

No. INSET 063/2564

3 November 2021

Subject Management Discussion and Analysis of the 3<sup>rd</sup> Quarter 2021 Operating Results

Dear Governors and President

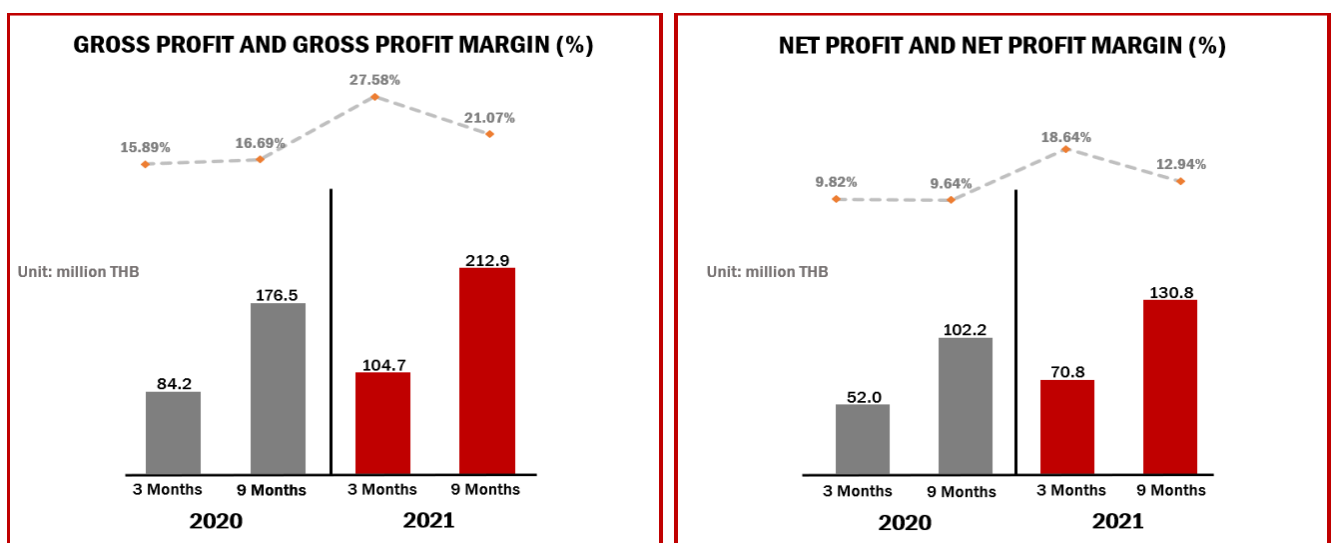
Market for Alternative Investment (mai)

Infraset Public Company Limited (the "Company") hereby submitted the Management Discussion and Analysis of the 3<sup>rd</sup> Quarter 2021, ending 30 September 2021. Details are as follows:

### Operating Result Overview

For the nine-month periods ended 30 September 2020 and 2021, the Company's revenues were 1,060.30 million Baht and 1,011.07 million Baht, respectively. The main revenues were from Telecommunications and Transportation Infrastructure Business, followed by the revenues from Maintenance and Service Business, and Data Center & Information Technology Infrastructure Business, respectively. The revenue 's proportion of each type of business to total income accounted for 73%, 16% and 11%, respectively.

For the nine-month periods ended 30 September 2020 and 2021, the Company's net profits were 102.20 million Baht and 130.84 million Baht respectively. The corresponding net profit margins were 9.64% and 12.94% respectively. The Company's net profit increased from last year by 28.64 million Baht or 28.03%; while the Company's revenue decreased. The major reason was the reduction of project cost estimates to reflect actual costs for projects that were delivered over 90% or completed. In the nine-month period of this year, the Company reduced costs for 2 major projects, namely the USO II project due to the closure of the project and the CAT Filter project, of which percentage of completion was over 90%. As a result, the Company's gross profit margin was 21.07%, increased from last year which was 16.69%.



### Revenue and Gross Profit by Business

#### Telecommunications and Transportation Infrastructure Business

For the nine-month periods ended 30 September 2020 and 2021, the Company's revenues from Telecommunications and Transportation Infrastructure Business were 383.95 million Baht and 735.02 million Baht, respectively. The corresponding gross profits were 60.12 million Baht and 132.18 million Baht, respectively. The revenue and gross profit from the business increased from CAT Filter and New Sites & Upgrade projects.

#### Maintenance and Service Business

For the nine-month periods ended 30 September 2020 and 2021, the Company's revenues from Maintenance and Service Business were 137.72 million Baht and 159.44 million Baht, respectively. The corresponding gross profits were 45.69 million Baht and 51.34 million Baht, respectively. The increase in revenue and gross profit from the business was due to the full year revenue recognition of MA USO-II, and started to recognize the MA revenue for New Tier III Modular DC (BTT) since Q2/2021.

#### Data Center & Information Technology Infrastructure Business

For the nine-month periods ended 30 September 2020 and 2021, the Company's revenues from Data Center & Information Technology Infrastructure Business were 535.68 million Baht and 115.92 million Baht, respectively. The corresponding gross profits were 100.46 million Baht and 58.81 million Baht respectively. The Company's revenues and gross profits from the business decreased from last year because in 2020, the Company recognized the revenue from large 3 projects including USO I, USO II, and Communication and Information Building of PEA (North Region) at Chiang Mai which were completed during the year. In 2021, the revenue recognition mainly came from USO II Project, CAT IDC Phase II Project, Ventilation System Project for Airport Rail Link Reconditioning Project, etc.

### Personnel Costs

For the nine-month periods ended 30 September 2020 and 2021, the Company's personnel costs were 24.92 million Baht and 24.96 million Baht respectively. The costs were comprised of the salaries, bonuses, related expenses of the employees, and incentives of Installation and Service Department. The costs increased because in 2020 there was a reversal transaction of over recorded incentives. Whereas, the number of employees of Installation and Service Department were 67 staff, decreasing from last year which were 94 staff.

### Distribution Costs

For the nine-month periods ended 30 September 2020 and 2021, the Company's distribution costs were 7.23 million Baht and 7.38 million Baht respectively. The major expense that increased from last year was sales commissions.

Administrative Expenses

For the nine-month periods ended 30 September 2020 and 2021, the Company's administrative expenses were 43.81 million Baht and 41.93 million Baht respectively. The main expenses were the compensations for administrative employees such as salaries, bonuses, remuneration for the executive committee and other employees' benefits. Major expenses that decreased from last year were remuneration for the executive committee and incentive for administrative employees; while the major expenses that increased from last year were depreciation expenses.

Please be informed accordingly.

Yours sincerely,

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(Mr. Sakbaworn Pukkanasut)

Managing Director