



International Research
Corporation Public Co., Ltd.

บมจ.เลขที่ 0107546000024

Ref. IRCP-FA 001/67

May 15, 2024

Subject: Submit Management Discussion and Analysis (MD&A) for Q1/2024 ended March 31, 2024

To: The President

The Stock Exchange of Thailand

International Research Corporation Public Company Limited would like to clarify the operating results for the first quarter of 2024 ended March 31, 2024, which represented a net profit attributable to the parent company of Baht 6.22 million, an increase of Baht 11.91 million, or 209.43% from the same quarter last year of a net loss attributable to the parent company of Baht 5.69 million.

- Total revenues for the first quarter of 2024 amounted to Baht 251.26 million, an increase from the same quarter last year of Baht 42.42 million or 20.31%. The details are as follows:
 - ❖ Revenue from system development service for first quarter of this year increased by Baht 10.58 million or 15.94% from the same quarter last year due to the recognition of revenue from a large project, which was recognized according to the measurement of the level of work progress.
 - ❖ Sales revenue came from the operating results of the subsidiaries in distributing IT products for the organization in which currently the market of the IT products is very highly competitive. Revenue from sales for the first quarter of 2024 amounted to Baht 168.26 million, an increase of Baht 31.72 million or 23.23% from the same quarter last year.
 - ❖ Interest income from leases for the first quarter of this year reduced by Baht 0.38 million or 27.01% from the same quarter last year. Such income came from the rental contracts of sorter equipment, computers, and other equipment which reduced in accordance with the contract value that gradually reduced.

- Total expenses for the first quarter of 2024 amounted to Baht 241.02 million, an increase from the same quarter last year of Baht 35.75 million or 17.42%. The details are as follows:
 - ❖ Cost of system development services, which were the cost of projects for the first quarter of 2024 amounted to Baht 63.62 million, an increase of Baht 4 million or 6.71% from the same quarter last year. Such costs vary according to the increase in revenue from system development service for the first quarter of this year.
 - ❖ Most of the cost of sales were the cost of goods for non-project work, an increase from the same quarter last year of Baht 25.77 million or 22.95% which corresponded to the increase of sales revenue. Furthermore, the cost of distribution slightly increased by Baht 0.29 million or 1.89%.
 - ❖ Administrative expenses for the first quarter of 2024 amounted Baht 23.50 million, an increase of Baht 5.69 million or 31.94% from the same quarter last year.
- Gross profit margin in the first quarter of 2024 was 17.76%, an increase from the first quarter of last year which had gross profit margin of 15.28%.
- Financial costs for the first quarter of this year reduced by Baht 6.68 million or 75.38% from the same quarter last year. This was due to there were costs for issuing convertible bonds of Baht 7.38 million in the first quarter last year. In addition, the expenses for interest expenses and bank fees in the first quarter of this year increased by Baht 0.70 million or 47.27% from the same quarter last year.
- From the above mention, profit before income tax for the first quarter of 2024 increased by Baht 13.35 million, or 252.49% from the same quarter last year which resulted in the income tax expenses for the first quarter of this year increased by Baht 1.44 million, or 471.24% from the same quarter last year.

Statements of Financial Position

Unit: Thousand Baht	31 March 2024	31 December 2023
Current assets	1,054,168	995,546
Non-current assets	206,816	227,700
Total assets	1,260,984	1,223,246
Current liabilities	625,471	592,674
Non-current liabilities	23,097	24,470
Total liabilities	648,568	617,144
Issued and paid-up share capital	311,741	311,741
Premium on ordinary shares	163,663	163,663
Legal reserve	3,166	3,166
Unappropriated retained earnings	154,992	148,770
Non-controlling interests	(21,146)	(21,238)
Total shareholders' equity	612,416	606,102
Total liabilities and shareholders' equity	1,260,984	1,223,246

As of March 31, 2024, the Company had cash and cash equivalents of Baht 111.99 million, total assets of Baht 1,260.98 million, total liabilities of Baht 648.57 million, and shareholders' equity of Baht 612.41 million which included unappropriated retained earnings of Baht 154.99 million. Debt to equity ratio was 1.06 times.

Please be informed accordingly.

Yours faithfully,

(Mr. Dan Hetrakul)

Chief Executive Officer