

RC 19/21

9 November 2021

Subject : Report on the Company's operating results for the third quarter of the year 2021
Attention : President of the Stock Exchange of Thailand

The Board of Directors' Meeting No. 6/2021 of Jasmine International Public Company Limited (the "Company") held on 9 November 2021, has resolved to approve the consolidated financial statements for 3Q 2021, ended 30 September 2021, that have been accordingly reviewed by the Company's external auditor and by the Audit Committee at the meeting No.4/2021 held on 9 November 2021. Also, on this occasion, the Company would like to report its operating results as detailed below:-

Operating Results

Unit: Million Baht

	3Q2021	2Q2021	3Q2020	QoQ		YoY	
				Increased (decreased)	%	Increased (decreased)	%
Revenue from Sales & Services:							
Broadband and Internet TV Service segment	4,602	4,443	4,425	159	4	177	4
Provision, design and installation of telecommunications systems segment	286	258	241	28	11	45	19
Other income from other segment and other income	143	147	177	(4)	(3)	(34)	(19)
Total Revenue	5,031	4,848	4,843	183	4	188	4
Cost of sales and services	3,383	3,639	3,372	(256)	(7)	11	0
Selling and administrative expenses	1,066	1,118	1,323	(52)	(5)	(257)	(19)
Expected credit losses (ECL) and the impact of exchange rate	210	141	145	69	49	65	45
Net profit (loss)	(370)	(910)	(794)	540	(59)	424	(53)
EBITDA	3,470	3,278	3,040	192	6	430	14

The operating results for 3Q 2021, ended 30 September 2021 had a net loss of 370 million Baht, decreasing by 424 million Baht YoY and 540 million Baht QoQ. In 3Q 2021, the Company and its subsidiaries recorded the operating loss of 276 million Baht, decreasing when compared to a net loss of 738 million Baht in 3Q 2020 and 618 million Baht in 2Q 2021.

EBITDA for 3Q 2021 was at 3,470 million Baht, increasing by 430 million Baht or 14% YoY and also increasing by 192 million Baht or 6%, QoQ.

1. Total revenue

The total operating revenue of the Company and its subsidiaries for 3Q 2021 was 5,031 million Baht, increasing by 188 million Baht or 4% YoY and by 183 million Baht or 4% QoQ. Total revenue of 3Q 2021 comprised:-

- The revenue obtained from Broadband and Internet TV Service segment of 4,602 million Baht, increasing by 177 million Baht or 4% YoY due to an increase in the number of subscribers.

As at the end of 3Q 2021, 3BB had a total of 3.61million 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 service was approximately 2.42 million with Average Revenue Per User (ARPU) of 595 Baht per month.

- The revenue obtained from the provision, design and installation of telecommunications systems segment of 286 million Baht, increasing by 45 million Baht or 19% YoY as a result of an increase in revenue obtained from circuit leasing services. Moreover, in 3Q 2021, the Bitcoin mining business began recognizing its revenue from approximately 2.8 Bitcoins earned, equivalent to approximately 4.2 million Baht.
- The revenue obtained from other segment and other income of 143 million Baht, decreasing by 34 million Baht or 19% YoY due to the decrease in the revenue from office space rental business.

2. Costs and Expenses

Cost of sales and services in 3Q 2021 was 3,383 million Baht; the amount was close to that recorded in 3Q 2020 and declined by 256 million Baht or 7% QoQ. Such decrease was mainly a result of the adjustment of the provision for rental assurance of the 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 the OFC of JASIF due to the change of the assumption of the discount rate).

Selling and administrative expenses in 3Q 2021 were 1,066 million Baht, decreasing by 257 million Baht or 19% YoY and by 52 million Baht or 5% QoQ -- 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 Goals and Plans for 2022

The COVID-19 situation has improved after several months of the lockdown period to the extent that people have learnt to adapt to living with the disease and many companies have required their staff back in office for much more non-remote work than before. However, the need for internet usage continues since the Work From Home policy is still in effect and the online learning still goes on. Moreover, once the tourism sector returns to its normal operation as a consequence of the government's reopening of the country to tourists, hotels' room service will need internet installation to accommodate their customers. It is expected that other businesses will also start to recover from the ailing economy.

During the outbreaks of COVID-19, the Company has managed to maximize the efficiency of its business operation by; for instances, adjusting organizational structure to reduce redundant cost,

starting Bitcoin mining business to generate more revenue and issuing debentures to raise funds to be in readiness for the expansion of JAS Group businesses. The Company's goals are as follows:-

1. Bitcoin mining business, by Jasmine Technology Solution Public Company Limited ("JTS") : JTS has started mining Bitcoins to study its possibility of 100-percent entering into this business. Building on its existing business foundation, the development goes further faster, bringing about good Bitcoin mining results. Thus, the company plans to expand this business and its goal is to be the biggest Bitcoin mining company in Asia-Pacific Region.
2. Broadband Internet business : The need of internet usage continuously increases due to changing technologies and people's ways of life ; therefore, 3BB not only expands its networks, but also improves their quality on a regular basis to meet the demand of the customers and to make them to always be satisfied with its quality service.
3. IPTV business : IPTV business has a continuous growth. Despite the problem of chipset shortage that may sometimes cause sale stagnation, customers' demand does not decrease. IPTV service helps reduce churn rate of the internet service; therefore, the company has set a goal to increase the number of subscribers by providing more premium contents that match the customers' needs. Besides, as IPTV can act as a payment channel for its content partner such as WeTV, the company can generate more revenue and maintain the customers' loyalty at the same time. In addition to the above mentioned, the company shall do its best to earn more income from privileges of the existing premium contents.
4. OTT business : A plan for OTT business is to launch a Smart Home service under the name of 3BB GIGAHome to provide customers with devices for home security and IoT.
5. Corporate clients : In order to open up new channels for earning revenue, the Company also targets to generate 50% -100% more of the revenue presently obtained from corporate clients, focusing on clients in governmental sector that used to jointly run businesses with the companies in JAS Group as well as the agencies with which the Company has good relationship.
6. Cost reduction : As organizational structure and work adjustment that have been done by the Company have so far proved to be efficient and effective methods for cost reduction, the Company deems appropriate to take cost reduction as a good policy for continuous compliance.

Please be informed accordingly.

Yours sincerely,
Jasmine International Public Company Limited

(Mr. Subhoj Sunyabhisithkul)
Acting Chief Executive Officer