

RC 15/21

10 August 2021

Subject : Report on the Company's operating results for the second quarter of the year 2021

Attention : President of the Stock Exchange of Thailand

The Board of Directors' Meeting No.4/2021 of Jasmine International Public Company Limited (the "Company") held on 10 August 2021, has resolved to approve the consolidated financial statements for 2Q 2021, ended 30 June 2021, that have been accordingly reviewed by the Company's external auditor and by the Audit Committee at the meeting No.3/2021 held on 10 August 2021. Also, on this occasion, the Company would like to report its operating results as detailed below:-

Operating Results

Unit: Million Baht

	2Q2021	1Q2021	2Q2020	QoQ		YoY	
				Increased (decrease d)	%	Increased (decreased)	%
Revenue from Sales & Services:							
Broadband and Internet TV Service segment	4,443	4,410	4,413	33	1	30	1
The provision, design and installation of telecommunications systems segment	258	251	222	7	3	36	16
Other income from other segment and other income (including gain on exchange rate)	147	152	372	(5)	(3)	(225)	(60)
Total Revenue	4,848	4,813	5,007	35	1	(159)	(3)
Cost of sales and services	3,639	2,921	3,263	718	25	376	12
Selling and administrative expenses	1,118	1,255	1,294	(137)	(11)	(176)	(14)
Expected credit losses (ECL) and the impact of exchange rate	141	160	60	(19)	(12)	81	135
Net profit (loss)	(910)	(265)	(414)	(645)	243	(496)	120
EBITDA	3,278	3,112	3,019	166	5	259	9

Operating results for 2Q 2021, ended 30 June 2021 had a net loss of 910 million Baht, increasing by 496 million Baht YoY, compared to the net loss of 2Q 2020 and increasing by 645 million Baht QoQ, compared to the net loss of 1Q 2021

EBITDA for 2Q 2021 was at 3,278 million Baht, increasing by 259 million Baht or 9% YoY, compared to 2Q 2020 and increasing by 166 million Baht or 5% QoQ, compared to 1Q 2021.

1. Total revenue

- The total operating revenue of the Company and its subsidiaries for 2Q 2021 was 4,848 million Baht, decreasing by 159 million Baht or 3% YoY, compared to 2Q 2020 but, increasing by 35 million Baht or 1% QoQ, compared to 1Q 2021. Major contribution of the revenue was still from the Broadband and Internet TV segment.

The total operating revenue for 2Q 2020 included the FX gain of 193 million Baht; whereas, for 2Q 2021, the Company and its subsidiaries recorded the FX loss of 59 million Baht.

- As at the end of 2Q 2021, 3BB had a total of 3.57 million subscribers. After deducting corporate accounts, WiFi subscribers, barter accounts, internal use accounts, Value Added Service accounts and nonpaying subscribers etc, the total number of collectable subscribers of Fixed broadband was 2.38 million with Average Revenue Per User (ARPU) of 598 Baht per month.

2. Costs and Expenses

- Cost of sales and services in 2Q 2021 was 3,639 million Baht, increasing by 376 million Baht or 12% YoY, compared to 2Q 2020 and increasing by 718 million Baht or 25% QoQ, compared to 1Q 2021. Such increase was due to the increase in cost of the OFC rental fee of the subsidiary, which mainly was the adjustment of the provision for rental assurance of OFC of JASIF due to the change in the assumption of the discount rate which had an impact on the record of the cost of the OFC rental fee (this rental fee cost was recorded as net amount of depreciation–right-of-use assets and the OFC rental fee according to the Rental Assurance Agreement after deducting amortization of the provision for rental assurance and adjustment of the provision for rental assurance of OFC of JASIF due to the change of the assumption of the discount rate).
- Selling and administrative expenses in 2Q 2021 were 1,118 million Baht, decreasing by 176 million Baht or 14% YoY, compared to 2Q 2020 and decreasing by 137 million Baht or 11% QoQ, compared to 1Q 2021, a result of an increased efficiency in cost management and control of JAS Group. Such decrease was mainly due to the decrease in employee benefit expenses, advertising and public relations and sales promotion expenses, including office expenses as a consequence of the Work From Home (WFH) policy during the outbreaks of Covid-19, resulting in a continuous decrease in sales and administrative expenses.

Business Plan for 2021

As the second and third waves of Covid-19 outbreak in 2021 are likely to be more severe, many businesses have implemented WFH (Work From Home) policy and most schools have turned into online learning; thus, increasing the need for Internet usage. However, installation of Internet service has become more difficult because homeowners are worried about the spread of the virus from strangers. Nevertheless, with the company's strict protection policy in place to ensure that our customers can receive the service with a peace of mind, we have been able to continuously increase the number of our subscribers. In addition, the company is also looking for new ways to generate more revenue by building on existing businesses and reducing spending by adjusting the organization structure as follows:

1. Jasmine Telecom Systems PCL or JTS has acquired JasTel Network Co., Ltd. making JTS become a fully integrated Hyperscale Data Center and Cloud Service company to support its new Bitcoin mining business which will generate a new source of revenue in the long run.
2. According to the company's cost reduction policy, the Partial Business Transfer (PBT) between Triple T Broadband PCL and Triple T Internet Co., Ltd., which was implemented on August 1, 2021 to reduce the duplication of payment of NBTC license fees and taxes, is expected to reduce an expense of at least 200 million Baht per year.

Please be informed accordingly.

Yours sincerely,

Jasmine International Public Company Limited

(Mr. Subhoj Sunyabhisithkul)

Acting Chief Executive Officer