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AMARC-SET 009-2024

8 May 2024

Subject: Management Discussion and Analysis for the quarter ended 31 March 2024

To: The Director and Manager of Market for Alternative Investment (MAI)

Asia Medical and Agricultural Laboratory and Research Center Public Company Limited (the "Company") would like to provide the operating results of the Company for the quarter ended 31 March 2024 as follows:

Statement of Comprehensive Income for the quarter ended 31 March 2024

Statement of Comprehensive Income (Unit: Million Baht)	consolidated financial statements	Separate financial statements		
	2024	2024	2023	%Increase /(Decrease)
Revenues				
Revenues from services				
Testing service	69.84	69.84	61.45	13.66%
Calibration service	2.96	2.96	2.49	18.74%
Inspection & Certification service (IC*)	2.85	2.85	0.98	191.09%
Total revenues from services	75.65	75.65	64.92	16.53%
Other revenues	0.92	0.89	0.97	(5.08%)
Gain on sale of investments in associated	0.33	-	-	-
Total Revenues	76.90	76.54	65.89	16.72%
Cost of services	47.02	47.12	40.03	17.46%
Gross Profit** (GP)	28.66	28.63	24.89	15.04%
Selling & Administrative expenses	22.41	22.39	23.36	(4.08%)
Earnings before interest and taxes (EBIT)	7.47	7.14	2.50	199.80%
Finance costs	0.56	0.56	0.77	(26.79%)
Profit before income tax expenses	6.91	6.58	1.73	300.53%
Income tax expenses	0.79	0.79	0.75	5.76%
Net Profit (NP)	6.12	5.79	0.98	526.55%
%GP	37.8%	37.9%	38.3%	-
%EBIT	9.7%	9.3%	3.8%	-
%NP	8.0%	7.6%	1.5%	-

*IC = Inspection & Certification

**Gross Profit (GP) excludes other revenues

Operating Result

For the quarter ended 31 March 2024

Revenues

For the quarter ended 31 March 2024, the Company and its subsidiary had revenues from services of 75.65 million Baht, an increase of 16.5% y-o-y. The growth has been achieved in all service segments and expected to continue to improve as customers begin to recover from COVID-19 situation and their ability to accept private projects have also been increased. The details are as follows:

1. Revenues from Testing Service

For the 1st quarter of this year, the revenues from testing service were 69.84 MB, an increase of 13.7% YoY. mainly from private customers who are medium and large enterprises have been increasingly used the service. In addition, expanding the scope of services allows the Company to accept more private projects and enlarging branches in the eastern and northern regions also enhances its income growth.

2. Revenues from Calibration Service

For the quarter ended 31 March 2024, the revenues from Calibration service were 2.96 MB, an increase of 18.7% YoY. The growth of general private clients and government projects can be accommodated by the company.

3. Revenues from Inspection & Certification Service

The Company recorded the revenues from the Inspection & certification services of 2.85 MB, an increase of 191.1% compared with the first quarter of last year caused by government bidding projects and income continuously supported by individuals and private users.

4. Other Revenues

For this quarter, the Company and its subsidiary commenced the service of training and seminar related to courses and promoting the Company's core business operations held for customers of private companies and individuals with its plan to perform throughout the year 2024.

In addition, the Company realized gain on sale of investment from selling all 32,990 shares invested in V Green KU Company Limited or equal to 32.99% of the registered capital (Baht 1 million) at Baht 10 per share, totaled Baht 329,900.00 to one major shareholder of such company on March 31, 2024, to be in accordance with the Company's business policy.

Gross Profit

The Company and its subsidiaries had a gross profit margin (%GP) for the three-month period ended 31 March 2024 of 37.8%, slightly down 0.5%. This was due to the impact of increased personnel costs and depreciation from expansion when compared to the same period of the previous year.

Selling & Administrative Expenses

The Company and its subsidiary had their selling and administrative expenses of 22.41 million Baht, a decrease of 4.1% mainly due to lower expected credit losses driven by strengthen credit management policies.

Net Profit for the quarter ended 31 March 2024

The Company and its subsidiary recorded 6.12 million Baht of net profit for the three-month period ended 31 March 2024, an increase of 526.5% YoY. This was mainly due to a significant increase in revenue growth across all service segments which has driven a positive impact on Economies of scale along with the effectiveness of credit management. As a result, the operating results of the Company and its subsidiaries have progressed as explained above.

Please be informed accordingly.

Sincerely yours,

(Mr. Chindanai Chaiyong)
Managing Director