

Total revenues of Q1/2023 amounted to Baht 208.84 million, a decrease of Baht 110.57 million or 34.62% from the same quarter of the previous year. The decrease in revenue was a result of income from system development service in Q1/2023, which decreased by Baht 97.53 million or 59.50% from the same quarter of the previous year. In terms of sales revenue which came from the operating results of subsidiaries in the distribution of IT products for organizations of Baht 136.54 million, a decrease of Baht 12.79 million or 8.57% from the same quarter of the previous year. While other income of Q1/2023 amounted to Baht 4.51 million, an increase of Baht 0.42 million or 10.37% as compared with the same quarter last year.

#### **Total expenses**

Total expenses of Q1/2023 amounted to Baht 205.27 million, a decrease of Baht 94.96 million or 31.63% from the same quarter of the previous year. The cost of system development services, which is the cost of project work in the first quarter of 2023, amounted to Baht 59.62 million, a decrease of 80.45 million baht or 57.43% from the same quarter of the previous year. At the same time, the cost of sales in Q1/2023 amounted to Baht 112.31 million, a decrease of Baht 15.10 million or 11.85% from the same quarter of the previous year. However, the cost of system development services and the cost of sales decreased in line with the decrease in revenue of Q1/2023. Administrative expenses of Q1/2023 amounted to Baht 17.81 million, a decrease of Baht 2.66 million or equivalent to 12.99% from the same quarter of the previous year due to the cost control of the company.

### Financial costs

Finance costs of Q1/2023 amounted to Baht 8.86 million, an increase of Baht 5.38 million or 154.52% due to the cost of issuing convertible debentures. All issued convertible debentures have already been converted into ordinary shares.

### Income tax expense

Income tax expense of Q1/2023 amounted to Baht 0.31 million, a decrease of Baht 2.86 million or 90.32%. This was due to the company had a loss before income tax amounting to Baht 5.29 million in Q1/2023, while there was profit before income tax amounted to Baht 15.70 million in the same quarter of the previous year.

### Statements of Financial Position

Unit: Thousand Baht	31 March 2023	31 December 2022
Current assets	778,046	763,078
Non-current assets	272,083	274,495
<b>Total assets</b>	<b>1,050,129</b>	<b>1,037,573</b>
Current liabilities	434,069	459,487
Non-current liabilities	29,798	45,993
<b>Total liabilities</b>	<b>463,867</b>	<b>505,480</b>
Issued and paid-up share capital	311,741	278,850
Premium on ordinary shares	163,663	134,338
Convertible debentures-capital component	-	2,454
Unappropriated retained earnings	131,464	137,150
Non-controlling interests	(20,606)	(20,699)
<b>Total shareholders' equity</b>	<b>586,262</b>	<b>532,093</b>
<b>Total liabilities and shareholders' equity</b>	<b>1,050,129</b>	<b>1,037,573</b>



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As of March 31, 2023, the Company had cash and cash equivalents of Baht 193.94 million, total assets of Baht 1,050.13 million, total liabilities of Baht 463.87 million, and shareholders' equity of Baht 586.26 million which included unappropriated retained earnings of Baht 131.46 million. Debt to equity ratio was 0.79 times.

Please be informed accordingly.

Yours faithfully,

(Mr. Dan Hetrakul)

Chief Executive Officer