

28 February 2024

Subject: Management's Discussion and Analysis of Operating Results for the twelve-month period ending 31 December 2023

Attention: The President
the Stock Exchange of Thailand

Masterkool International Public Company Limited ("the Company") would like to announce the operating results of the Company and its subsidiaries for the twelve-month period ending 31 December 2023 which has been reviewed in the Board of Directors' Meeting No. 1/2024 arranged on 28 February 2024 as following:

Statement of Financial Position (Consolidated)

Unit: Million Baht

Description	As of			
	31/12/2023	31/12/2022	Changes	%
Assets				
Current assets				
Cash and cash equivalents	72.16	126.28	(54.12)	(42.86%)
Loans to debtors	544.50	363.15	181.35	49.94%
Trade accounts and other receivables	70.74	80.97	(10.23)	(12.63%)
Contract assets	0.75	4.26	(3.51)	(82.39%)
Inventories	120.07	164.78	(44.71)	(27.13%)
Cost of real estate development projects	119.39	34.24	85.15	248.69%
Foreclosed properties	3.40	5.10	(1.70)	(33.33%)
Other current financial assets	111.38	430.44	(319.06)	(74.12%)
Other current assets	55.87	20.85	35.02	167.96%
Total current assets	1,098.27	1,230.07	(131.80)	(10.71%)
Non-current assets				
Deposits at financial institutions pledged as collateral	59.09	66.55	(7.46)	(11.21%)
Investments in associates	36.06	41.78	(5.72)	(13.69%)
Loans to debtors	30.18	22.97	7.21	31.39%

Description	As of			
	31/12/2023	31/12/2022	Changes	%
Investment property	148.88	91.99	56.89	61.84%
Land, building and equipment	275.74	52.95	222.79	420.76%
Land awaiting development	44.66	33.59	11.07	32.96%
License assets	197.73	13.91	183.82	1,321.50%
Assets not used for operations	4.49	-	4.49	-
Non-current financial assets	28.28	-	28.28	-
Intangible assets	2.21	2.25	(0.04)	(1.78%)
Deferred tax assets	1.73	0.18	1.55	861.11%
Non-current assets	26.66	2.42	24.24	1,001.65%
Total current assets	855.71	328.59	527.12	160.42%
Total assets	1,953.98	1,558.66	395.32	25.36%
Liabilities and equity				
Current liabilities				
Bank overdrafts and short-term loan from financial institutions	37.96	20.93	17.03	81.37%
Trade and other current payables	80.52	69.45	11.07	15.94%
Liabilities arising from current contracts	4.31	5.72	(1.41)	(24.65%)
Liabilities under the lease agreement due within one year	83.33	5.21	78.12	1,499.42%
Short-term loans	30.00	20.00	10.00	50.00%
Provision for warranty	3.69	3.07	0.62	20.20%
Accrued corporate income Tax	3.02	0.29	2.73	941.38%
Other current financial liabilities	1.53	1.35	0.18	13.33%
Other current liabilities	1.84	-	1.84	-
Total current liabilities	246.21	126.02	120.19	95.37%
Non-current liabilities				
Liabilities arising from non-current contracts	20.00	1.53	18.47	1,207.19%
Lease liabilities	135.04	8.79	126.25	1,436.29%
Non-current debt estimates for employee benefits	38.10	14.81	23.29	157.26%
Deferred tax liabilities	38.69	16.74	20.38	131.12%
Total non - current liabilities	231.83	41.87	189.96	453.69%

Description	As of			
	31/12/2023	31/12/2022	Changes	%
Total liabilities	478.04	167.89	310.15	184.73%
Share capital	750.00	750.00	-	-
Issued and paid-up share capital	618.07	618.07	-	-
Treasury stock	(32.03)	-	(32.03)	-
Share premium	724.23	724.23	-	-
Surplus on share-based payment transactions	3.06	3.06	-	-
Appropriated to legal reserve	5.40	3.40	2.00	58.82%
Treasury stock reserve	32.03	-	32.03	-
Unappropriated	60.43	40.52	19.91	49.14%
Total shareholders' equity of parent company	1,411.19	1,389.28	21.91	1.58%
Non-controlling interests	64.75	1.49	63.26	4,245.64%
Total shareholders' equity	1,475.94	1,390.77	85.17	6.12%
Total liabilities and shareholders' equity	1,953.98	1,558.66	395.32	25.36%

Details of significant changes are as follows

1. The cost of real estate development projects has increased due to using land to develop and buying real estate to develop and sell
2. Other current financial assets decreased due to withdrawing short-term deposits from financial institutions to invest.
3. Other current assets increased due to deposits for goods purchased from abroad.
4. Land, building and equipment and license assets increased.
5. Non-current assets increased Invest in mutual funds
6. Lease liabilities increased due to consolidation of financial statements of CL Lease Limited.
7. Non-current debt estimates for employee benefits increased due to consolidation of financial statements of CL Lease Limited
8. The Company repurchased shares in the amount of 32.03 million baht, which was deducted from shareholders' equity and retained earnings.

9. Shareholders' equity increased due to net profit for the 12-month period of 2023, deducted from share repurchase money and dividends paid.
10. Non-controlling interests increased due to the equity of shareholders who do not have control over CL Lease Limited

Income Statement Consolidated

Unit: Million Baht

Description	Jan. - Dec. 2023	Jan. - Dec. 2022	Changes	%
Sales revenue	290.56	345.09	(54.53)	(15.80%)
Service revenue	173.05	173.47	(0.42)	(0.24%)
Interest income	53.20	45.18	8.02	17.75%
Other income	7.72	10.91	(3.19)	(29.24%)
Total revenues	524.53	574.65	(50.12)	(8.72%)
Cost of sales	215.17	288.01	(72.84)	(25.29%)
Cost of services	116.68	133.54	(16.86)	(12.63%)
Selling expenses	63.57	63.20	0.37	0.59%
Administrative expenses	100.41	53.86	46.55	86.43%
Total expenses	495.83	538.61	(42.78)	(7.94%)
Profit (loss) from operating activities	28.71	36.04	(7.33)	(20.34%)
Financial cost	(6.81)	(6.14)	(0.67)	(10.91%)
Reversal of (impairment loss) determine in accordance with TFRS9	(4.80)	(0.76)	(4.04)	(531.58%)
Share of profit (loss) from investment in JV	(5.71)	10.24	(15.95)	(155.76%)
Profit from buying at a price below fair value	55.92	0.18	55.74	30,966.67%
Profit (loss) before income tax	67.30	39.56	27.74	70.12%
Tax expense	3.08	1.35	1.73	128.15%
Profit (loss) for the period	70.39	40.91	29.48	72.06%

Details of significant changes are as follows

1. Sales revenue is the sale of products in the Evaporative fan group which decreased by 16 percent due to the foreign sales segment which is the main customer in Europe have decreased orders and in the past, we were unable to find new customers to compensate for the lost income.

2. Administrative expenses increased due to consolidation of financial statements of CL Lease Limited
3. Profit from buying at a price below fair value the difference between the fair value of the ordinary shares of CL Lease Limited that the Company purchased and the cost that the Company acquired.

Please be informed accordingly

Sincerely yours,

-Noppachai Veeraman-

(Mr. Noppachai Veeraman)

Managing Director