

No. INSET 006/2565

17 February 2022

Subject Management Discussion and Analysis of the Year 2021 Operating Results, Ending 31 December 2021

Dear Governors and President

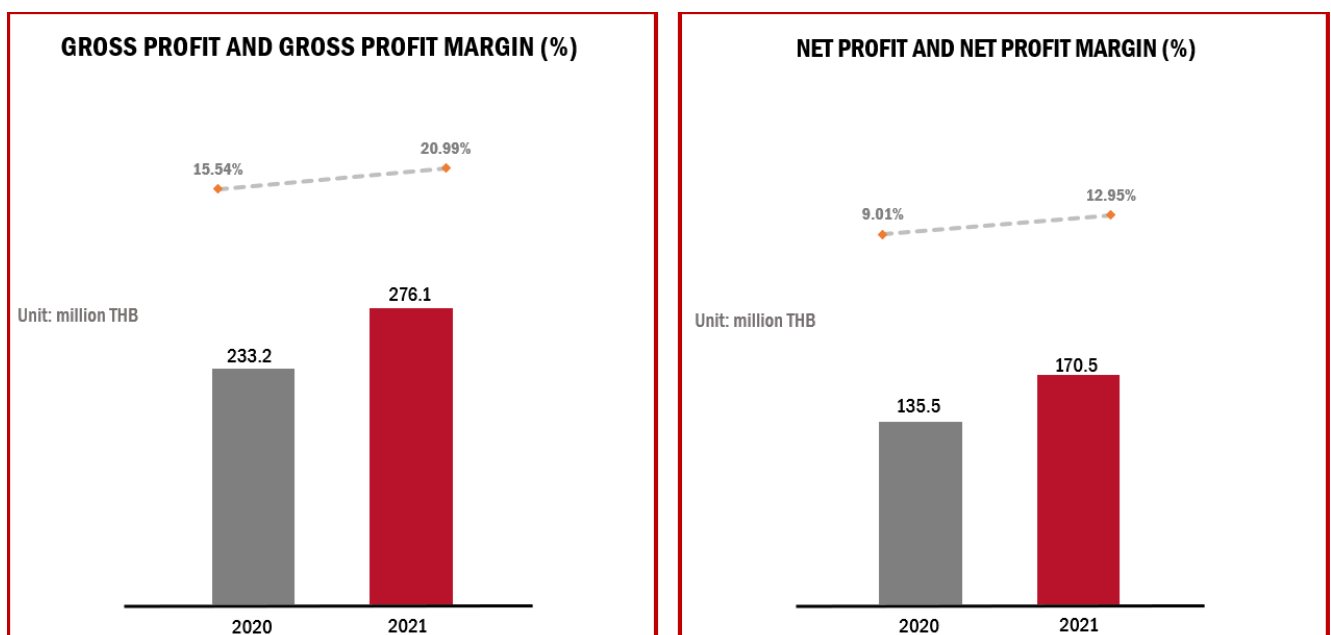
Market for Alternative Investment (mai)

Infraset Public Company Limited (the "Company") hereby submitted the Management Discussion and Analysis of the year 2021 operating results, ending 31 December 2021. Details are as follows:

### Operating Result Overview

For the year ending 31 December 2020 and 2021, the Company's revenues were 1,504.07 million Baht and 1,316.44 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 71%, 15% and 14%, respectively.

For the year ending 31 December 2020 and 2021, the Company's net profits were 135.49 million Baht and 170.54 million Baht respectively. The corresponding net profit margins were 9.01% and 12.95% respectively. The Company's net profit increased from last year by 35.05 million Baht or 25.87%; 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 this year, the Company reduced costs of 2 major projects, namely the USO II project and the CAT Filter project due to the closure of the project. As a result, the Company's gross profit margin was 20.99%, increased from last year which was 15.54%.



## Revenue and Gross Profit by Business

### Telecommunications and Transportation Infrastructure Business

For the year ending 31 December 2020 and 2021, the Company's revenues from Telecommunications and Transportation Infrastructure Business were 623.61 million Baht and 936.01 million Baht, respectively. The corresponding gross profits were 91.08 million Baht and 178.07 million Baht, respectively. The revenue and gross profit from the business increased from CAT Filter project, New Sites & Upgrade project, and Replacement of Overhead Power Line with Underground Power Cable System to Enhance Eastern Aviation City's Landscape project, which has started in Q4/2021 .

### Maintenance and Service Business

For the year ending 31 December 2020 and 2021, the Company's revenues from Maintenance and Service Business were 173.43 million Baht and 199.55 million Baht, respectively. The corresponding gross profits were 59.79 million Baht and 67.09 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 year ending 31 December 2020 and 2021, the Company's revenues from Data Center & Information Technology Infrastructure Business were 703.90 million Baht and 179.69 million Baht, respectively. The corresponding gross profits were 124.11 million Baht and 68.62 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, EEC Data Center Project, Ventilation System Project for Airport Rail Link Reconditioning Project, and Mechanical and Electrical System Installation for Data Center and Cable Landing Station Project etc. Most of new projects have started to recognize revenue in Q3/2021.

### Personnel Costs

For the year ending 31 December 2020 and 2021, the Company's personnel costs were 35.16 million Baht and 31.76 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 decreased because the reduction of the number of employees of Installation and Service Department from 94 staff in 2020 to 67 staff in 2021.

### Distribution Costs

For the year ending 31 December 2020 and 2021, the Company's distribution costs were 9.92 million Baht and 9.04 million Baht respectively. The major expense that decreased from last year was the entertainment expenses. While, the expense that increased from last year was sales commissions.

Administrative Expenses

For the year ending 31 December 2020 and 2021, the Company's administrative expenses were 56.01 million Baht and 54.23 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 recreation expense 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