

No. B8-2024-0037

February 27, 2024

RE: Management Discussion and Analysis For the period ended December 31, 2023

TO: President

The Stock Exchange of Thailand

Beryl 8 Plus Public Company Limited and its subsidiaries (“the Group”) would like to summarize the Financial Performance for the period ended December 31, 2023 as below:

Key accounting factor impact the operating performance of Y2023

1. Due to the investment in subsidiaries and associates during Y2022 and Y2023 and referring to Thai Financial Reporting Standards No. 3 Business Combinations determine that the acquirer shall complete the Purchase Price Allocation (“PPA”) within 1 year after the acquisition date. The company completed the PPA in quarter 4/2023 and recorded the fair value of the acquired assets, separately recognised goodwill at Baht 1,745.97 Million and intangible assets at Baht 166.47 million. The company also recorded the amortization of the intangible assets (net with deferred tax liabilities) at Baht 17.81 million.
2. Due to the increasing interest rate of the Bank of Thailand during Y2023 and referring to the Thai Financial Reporting Standards No. 9 Financial Instruments, the company has to measure the fair value of the contract assets from one of the giant projects which result in the reduction of the other income in Baht 10.11 million.

However, the above 2 factors are the accounting treatment which does not impact cash reduction. If exclude the theses 2 factors, the net profit of Y2023 shall be Baht 278.16 million which is increasing from Y2022 at Baht 139.55 million or equivalent to 100.67%

Unit : Million Baht

Impact from accounting treatment	12M	12M	Change	
	2023	2022	M THB	%
Profit for the period	250.24	138.61	111.63	80.53
Amortization & DTL from PPA	17.81	0.00	17.81	100.00
Impact from financial instruments	10.11	0.00	10.11	100.00
Profit prior to amortization	278.16	138.61	139.55	100.67

Financial Performance

Unit : Million Baht

Consolidated financial performance	12M		Change		Q4		Change		Q4		Change	
	2023	2022	M THB	%	2023	2023	M THB	%	2022	M THB	%	
Revenues												
Service income	2,409.35	804.72	1,604.63	199.40	617.18	574.95	42.23	7.34	336.56	280.62	83.38	
Other income	18.15	6.25	11.90	190.40	(4.30)	5.96	(10.26)	(172.15)	2.96	(7.26)	(245.27)	
Total revenues	2,427.50	810.97	1,616.53	199.33	612.88	580.91	31.97	5.50	339.52	273.36	80.51	
Expenses												
Cost of services	(1,766.67)	(494.45)	(1,272.22)	257.30	(457.28)	(405.09)	(52.19)	12.88	(218.76)	(238.52)	(109.03)	
Selling expenses	(127.47)	(59.72)	(67.75)	113.45	(36.86)	(33.52)	(3.34)	9.96	(19.34)	(17.52)	(90.59)	
Administrative expenses	(219.87)	(107.85)	(112.02)	103.86	(60.22)	(52.08)	(8.14)	15.63	(43.69)	(16.53)	(37.83)	
Operating profit	313.49	148.94	164.55	110.48	58.52	90.22	(31.70)	(35.14)	57.73	0.79	1.37	
Share of profit (loss) from												
investment in associate	0.09	0.00	0.09	100.00	(0.12)	1.72	(1.84)	(106.98)	0.00	(0.12)	0.00	
Financial cost	(31.51)	(4.40)	(27.11)	616.14	(8.59)	(7.05)	(1.54)	21.84	(2.32)	(6.27)	(270.26)	
Profit before income tax	282.07	144.54	137.53	95.15	49.81	84.89	(35.08)	(41.32)	55.41	(5.60)	(10.11)	
Income tax	(31.83)	(5.93)	(25.90)	436.76	(1.98)	(8.31)	6.33	(76.17)	(5.72)	3.74	65.38	
Profit for the period	250.24	138.61	111.63	80.53	47.83	76.58	(28.75)	(37.54)	49.69	(1.86)	(3.74)	
Equity holders of the Company	244.39	138.61	105.78	76.31	36.91	74.27	(37.36)	(50.30)	49.69	(12.78)	(25.72)	

Revenue breakdown by service type are as below:

Unit : Million Baht

Revenue by service type	12M		Change		Q4		Change		Q4		Change	
	2023	2022	M THB	%	2023	2023	M THB	%	2022	M THB	%	
1. Strategy and Technology Consulting	1,098.50	400.54	697.96	174.26	303.90	208.17	95.73	45.99	115.32	188.58	163.53	
2. Technology Service												
2.1 License and Subscription	740.48	233.51	506.97	217.11	171.47	221.30	(49.83)	(22.52)	127.83	43.64	34.14	
2.2 Support and Maintenance and	570.37	170.67	399.70	234.19	141.81	145.48	(3.67)	(2.52)	93.41	48.40	51.81	

Unit : Million Baht

Revenue by service type	12M	12M	Change		Q4	Q3	Change		Q4	Change		
	2023	2022	M THB	%	2023	2023	M THB	%	2022	M THB	%	
Managed Service												
Total Service Income	2,409.35	804.72	1,604.63	199.40	617.18	574.95	42.23	7.34	336.56	(329.22)	(97.82)	

Unit : Million Baht

Consolidated financial performance	12M	12M	Change		Q4	Q3	Change		Q4	Change		
	2023	2022	M THB	%	2023	2023	M THB	%	2022	M THB	%	
Revenues												
Service income	2,409.35	804.72	1,604.63	199.40	617.18	574.95	42.23	7.34	336.56	280.62	83.38	
Other income	18.15	6.25	11.90	190.40	(4.30)	5.96	(10.26)	(172.15)	2.96	(7.26)	(245.27)	
Total revenues	2,427.50	810.97	1,616.53	199.33	612.88	580.91	31.97	5.50	339.52	273.36	80.51	
Expenses												
Cost of services	(1,766.67)	(494.45)	(1,272.22)	257.30	(457.28)	(405.09)	(52.19)	12.88	(218.76)	(238.52)	(109.03)	
Selling expenses	(127.47)	(59.72)	(67.75)	113.45	(36.86)	(33.52)	(3.34)	9.96	(19.34)	(17.52)	(90.59)	
Administrative expenses	(219.87)	(107.85)	(112.02)	103.86	(60.22)	(52.08)	(8.14)	15.63	(43.69)	(16.53)	(37.83)	
Operating profit	313.49	148.94	164.55	110.48	58.52	90.22	(31.70)	(35.14)	57.73	0.79	1.37	
Share of profit (loss) from												
investment in associate	0.09	0.00	0.09	100.00	(0.12)	1.72	(1.84)	(106.98)	0.00	(0.12)	0.00	
Financial cost	(31.51)	(4.40)	(27.11)	616.14	(8.59)	(7.05)	(1.54)	21.84	(2.32)	(6.27)	(270.26)	
Profit before income tax	282.07	144.54	137.53	95.15	49.81	84.89	(35.08)	(41.32)	55.41	(5.60)	(10.11)	
Income tax	(31.83)	(5.93)	(25.90)	436.76	(1.98)	(8.31)	6.33	(76.17)	(5.72)	3.74	65.38	
Profit for the period	250.24	138.61	111.63	80.53	47.83	76.58	(28.75)	(37.54)	49.69	(1.86)	(3.74)	
Equity holders of the												
Company	244.39	138.61	105.78	76.31	36.91	74.27	(37.36)	(50.30)	49.69	(12.78)	(25.72)	

Financial performance summary of Y2023 compare to Y2022

For Y2023, the revenue from sales and services amounted to Baht 2,409.35 million, increased by Baht 1,604.63 million or 199.40% from last year. This is mainly due to the following reasons:

1. Due to the high demand to pursue the digital transformation and investment in new innovation, new technology, digital marketing, big data analysis and cyber security to increase the competitiveness of our clients.
2. Due to the investment in the subsidiaries and associates to support the high demand of the clients in multiple industries together with the integration synergy of the Group.

Name	Time	%
Extend IT Resources Co., Ltd.	Q3/2565	100%
Bay Computing Public Company Limited	Q4/2565	100%
<i>**existing name : Bay Computing Co., Ltd.</i>		
Vanilla and Friend Co., Ltd.	Q1/2566	51%
Reconix Co., Ltd.	Q1/2566	70%
Techsauce Media Co., Ltd.	Q1/2566	20%
ECOX Co., Ltd.	Q2/2566	50%
Origin BE8 Co., Ltd.	Q3/2566	30%

For Y2023 the net profit amounted Baht 250.24 million increasing Baht 111.63 million or 80.53% from last quarter. The increase of net profit is mainly from the increasing revenue, economy of scale for administrative expenses.

There are 2 transactions under the other comprehensive income amount Baht 11.38 million which are accounting records and not impact to cash as below:

1. Impairment of other long-term financial assets - net of income tax at Baht 9.99 million.
2. Actuarial loss - net of income tax at Baht 1.38 million.

Statement of Financial Position

Unit : Million Baht

Statement of financial position	December 31,	December 31,	Change	
	2023	2022	M THB	%
ASSETS				
Current Assets				
Cash and cash equivalents	154.51	122.69	31.82	25.94
Investment in fixed income fund	130.27	140.94	(10.67)	(7.57)
Trade and other receivables	336.95	362.74	(25.79)	(7.11)
Inventories	1.47	19.01	(17.54)	(92.27)
Contracts assets	595.86	485.80	110.06	22.66
Advance payments for services	259.77	295.11	(35.34)	(11.98)
Other current assets	30.65	40.45	(9.80)	(24.23)
Total current assets	1,509.48	1,466.74	42.74	2.91
Non-current assets				
Restricted bank deposit	62.94	56.18	6.76	12.03
Investments in subsidiaries	0.00	0.00	0.00	0.00
Investments in associate	23.71	1.64	22.07	1,345.73
Investments in joint venture	0.49	0.00	0.49	0.00
Contracts assets - Non current	317.02	299.91	17.11	5.71
Other non-current financial assets	0.00	0.00	0.00	0.00
Land, Leasehold improvement and equipment	65.69	67.64	(1.95)	(2.88)
Intangible assets	169.89	183.97	(14.08)	(7.65)
Goodwill	1,745.97	1,736.49	9.48	0.55
Deferred tax assets	29.32	24.68	4.64	18.80
Right-of-use assets	51.39	65.28	(13.89)	(21.28)

Unit : Million Baht

Statement of financial position	December 31,	December 31,	Change	
	2023	2022	M THB	%
Tax refundable	0.00	0.00	0.00	0.00
Other non-current assets	12.73	20.26	(7.53)	(37.17)
Total non-current assets	2,479.15	2,456.05	23.10	0.94
Total assets	3,988.63	3,922.79	65.84	1.68
Liabilities and shareholders' equity				
Current liabilities				
OD and short term loan	294.44	247.43	47.01	19.00
Trade and other payables	276.70	352.64	(75.94)	(21.53)
Current portion of lease liabilities	17.67	16.72	0.95	5.68
Current portion of long term loan	63.53	75.65	(12.12)	(16.02)
Contracts liabilities	277.45	335.22	(57.77)	(17.23)
Income tax payables	1.63	4.87	(3.24)	(66.53)
Other current liabilities	37.55	29.14	8.41	28.86
Total current liabilities	968.97	1,061.67	(92.70)	(8.73)
Non-current liabilities				
Lease liabilities, net of current portion	36.43	50.76	(14.33)	(28.23)
Long term loan, net of current portion	94.05	173.61	(79.56)	(45.83)
Provision for long-term employee benefits	52.84	40.87	11.97	29.29
Deferred tax liabilities	29.13	33.59	(4.46)	(13.28)
Other non-current liabilities	7.56	9.23	(1.67)	(18.09)
Total non-current liabilities	220.01	308.06	(88.05)	(28.58)
Total liabilities	1,188.98	1,369.73	(180.75)	(13.20)
Issued and fully paid up capital	132.35	120.33	12.02	9.99

Unit : Million Baht

Statement of financial position	December 31,	December 31,	Change	
	2023	2022	M THB	%
Share premium	2,267.68	2,267.68	0.00	0.00
Appropriated-statutory reserve	13.24	12.10	1.14	9.42
Unappropriated	381.57	152.92	228.65	149.52
Other components of shareholders' equity	(10.12)	0.03	(10.15)	(33,833.33)
Total shareholders' equity	2,784.72	2,553.06	231.66	9.07
Non-controlling interests	14.93	0	14.93	0.00
Total shareholders' equity	2,799.65	2,553.06	246.59	9.66
Total liabilities and shareholders' equity	3,988.63	3,922.79	65.84	1.68

Total Assets

As of December 31, 2023 and December 31, 2022, total assets of the Group amounted to Baht 3,988.63 million and Baht 3,922.79 million, respectively. Total assets increased by Baht 65.84 million from the below:

1. Increase in account receivable and contract asset amounting to Baht 83.84 million.
2. Increase in cash and bank account of Baht 21.15 million.
3. Increase in investment in associates and joint ventures of Baht 22.56 million.
4. Increase in goodwill from the investment in Vanilla and Friends Ltd, and Reconix Co.,Ltd. which amounting to Baht 9.48 million

Details of trade and other receivables as below:

Unit : Million Baht

Trade and Other Receivables	December 31,	December 31,
	2023	2022
Trade receivables - related parties	0.00	0.00
Trade receivables - unrelated parties	345.82	402.51

Unit : Million Baht

Trade and Other Receivables	December 31, 2023	December 31, 2022
Total trade receivables	345.82	402.51
Allowance for expected credit losses	(43.33)	(46.65)
Total trade receivables - net	302.49	355.86
Total trade and other receivables - net	336.95	362.74

Unit : Million Baht

Trade Receivables by Age	December 31, 2023	December 31, 2022
Not yet due	190.71	216.35
Past due		
Up to 3 months	95.43	64.25
3 - 6 months	11.71	71.79
6 - 12 months	2.50	1.31
Over 12 months	45.47	48.81
Total trade receivables	345.82	402.51
Allowance for expected credit losses	(43.33)	(46.65)
Total trade receivables - net	302.49	355.86

The Group realized that the significant proportion of goodwill to total assets is very important and might impact the financial performance of the Group. The mechanism to monitor the subsidiary is established to ensure the financial performance of the subsidiaries are continuously reached to the target.

Total Liabilities

As of December 31, 2023 and December 31, 2022, total liabilities of the Group Baht 1,187.97 million and Baht 1,369.73 million, total liabilities decreased Baht 180.75 million from the loan repayment of the subsidiary of the Company. The detail of trade and other payables as below:

Unit : Million Baht

Trade and Other Payables	December 31, 2023	December 31, 2022
Trade payables - unrelated parties	102.83	136.42
Trade payables - related parties	0.00	16.78
Other payables - unrelated parties	0.26	0.05
Other payables - related parties	19.47	38.73
Accrued expenses	154.14	160.66
Total trade and other payables	276.70	352.64

Equities

As of December 31, 2023 and December 31, 2022, the shareholders' equity was Baht 2,799.65 million and Baht 2,553.06 million, respectively. Shareholders' equity increased Baht 246.59 million or 9.66% from the net profit from operation.

Sincerely yours,

(MR. Apisek Tewinpagti)

Chief Executive Officer

Beryl 8 Plus Public Company Limited

Authorized Person to Disclose Information