



บริษัท สยามโกลบอลเฮ้าส์ จำกัด (มหาชน)

SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED

**Siam Global House Public Company Limited
Management Discussion and Analysis
Operating results as at 31 March 2024**

As at 31 March 2024, the Company had 84 operating stores that increased from the same period of 2023 by 6 stores. The Company's performance for the first quarter 2024 compared with the same period of last year, the net profit (separate financial statements) is Baht 675.32 million that decrease by Baht 168.32 million or decreased 19.95%. And include share of profit of joint venture from Global House International Co., Ltd and investment in subsidiaries, the Company has net profit of consolidated financial statements is Baht 723.59 million that decrease by Baht 162.66 million or decreased 18.35%. Due to the decrease in sales in line with competitive business conditions and the economic slowdown conditions. The summary of operation results of consolidated financial statements as follows.

Unit: million baht.

Transaction	The First Quarter				% of Net Sales	
	2024	2023	Increase / (Decrease)	Change	2024	2023
Sales Revenue	8,767.43	8,933.42	(165.99)	(1.86) %	100.00	100.00
Other income	212.67	170.45	42.23	24.77%	2.43	1.91
Total revenues	8,980.11	9,103.87	(123.76)	(1.36) %	102.43	101.91
Cost of sales	6,577.56	6,695.63	(118.07)	(1.76) %	75.02	74.95
Gross profit	2,189.87	2,237.79	(47.92)	(2.14) %	24.98	25.05
Distribution costs & Administrative expenses <i>(exclude Depreciation, Unrealized gain(loss) on exchange rate, and Unrealized gain(loss) from current investments)</i>	1,139.07	991.94	147.12	14.83%	12.99	11.10
Depreciation	325.21	287.58	37.63	13.08%	3.71	3.22
Unrealized gain(loss) on exchange rate	(1.22)	0.37	(1.59)	(433.77) %	0.01	0.00
Net profit before share of profit of joint venture	672.93	850.83	(177.90)	(20.91) %	7.67	9.52
Share of profit of joint venture	50.66	35.42	15.24	43.01%	0.58	0.40
Net Profit	723.59	886.25	(162.66)	(18.35) %	8.25	9.92
EBITDA	1,315.10	1,446.60	(131.50)	(9.09) %	15.00	16.19

Profit & Loss Analysis

The Company's net profit for the first quarter of 2024 was Baht 723.59 million that decrease by Baht 162.66 million or decreased 18.35% compared with the same period of 2023, and equal to 8.25% of sales amount. The main reasons are as follows:

- 1) Total revenues for the first quarter of 2024 were baht 8,980.11 million that decrease from the same period of 2023 by Baht 123.76 million or 1.36% which comprise of the following;
 - Sales Revenue was Baht 8,767.43 million, decreased by Baht 165.98 million or decreased 1.86% due to the decrease of sales amount.
 - Other income was Baht 212.67 million, increased by Baht 42.23 million or increased 24.77%. Due to the increase of revenue from warehouse management and sales promotion revenues receiving from the vendors.
- 2) Gross profit for the first quarter of 2024 was Baht 2,189.87 million that decreased from the same period of 2023 of Baht 47.92 million or decreased 2.14% followed in decreased sales and representing 24.98% of sale revenues.
- 3) Distribution costs & Administrative expenses (exclude depreciation, Unrealized gain (loss) on exchange rate, and unrealized gain (loss) on current investment) for the first quarter of 2024 was Baht 1,139.07 million which increase of Baht 147.12 million or 14.83% from the same period of 2023, these expenses represented 12.99% of the sales amount. It was mainly driven by the increase of salary expenses of new 6 stores.
- 4) Financial cost for the first quarter of 2024 was Baht 86.03 million which increased by Baht 22.25 million or 34.88% from the same period of 2023, due to the interest rate hike on financial institutions' loans.
- 5) Income tax expenses for the first quarter of 2024 was Baht 178.89 million which decrease of Baht 30.45 million or decreased 14.55% from the same period of 2023. This was due to the decrease of earnings before tax.
- 6) EBITDA for the first quarter of 2024 was Baht 1,315.10 million which decreased from the same period of 2023 by Baht 131.50 million or decreased 9.09% due to the decrease of total revenue.

Financial Positions Analysis

As at 31 March 2024, total assets of the Company were Baht 40,767.36 million that almost comprise of cash and cash equivalents were Baht 1,949.57 million, trade and other accounts receivables were Baht 708.84 million, merchandises were Baht 14,560.51 million, investment in joint venture Baht 2,023.06 million and property plant and equipment were Baht 18,893.31 million and right-of-use assets were Baht 1,204.47 million.

The total assets increased by Baht 1,709.47 million, representing 4.38% increase from 31 December 2023, due to increases in cash and cash equivalents of Baht 896.87 million, merchandises of Baht 522.14 million, investments in debt securities of Baht 100.00 million, property plant and equipment of Baht 89.61 million, and deferred tax assets of Baht 184.29 million.

Total liabilities were Baht 16,437.93 million which increase of Baht 927.24 million or 5.98% from 31 December 2023. The main liabilities are short-term loans from financial institutions of Baht 8,488.96 million, trade and other accounts payables of Baht 3,278.19 million, long term loans of Baht 2,707.90 million, finance lease liabilities of Baht 1,173.85 million. Total shareholders' equity was Baht 24,329.44 million, an increase of Baht 782.23 million or equal to 3.32% from 31 December 2023.



Cash Flows Analysis

The first quarter of 2024, the Company had net cash provided by operating activities of Baht 1,116.88 million, decrease of Baht 2,245.36 million from 31 December 2023, net cash used in investing activities of Baht 441.84 million that are mostly from purchases of the property plant and equipment of Baht 494.65 million and increase in investment in debt security of Baht 100.00 million. Net cash provided by financing activities of Baht 209.04 million, mostly from increase in short-term loans from financial institutions of Baht 863.14 million, which effected cash and cash equivalents at 31 March 2024 were equal to Baht 1,949.57 million.

Key Financial Ratios

Financial Ratios	31 March 2024	31 December 2023
Current Ratio	1.25	1.22
Debt to Equity Ratio	0.67	0.66

- Current Ratio for the first quarter of the year 2024 was equal to 1.25 times, which increased from the year ended 2023, due to the Company has made the repayment of long-term loans due within one year to financial institutions.
- Debt to Equity Ratio for the first quarter of 2024 was 0.67 times, decreased from the year ended 2023 due to the Company has made the repayment of long-term loans on due to financial institutions.

Please be informed accordingly.

Sincerely yours

Mr. Witoon Suriyawanakul
Chief Executive Officer
Siam Global House Public Company Limited