



August 13, 2019

Subject: Submit management discussion and analysis (MD&A) for Q2/2019 ended June 30, 2019

To: Director and Manager
The Stock Exchange of Thailand

International Research Corporation Public Company Limited would like to clarify the operation results for Q2/2019 ended June 30, 2019 as follows:

The Company had net profit (loss) of (11.11) million baht compare to (19.4) million baht in the same period of previous year, or decreased from Q2/2018 for 8.24 million baht. The Company had total revenue of 253 million baht which was increased of 32 million baht or 14.63% compared with the total revenue of 221 million baht in Q2/ 2018. The Company would like to clarify the substantial reasons as follows:

1. Total revenue increased from Q2/2018 by Baht 32 million baht, resulting from higher revenue from system development service of 66 million baht or 83% and higher other income by 1 million baht or 15% partially offset by lower revenue from sales by 39 million baht or 28%.

2. Total cost increased by 25.5 million baht or 10.73% comparing to the same period of previous year. The details are as follows:

- Cost of system development increased by 69 million baht or 112% while cost of sales decreased by 29 million baht or 26%. The increase in the cost of system development and decrease in the cost of sales are close to the proportion of revenue movement from system development service and sales respectively.
 - Selling expenses increased by 4 million baht or 33% while administrative expenses decreased by 20 million baht or 41%
 - Finance expenses increased by 1 million baht or 15% due to withdrew bank loan to support projects per plan
3. Corporate income tax reduced by 2 million baht or 104% due to loss of operating profit

Please be informed accordingly.

Sincerely yours

Mr. Dan Hetrakul

Chief Executive Officer

