



International Research
Corporation Public Co., Ltd.

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EM-IRCP 11-64

14 May 2021

Subject: Submit Management Discussion and Analysis (MD&A) for Q1/2021 ended March 31,2021

To: The President

The Stock Exchange of Thailand

International Research Corporation Public Company Limited would like to clarify the operating results for the quarter 1/2021 ended 31 March 2021 as follows:

- Revenue from system development services in Q1/2021 of Baht 63.96 million increased by Baht 11.37 million, or 21.62% from the same quarter of last year. Revenue from sales of Baht 127.29 million increased by Baht 31.06 million, or 32.28% from the same quarter of last year, derived from the performance of the subsidiary in the distribution of IT products for the organization.
- Other revenues amounted to Baht 9.14 million, an increase of Baht 8.08 million, or 762.55%, from the same quarter of last year. This was due to the subsidiary recorded gain on the disposal of investments of Baht 4.26 million and the Company had revenues of Baht 3.95 million from the reduction in the provision of other liabilities.
- The cost of system development services for the project in Q1/2021 amounted to Baht 63.09 million, an increase of Baht 14.75 million or 30.51% from the same quarter of last year. The cost of sales for non-project of the subsidiary amounted to Baht 102.88 million, an increase of Baht 18.59 million or 22.06% from the same quarter of last year. Distribution costs for Q1/2021 of Baht 12.35 million increased by Baht 1.60 million or 14.92% from the same quarter of last year, in line with the increase of sales revenue from subsidiaries.
- Administrative expenses in Q1/2021 amounted to Baht 75.33 million, an increase of Baht 38.64 million, due to the Company recorded an expected credit loss in accordance with Thai Financial Reporting Standards 9 (TFRS 9) of Baht 44.49 million in this quarter. If such expected credit loss was not included, the administrative expenses for Q1/2021 will be Baht 30.84 million, a decrease of Baht 3.51 million or 10.21% from the same quarter of last year.



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- Finance costs in Q1/2021 amounted to Baht 6.15 million, a decrease of Baht 2.30 million or 27.23% from the same quarter of last year.
- The Company recorded the profit sharing on investment in associate amounted to Baht 10.52 million in Q1/2021. Meanwhile, the loss sharing on investment in associate of Q1/2020 was Baht 0.60 million.
- In Q1/2021, the Company had a loss before income tax of Baht 46.19 million as compared to the same quarter of last year of Baht 35.87 million. Losses increased by Baht 10.32 million, or 28.75%. Tax expense for Q1/2021, amounted to Baht 1.34 million increased by Baht 1.44 million or 14.53 times due to the taxable profit of the subsidiary.
- Consequently, the Company had a net loss of Baht 47.52 million in Q1/2021 as compared with the same quarter of last year of Baht 35.77 million, an increase of net loss of Baht 11.75 million or 32.85%. Net loss attributable to owners of the parent amounted to Baht 46.99 million as compared with the same quarter of last year, which a net loss attributable to owners of the parent was Baht 34.61 million.

Please be informed accordingly.

Yours faithfully,

(Mr. Dan Hetrakul)

Chief Executive Officer