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(Translation)

23 February 2022

Subject Management's Discussion and Analysis

Operating results the three-month period and for the year ended December 31, 2021

To The President

The Stock Exchange of Thailand

The operating results of Copperwired Public Company Limited and its subsidiary ("the Company") according to the consolidated financial statements for the three-month and for the year ended 31 December 2021 can be summarized below.

**OPERATING RESULTS**

	For the three-month period ended 31 December (Million Baht)		Increase (Decrease)  Percent	For the year ended 31 December (Million Baht)		Increase (Decrease)  Percent
	2021	2020		2021	2020	
Revenue from sale of goods and services	2,519.00	1,313.93	91.71	5,209.49	3,315.11	57.14
Other income	23.56	10.61	122.05	37.48	23.04	62.67
<b>Total revenue</b>	<b>2,542.56</b>	<b>1,324.54</b>	<b>91.96</b>	<b>5,246.97</b>	<b>3,338.15</b>	<b>57.18</b>
Costs of sales of goods and services	2,233.69	1,144.77	95.12	4,556.04	2,844.61	60.16
Selling Expenses	182.88	95.30	91.90	417.39	304.94	36.88
Administrative expenses	54.79	34.56	58.54	151.51	114.48	32.35
<b>Total expenses</b>	<b>2,471.36</b>	<b>1,274.63</b>	<b>93.89</b>	<b>5,124.94</b>	<b>3,264.03</b>	<b>57.01</b>
Operating profit	71.20	49.91	42.66	122.03	74.12	64.64
Finance costs	8.49	1.98	328.79	15.42	6.97	121.23
Tax expense	12.44	9.19	35.36	20.94	12.37	69.28
<b>Profit for the period</b>	<b>50.27</b>	<b>38.74</b>	<b>29.76</b>	<b>85.68</b>	<b>54.78</b>	<b>56.41</b>

For the 4th quarter of 2021, revenue was 2,542.56 million baht, which increased by 1,218.02 million baht or 91.96% from the same period of 2020, and net profit was 50.27 million baht, which increased by 11.53 million baht or 29.76% from the same period of 2020.

For the year 2021, revenue was 5,246.97 million baht, which increased by 1,908.82 million baht or 57.18% from the same period of 2020, and net profit was 85.68 million baht, which increased by 30.90 million baht or 56.41% from the same period of 2020.

The increase in total revenue and net profit in the 4th quarter and the year 2021 was mainly due new sources of revenue from wholesale and retail channels acquired from IBIZ Plus Network Co., Ltd.

## Revenue

As of 31 December 2021, the Company had 107 stores (2020: 47 stores) as follows:

- 25 .life (Dotlife) stores
- 20 Apple Brand stores (14 iStudio by copperwired, 5 U-store by copperwired, 1 Ai\_ store)
- 5 iServe service centers

And 56 stores acquired from IBIZ Plus Network Co., Ltd and 1 new store as follows:

- 28 AIS Brand stores
- 20 Samsung Brand stores
- 9 Xiaomi Brand stores (1 new store)

Following government's measures against Coronavirus (COVID-19), the Company had temporarily closed a number of stores: 2 stores from 20 December 2020 to 2 February 2021, and 37 stores from 12 July to 31 August 2021 (41 stores from 22 March to 16 May 2020).

Breakdown of revenue is as follows:

Revenue	For the three-month ended 31 December				For the year ended 31 December			
	2021		2020		2021		2020	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Sales	2,498.22	98.25	1,299.89	98.14	5,152.16	98.19	3,261.52	97.70
Services	20.78	0.82	14.04	1.06	57.33	1.09	53.59	1.61
<b>Total revenue from sales and services</b>	<b>2,519.00</b>	<b>99.07</b>	<b>1,313.93</b>	<b>99.20</b>	<b>5,209.49</b>	<b>99.28</b>	<b>3,315.11</b>	<b>99.31</b>
Other income	23.56	0.93	10.61	0.80	37.48	0.72	23.04	0.69
<b>Total revenue</b>	<b>2,542.56</b>	<b>100.00</b>	<b>1,324.54</b>	<b>100.00</b>	<b>5,246.97</b>	<b>100.00</b>	<b>3,338.15</b>	<b>100.00</b>

Revenue from sales and services for the 4th quarter and the year ended 31 December 2021 was 2,519 million baht (91.71% increase from prior year) and 5,209.49 million baht (57.14% increase from prior year), respectively. The increase in revenue was contributed by the increase in revenue from sale of computer, tablet and smartphone products and revenue from wholesale and retail channels acquired from IBIZ Plus Network Co., Ltd.

### Gross profit

Gross profit for the 4th quarter of 2021 was 285.31 million baht, being 11.33% of revenue (2020: 169.16 million baht or 12.87% of revenue). Gross profit for 2021 was 653.45 million baht, being 12.54% of revenue (2020: 470.50 million baht or 14.19% of revenue). The 2021 gross profit margin decreased from 2020 as a result of the increase, in proportion to total revenue, of revenue from computer, tablet, and smartphone of which gross profit margin being lower than other products groups.

### Expenses

#### Selling Expenses

Selling expenses for the 4th quarter of 2021 and 2020 were 182.88 million baht and 95.30 million baht, respectively. The expenses decreased to 7.19% of total revenue in 2021 from 7.20% in 2020.

Selling expenses for 2021 and 2020 were 417.39 million baht and 304.94 million baht, respectively. The expenses decreased to 7.95% of total revenue in 2021 from 9.13% in 2020.

The increase in selling expenses were mainly due to the rental and staff expenses relating to retail stores acquired from IBIZ Plus Network Co., Ltd.

#### Administrative expenses

Administrative expenses for the 4th quarter of 2021 and 2020 were 54.79 million baht and 34.56 million baht, representing 2.15% and 2.61% of total revenue, respectively.

Administrative expenses for 2021 and 2020 were 151.51 million baht and 114.48 million baht, representing 2.89% and 3.43% of total revenue, respectively.

The increase in administrative expenses were mainly due to the increase in staff expenses, and expenses incurred in relation to the acquisition of business and assets of IBIZ Plus Network Co., Ltd amounting of 4.34 million baht.

### Net profit and net profit margin

Net profit for the 4th quarter of 2021 was 50.27 million baht, which increased by 11.53 million baht or 29.76% from 2020. Net profit margin decreased from 2.92% of revenue in 2020 to 1.98% of revenue in 2021.

Net profit for 2021 was 85.68 million baht, which increased by 30.90 million baht or 56.41% from 2020. Net profit margin declined from 1.64% of revenue in 2020 to 1.63% of revenue in 2021.

## FINANCIAL POSITION

### Assets

As of 31 December 2021, total assets were 2,206.85 million baht, increase of 987.98 million baht compared to 2020. The increase was mainly due to the increase in Inventories by 144.56 million baht and the right-of-use assets by 201.23 million baht, and recognition of goodwill on acquisition of business and assets of IBIZ Plus Network Co., Ltd of 379.77 million.

### Liabilities

As of 31 December 2021, total liabilities were 1,473.33 million baht, an increase of 948.64 million baht compared to 2020. The increase was mainly due to the increase in trade account payable 197.99 million baht (following the increase in purchase of inventories), increase in lease liabilities 207.19 million baht, and booking of business acquisition payable 306.31 million baht (following the acquisition of business and assets of IBIZ Plus Network Co., Ltd).

### Shareholders' equity

As of 31 December 2021, shareholders' equity was 733.52 million baht, an increase of 39.34 million baht from 2020. The increase was due to net profits for 2021 of 85.68 million baht and dividend payment of 48 million baht during the period.

Please be informed accordingly.

Yours sincerely,

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(Ms. Rattanakorn Rojvatcharapibal)

Chief Financial Officer

Authorized to sign on behalf of the company