



บริษัท เทอร์ไบต์ พลัส จำกัด (มหาชน)

Terabyte Plus Public Co., Ltd.

เลขที่ 230 อาคารซี เอส ทาวเวอร์ ชั้น 12 ถนนรัชดาภิเษก แขวงห้วยขวาง เขตห้วยขวาง กรุงเทพฯ 10310

โทรศัพท์: 02-692-8731-4 แฟกซ์: 02-692-8738 เว็บไซต์: <http://www.terabyteplus.com>

April 23, 2024

Subject: Management Discussion and Analyst for the year ended December 31, 2023

To: President
The Stock Exchange of Thailand

According to Terabyte Plus Public Company Limited ("the Company") had submitted the financial statements for year ended December 31, 2023, which audited by a certified public accountant to the Stock Exchange of Thailand. In 2023, The Company had a net profit of THB 28.96 million, an increasing of THB 3.17 million or 12.29% compared to 2022, with a net profit margin of 4.79% which increases from year 2024 that had a net profit margin of 4.61%. The change in operating results are as follows:

Summary of Operating Performance

Income Statement	Year 2022 (Jan - Dec)		Year 2023 (Jan - Dec)	
	THB Million	%	THB Million	%
Revenue from Sale	309.99	55.83%	300.89	50.19%
Revenue from Services	245.30	44.17%	298.57	49.81%
Total Revenue from Sale and Service	555.29	100.00%	599.46	100.00%
Cost of Sale	261.66	47.12%	255.22	42.57%
Cost of Service	170.41	30.69%	207.34	34.59%
Total Cost of Sale and Service	432.07	77.81%	462.56	77.16%
Gross Profit from Operating	123.22	22.19%	136.90	22.84%
Other Revenue	4.70	0.85%	4.63	0.77%
Gross Profit	127.92	23.04%	141.53	23.61%
Selling Expense	47.38	8.53%	42.63	7.11%
Administrative Expense	47.08	8.48%	61.41	10.24%
Profit (loss) before financial cost and tax	33.46	6.03%	37.49	6.26%
Financial Cost	1.04	0.19%	1.47	0.25%
Profit (loss) before tax	32.42	5.84%	36.02	6.01%
Income Tax	6.63	1.20%	7.06	1.18%
Net Profit	25.79	4.64%	28.96	4.83%

Remark:

- Other incomes consist of profits from Marked to Market on financial instruments, profits from selling assets, interest receive, provident funds received from employees' resignations, supporting recruitment subventions, etc.
- The proportion data in the above table shows common size which is calculated on a base of 100 from revenue form sale and services.

Revenue Structure

Revenue Structure by Product Type	Year 2022		Year 2023	
	THB million	%	THB million	%
Revenue from sales	309.99	55.36%	300.89	49.81%
Revenue from services	245.30	43.80%	298.57	49.42%
<i>Cloud services</i>	80.18	14.32%	106.81	17.68%
<i>Maintenance Agreement Services (M/A)</i>	63.44	11.33%	65.19	10.79%
<i>Software services</i>	46.61	8.32%	55.52	9.19%
<i>Installation services</i>	29.57	5.28%	48.00	7.95%
<i>Software SKF services</i>	15.10	2.70%	13.62	2.25%
<i>T.Support and T.Support Plus services</i>	5.97	1.07%	9.43	1.56%
<i>Data Analytics services</i>	4.44	0.79%	0.00	0.00%
Total revenue from sales and services	555.29	99.16%	599.46	99.23%
Other incomes	4.69	0.84%	4.63	0.77%
Total revenue	559.98	100.00%	604.09	100.00%

(1) Revenue from Sales

In 2023, the Company generates THB 9.10 million or 2.94% less revenue from sales than the previous year, which is due to in the year 2022, the Company has taken on a project from a private sector company, which is a project that has high-selling value of On-Premise Hardware. However, in 2022, the Company has not taken any high-value project comparable to the previous year.

(2) Revenue from Services

In 2023, the Company generates THB 53.27 million or 21.72% more revenue from services than the previous year because 1) the revenue from Cloud increases THB 26.64 million due to the existing customers re-contracting and the increase of new customers wanting to use Cloud system (T.Cloud and Public Cloud); 2) the revenue from M/A increases THB 2.72 million, which is consistent to the constant increase of the number of customers who purchase the On-Premise Hardware, resulting in the Company being able to sell more M/A; 3) the revenue from software increases THB 8.91 million due to the existing and new customers buying more License Software; and 4) revenue from installation increases THB 18.43 million due to the Company has taken on an installation project from a major customer in the year 2023.

(3) Other incomes

Other incomes consist of profits from Marked to Market on financial instruments, profits from selling assets, interest receive, provident funds received from employees' resignations, supporting recruitment subventions, etc. The company has other income in 2022 and 2023 equal to THB 4.69 million and THB 4.63 million, respectively.

Cost of Sales and Gross Profit

Cost of Sale	Year 2022		Year 2023	
	THB million	%	THB million	%
Revenue from Sales	309.99	100.00%	300.89	100.00%
Cost of Sales	261.66	84.41%	255.22	84.82%
Gross Profit from Sales	48.33	15.59%	45.67	15.18%

The cost of sell consists of the product cost, the labor cost of the support department, and the rebate (when receiving the rebate, the Company will record it down to deduct the product cost). In the year 2023, the Company generates gross profit from sales of THB 45.67 million, accounting for a gross profit margin of 15.18%. The gross profit and gross profit margin from sales decrease from the previous year because there is greater competition in the ICT industry and the Company has taken on a governmental sector's project that naturally yields a lower gross profit margin compared to the projects from the private sector.

Cost of Services and Gross Profit

Cost of Services	Year 2022		Year 2023	
	THB million	%	THB million	%
Revenue from Services	245.30	100.00%	298.57	100.00%
Cost of Services	170.41	69.47%	207.34	69.44%
Gross Profit from Services	74.89	30.53%	91.23	30.56%

The cost of services consists of the cost of Cloud services, cost of M/A services, cost of installation, cost of T.Support/T.Support Plus services, cost of Skyfrog's rental contract services, and cost of professional labor. In 2023, the Company generates a gross profit from services of THB 91.23 million, accounting for a gross profit margin from services of 30.56%. The Company's gross profit from services increases because the revenue from Cloud and the revenue from M/A increase. At the same time, the gross profit margin from services increases a little compared to the previous year due to the increase in the revenue from Cloud, especially T.Cloud, which has the capability of providing more extensive services and generating a greater gross profit margin higher than Public Cloud.

Selling Expense

The selling expenses consist of important items, which are sales salary expenses, transportation and accommodation expenses, sale promotion expenses, and other expenses, such as advertisement expenses, entertainment expenses, etc. In 2023, the Company pays THB 4.75 million or 10.02% less selling expenses than in 2022 because Mr.Sarawut Ruamsanit has been promoted to Managing Director of the Company since January 1, 2023. Subsequently, his salary and remunerations have been recorded in administrative expenses



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instead. In addition, the Company has not yet assigned anyone for the vacant position. Meanwhile, the other expenses remain approximate when compared to the revenue.

Administration Expenses

The administrative expenses consist of salary expenses, bonus expenses, director's remunerations, labor expenses, transportation expenses, depreciation, etc. In 2023, the Company pays THB 14.33 million or 30.44% more administrative expenses than in 2022 because of the increases in the annual adjustment of employees' remunerations, such as salary expenses, bonus expenses, including the promotion of Mr.Sarawut Ruamsanit to be Managing Director of the Company since January 1, 2023. Subsequently, his salary and remunerations have been recorded in administrative expenses instead. Furthermore, the Company also has expenses during listing in mai, such as financial advisor expenses, public relations (PR), etc. After such a listing, the Company will not have this type of expense again.

Financial cost

The company's financial costs consist of interest payments on debt under lease agreements and interest expenses from the right-of-use asset (IFRS 16 - Leases). In 2022 and 2023, the Company has the financial costs equal to THB 1.04 million and THB 1.47 million, respectively.

Net Profit and Net Profit Margin

In 2023, the Company generates THB 28.96 million or 12.29% more net profit than 2022 and also has a net profit margin of 4.79%, which is higher than 2022. Such increases in the net profit and net profit margin are because of the increase in the revenue from services and the gross profit from services, together with the decrease in selling expenses. Even though the Company has expenses during listing in mai, which are considered one-time expenses, the Company still generates more net profit and net profit margin than in the previous year.

Please be informed accordingly,

Yours Sincerely,

(Surasit Kiwprasopsak)

Chief Executive Officer