

Ref. Simat 11-24

May 15th, 2024

Subject: Management Discussion and Analysis on operating result for the first quarter of year 2024

To: Managing Director of Stock Exchange of Thailand

Simat Technologies Public Company Limited would like to report the variance in operating result first quarter ended 31 March 2024 as follows:

Operating Results

unit : million Baht

Income statement	2024Q1		2023Q1		Increase (Decrease)	
					In amount	In Portion
Revenue from sales and services	228	100%	244	100%	(16)	(7%)
Cost of sales and services	(163)	(71%)	(176)	(72%)	(13)	(1%)
Gross Profit	65	29%	68	28%	(3)	1%
Other income	1	0%	2	1%	(1)	(0%)
Selling and administrative expenses	(48)	(21%)	(55)	(23%)	(7)	(1%)
Loss on impairment of assets	0	0%	(1)	(0%)	(1)	(0%)
Profit (Loss) before financial cost and income tax	19	8%	14	6%	5	3%
Financial cost	(6)	(3%)	(2)	(1%)	4	2%
Share of profit from associate	0	0%	(1)	(0%)	1	0%
Profit (Loss) before income tax	12	5%	11	5%	1	1%
Income tax	(1)	(0%)	(2)	(1%)	(1)	(0%)
Net profit (Loss) for the year	12	5%	9	4%	3	2%
Other comprehensive income (loss)	0	0%	0	0%	0	0%
Portion of non-controlling interest	(1)	(0%)	0	0%	(1)	(0%)
Portion of equity holder of the company	12	5%	8	3%	4	2%

Although revenue in the first quarter of 2024 decreased by 16 million baht compared to the first quarter of 2023, the consolidated net profit (loss) of the Company and its subsidiaries (portion of the parent company) for the first quarter of year 2024 increased from 8 million baht from the same quarter in 2023 to 12 million baht due to Baht 7 million decreased in selling and administrative expenses, Baht 13 million baht decreased in cost of sales and services.

unit : million Baht

Revenue / Cost structure by business	IT Business	Label product	Silkscreen printing	Government Project	Broadband internet	Renewable energy	Others	Total
2024Q1	0	62	52	68	13	6	27	228
Sales	0%	27%	23%	30%	6%	3%	12%	100%
Cost	0	44	37	40	12	4	26	163
2023Q1	1	60	65	68	13	5	32	244
Sales	0%	25%	27%	28%	5%	2%	13%	100%
Cost	1	36	46	45	14	4	30	176
Increase (Decrease)	-1	2	-13	0	0	1	-5	-16
Sales	(100%)	3%	(20%)	0%	0%	0%	(16%)	(7%)
Cost	-1	8	-9	-5	-2	0	-4	-13

- **Label product**

Baht 2 million increased in revenue meanwhile, Baht 8 million increased in cost of sales and services due to new customer has a relatively low gross margin.

- **Silkscreen printing**

The revenue from silkscreen printing business decreased due to the factory relocation. The Company lost business opportunities in the production of parts for customers' new products. Have to wait until the customer launch a new product model.

Financial Position

unit : million Baht

Consolidated balance sheet	31 March 2024		31 December 2023		Increase (Decrease)	
	Value	%	Value	%	Value	%
Current assets	632	35%	590	33%	42	2%
Non-current assets	1,185	65%	1,201	67%	-16	(2%)
Total assets	1,817	100%	1,791	100%	26	0%
Current liabilities	236	13%	209	12%	27	1%
Non-current liabilities	343	19%	357	20%	-14	(1%)
Liabilities	579	32%	566	32%	13	0%
Shareholders' equity	1,238	68%	1,225	68%	13	(0%)
Total liabilities and shareholders	1,817	100%	1,791	100%	26	0%

Financial ratios

Item	2024Q1	2023Q1
1. Return on Assets (ROA)	0.65%	0.50%
2. Current Ratio	2.67 times	2.29 times
3. Debt to Equity Ratio (DE Ratio)	0.47 times	0.45 times

- Return on Assets (ROA)

In the first quarter year 2024, the company achieved a profit of 0.65% on the average total assets.

- Current Ratio

At the end of the first quarter in year 2024, the company had ability to pay short-term obligations within one year for 2.67 times.

- Debt to Equity Ratio (DE Ratio)

At the end of the first quarter in year 2024, the company used debt to finance its assets at 0.47 times relative to the value of shareholders' equity.

Cash Flow

unit : million Baht

Cash flow	Activities			Increase (decrease)
	Operating	Investing	Financing	
2024Q1	112	31	(7)	136
2023Q1	(64)	(151)	86	(129)

Cash flow of the company and its subsidiaries for the year 2024 has net decrease of Baht 136 million from end of year 2023.

Net cash flow from operations for the year 2024 was net cash inflow of Baht 112 million due to the Company Collected money in government project business and increased in payable from subsidiaries.

Net cash flow from investments for the year 2024 was net cash inflow of Baht 31 million due to the Company redeemed the deposit obligation.

Net cash flow from financing for the year 2024 was net cash outflow of Baht 7 million.

Best regards,

(Mr. Boonlerd lewpornchai)

CEO