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AppliCAD Public Company Limited

10 May 2024

**Subject** Management Discussion and Analysis of the first quarter ended as of 31 March 2024

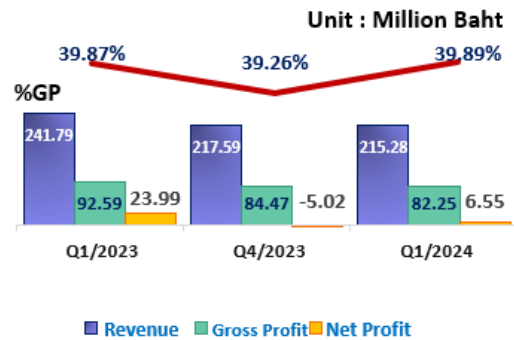
**Dear** The Director and President of The Stock Exchange of Thailand

### **The significant financial information**

Unit : Million Baht	Q1/2023	Q4/2023	Q1/2024	Change	
				QoQ	YoY
Sales and service income	232.24	215.18	206.17	-4%	-11%
Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA)	37.40	4.88	16.69	242%	-55%
Gross profit	23.99	-5.02	6.55	231%	-73%
<b>Gross profit per share (Baht/share)</b>	<b>0.09</b>	<b>(0.02)</b>	<b>0.02</b>	<b>231%</b>	<b>-73%</b>

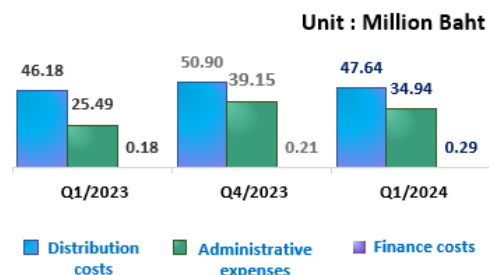
### **Overall operating report**

In the first quarter of 2024, the **total revenue** was 215.28 million baht, decreased by 26.52 million baht or 10.97% compared to the first quarter of 2023. The revenue from sales of goods was decreased by 29.17 million baht from decreasing in the sales of hardware and software. The revenue from providing service was increased by 3.10 million baht.



The Company's **gross profit** was 82.25 million baht in the first quarter of 2024, decreased by 10.34 million baht or 11.17% compared to the same quarter last year. As result, the first quarter gross profit margin in 2024 was 39.89% which aligned with the first quarter gross profit margin in 2023 of 39.87%.

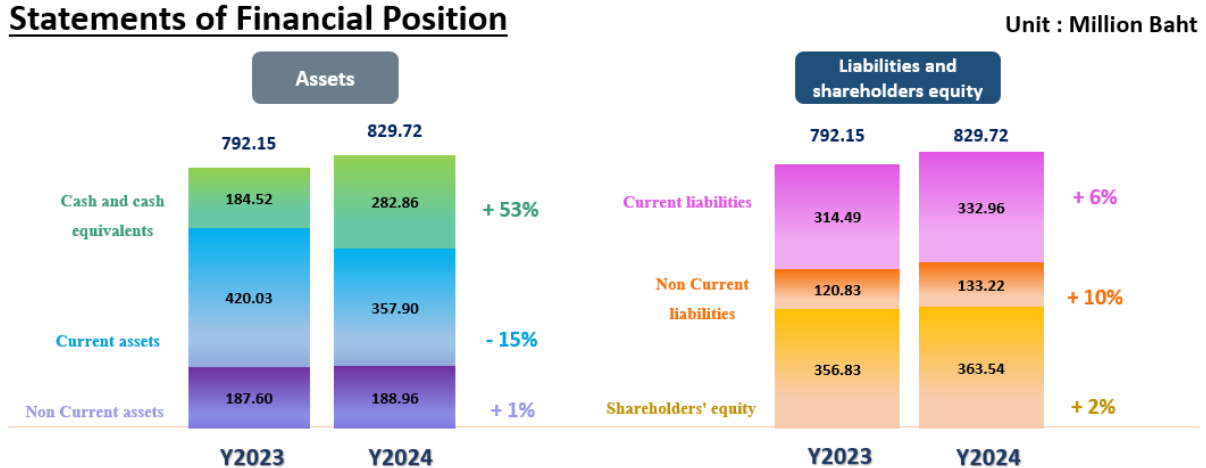
In the first quarter of 2024, the **cost of distribution** was 47.64 million baht, increased by 1.46 million baht or 3.16% compared to the last year. The increased cost of distribution mainly came from an increase in copyright infringement processing fees of 1.06 million baht and sales staff expenses of 0.5 million baht.





**Administrative expenses and financial costs** for the first quarter of 2024 amounted to 35.24 million baht, an increase of 8.19 million baht or 30.26% compared to the same period of the previous year, caused by the group of companies. There are expenses related to employee compensation and welfare of 2.37 million baht, tax expenses of 2.90 million baht, depreciation and repair expenses of 1.07 million baht, personnel development expenses and other service fees of 1.85 million baht.

## Statements of Financial Position



### Assets

As of 31 March 2024, the Company and its subsidiaries' total assets were 829.72 million baht, increased by 37.57 million baht or 4.74%. The main changes are as follows:

The Company had cash and cash equivalents as of 31 March 2024 amounting to 282.86 million baht and it showed that 98.35 million baht was increased which arose from fixed deposits due within 3 months.

The trade receivables and other receivables were 132.72 million baht, increased by 20.16 million baht because of service contracts that gradually recognized as income after providing more service, advance service costs less than one year of 137.68 million baht, and an increase of 8.76 million baht due to the provision of annual rental rights.

Inventories were 52.48 million baht, increased by 4.71 million baht from the machine in transit.

Other current financial assets amounting to 25.99 million bath decreased by 98.52 million baht, reflecting a reclassification of fixed deposit accounts that would mature.

Advance service costs over one year increased by 5.48 million baht, reaching 41.82 million baht, attributable to additional costs related to customer service contracts.

Land, buildings, and equipment were 91.46 million baht decreased by 4.05 million baht, primarily due to the sales of machinery and 3D products. Additionally, the Company wrote-off computer, office supplies, decorations Installation, and office equipment.

Right-of-use assets increased by 0.75 million baht, reaching 17.92 million baht, due to the expansion of the land lease contract and office equipment lease contract.



### **Liabilities**

As of 31 March 2024, the Company had total liabilities of 466.18 million baht which were increased by 30.86 million baht or 7.09% mainly because the trade and other current payables of 118.08 million baht were increased by 1.11 million baht. Liabilities from contracts (current and non-current) of 270.51 million baht were increased by 29.97 million baht because the Company got more the annual service contracts with customers. Allowance for employee benefits, 57.19 million baht decreased by 1.44 million baht due to retirement compensation payments that occurred in the quarter.

### **Shareholders**

As of 31 March 2024, the Company shareholders' equities were 363.54 million baht, increased by 6.71 million baht or 1.88% due to the net profit from operations of the group company.

### **Cash Flow Statement**

Unit : Million Baht

	<b>Q1-2024</b>
Net cash flow from (used in) operating activities	2.11
Net cash flows from (used in) investment activities	98.29
Net cash flows from (used in) financing activities	(2.21)
Impact of exchange rate on cash and cash equivalents	0.15
Net increase (decrease) in cash and cash equivalents	98.35
Cash and cash equivalents - Beginning balance	184.51
Cash and cash equivalents - Ending balance	282.86



## **Cash Flow**

For **the first quarter ended 31 March 2024**, the Company had an increase of the net cash flow of 98.35 million baht. The Company had cash and cash equivalents of 282.86 million at the end of the period. The details of major activities are as below.

**The net cash flow from operating activities** of 2.11 million baht was generated from operating profit before tax, totaling 9.01 million baht, adjusted for various items including depreciation, write-off, changes in assets and liabilities associated with operations, increase in trade payables and other current payables, payables from other operations, mainly in the amount of 41.63 million baht, including an increase in trade accounts receivable and receivables from other operations, inventories, income tax expenses, and other cash payments for operating activities, mainly in the amount of 48.53 million baht.

**The net cash flow generated from investing activities** amounted to 98.29 million baht. The change increased from the management of the Company's fixed deposit account of 98.52 million baht and the sale of machinery and office equipment of 0.95 million baht, the purchase of machinery and office equipment of 1.08 million baht and intangible assets of 0.10 million baht.

**The net cash flow utilized in financing activities** was 2.21 million baht due to disbursement of debts under lease agreements totaling 1.92 million baht, and payment of interest amounting to 0.29 million baht.

Your sincerely,

(Miss Thitiporn Chartaisong)

Chief Financial Officer

AppliCAD Public Company Limited