

- TRANSLATION -

(Q-CON) 010/2024

May 8, 2024

Attention Managing Director
The Stock Exchange of Thailand

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

Quality Construction Products Public Company Limited (“Q-CON”) would like to clarify the main reason that caused operating result of the first quarter 2024 changed more than 20 percent that of 2023.

Q-CON and subsidiary have profit for the first quarter 2024 amount 199.4 Million Baht compared with the performance as the same period of 2023, there were profit for the period 156.8 Million Baht or profit for the year increased 42.6 Million Baht. Due to the decreasing of Revenue from sales 1% at the same period, mainly reason from the sales volume were decreased, cost of sales affected by the energy cost and raw material price. The company and subsidiaries managed, were the cause of the costs a decreased by 11%, As the result, the company's gross profit margin increased by 7% compared to last year.

For the first quarter 2024, the company cost of distribution and administrative expenses were 53.0 Million Baht compared with the last period 49.0 Million Baht, it was increased 8% or 4.0 Million Baht from salaries and wages, and sales promotion expenses

The finance costs were 0.4 Million Baht from interest expenses on lease liabilities.

The company's income tax was 50.8 Million Baht, it was increased from last year 11.4 Million Baht, because of the increasing from the profit for the year.

AS at March 31, 2024, the total assets of the company were 3,412.4 Million Baht which increased 288.1 Million Baht compare to December 31, 2023 increased from cash and cash equivalents, inventories, property, plant and equipment, deferred tax assets, decreased from trade receivables and other current receivables, intangible assets, and other non-current assets.

The total liabilities were 966.8 Million Baht which increased 488.7 Million Baht from dividend payables, corporate income tax payable, trade payables and other current payables, lease liabilities, non-current provisions for employee benefits, and other non-current liabilities.

As at March 31, 2024, the company had the balance of cash and cash equivalents for 1,140.7 Million Baht increased 236.9 Million Baht from December 31, 2023. The net cash flows from operating activities 264.1 Million Baht, net cash flows used in investing activities 21.0 Million Baht from acquisition of property, plant and equipment and acquisition of intangible assets 26.4 Million Baht, interest received 5.4 Million Baht, the net cash flows used in financing activities 6.2 Million Baht, from payments of lease liabilities and Interest and financial costs paid.

Please be informed accordingly

Sincerely yours,

Krongboon Sopawanit

(Miss Krongboon Sopawanit)

Deputy Managing Director