

23 February 2022

Subject: Management's Discussion and Analysis (MD&A)
Consolidated Financial Results: Q4/2021 and Year 2021

Attention: Managing Director
The Stock Exchange of Thailand

Executive Summary

In the fourth quarter of 2021, there are highlights as follows:

1. "54.89 MB" Multimedia Over the Top Television ("OTT") Project with SOC

On 15 December 2021, Planet Communications Asia Public Co., Ltd. ("the Company") signed the 54.89 MB contract of The Improvement of Service Efficiency of Parliamentary Multimedia Over the Top Television Project with The Secretariat of the Cabinet ("SOC").

The contract has been won by "Planet-Tencent" consortium, which is made up of Planet Communications Asia Public Co., Ltd. and Tencent (Thailand) Co., Ltd. The Planet-Tencent consortium is ready to leverage our expertise and bring together each partner's strengths. This will enhance the Company's capability and profitability, as well as emphasize the proven success and expertise of the Company in digital and telecommunications for more than 30 years.

2. Establish new subsidiary "Planet Cyber"

The Board of Directors No.8/2021 passed the resolution of approving the Company to establish a new subsidiary, Planet Cyber Company Limited "Planet Cyber" to provide cybersecurity products, services and solutions which is the existing expertise of the Company to the new groups of customers or any new potential markets. The objective of Planet Cyber is to increase the competitiveness and efficiency of the Company to grab the opportunity of rapid cybersecurity market's growth boosted by the surging number of e-commerce platforms and the growing integration of machine learning, internet-of-things (IoT), cloud, and also the government's investment in internet security solutions to guard their confidential data.

Planet Cyber has 5MB registered capital with total ordinary shares of 500 thousand shares at par value 10 Baht per share.

3. Awarded "Excellent CG Scoring"

The Company received Excellent CG Scoring or scoring of 5 under the Corporate Governance Report of Thai List Companies (CGR) from Thai Institute of Directors (Thai IOD) and The Stock Exchange of Thailand (SET) among the 716 Thai listed companies in 2021.

This recognition ensures that the Company operates based on good governance, code of conduct and business ethics with responsibility to communities, society, the environment, and all stakeholders.

Operating Results

Operating results of the Company & its subsidiaries (Unit : MB)	Q4/21	Q4/20	Change +/-	2021	2020	Change +/-
			YoY			YoY
Operating revenue	121.27	127.41	-4.82%	422.73	596.03	-29.08%
Cost of sales	(94.61)	(90.95)	4.02%	(298.55)	(450.79)	-33.77%
Gross profit	26.66	36.46	-26.87%	124.18	145.24	-14.50%
Selling and administrative expenses	(27.56)	(30.25)	-8.89%	(98.13)	(113.67)	-13.67%
Other income	5.84	2.39	144.35%	13.14	11.04	19.02%
EBITDA	4.94	8.60	-42.54%	39.19	42.61	-8.03%
Depreciation and amortization	(3.90)	(4.16)	-6.25%	(15.45)	(17.03)	-9.28%
EBIT	1.04	4.44	-76.56%	23.74	25.58	-7.19%
Finance cost	(1.98)	(3.13)	-36.74%	(9.38)	(18.41)	-49.05%
Income tax expenses	(0.55)	0.41	-234.15%	(7.87)	(4.73)	66.38%
Share of profit (loss) from investment in associates	0.05	-		0.21	-	
Net profit	(1.44)	1.72	-184.21%	6.70	2.44	174.59%
Net profit for the Company	3.73	-4.8	-177.71%	17.50	10.49	66.83%
Gross profit margin (%)	21.98%	28.61%	-6.63%	29.38%	24.37%	5.01%
Net profit margin (%)	-1.13%	1.32%	-2.45%	1.54%	0.40%	1.14%

Revenue

In the fourth quarter of 2021, revenue from sales and services was 121.27 MB, a slight decrease from Q4/2020 of 4.82%. For the year 2021, revenue from sales and services was 422.73 MB decreased 29.08% from 2020. It was mainly due to sales from products and projects which decreased 37.88% from the COVID-19 situation which impacts the investment of both government and business sector. On the other hand, revenue from services of the year 2021 increased 12.32 MB or 11.62% from last year as a result of the Company strategy in focusing on selling after sales services and equipment rentals in order to satisfy the customer's needs in not investing in new CAPEX.

Cost of Sales and Services

The cost of sales and services in the fourth quarter of 2021 was 94.61 MB or 78.02% of operating revenue and the gross margin was 21.98%. To compare with Q4/2020, the gross margin was 28.61%.

However, for the year 2021, the total cost of sales and services was 298.55 MB or 70.62% of operating revenue and the gross margin was 29.38% increased from the year 2020 which was 24.37%. This was because of the company's effective cost control policy.

Selling and Administrative Expenses

The selling expenses for Q4/2021 equaled to 7.78 MB or 6.12% of total revenue. It decreased from the same period of the previous year in the amount of 2.94 MB, or 27.43%. For the year 2021, the total selling expenses was 27.74 MB or 6.36% of total revenue. The selling expenses dropped 22.45% from last year since the Company has conducted the seminar and training via virtual meeting which was an economic and effective tool during the pandemic.

The administrative expenses for Q4/2021 and Q4/2020 were 23.68 MB and 23.69 MB respectively, or 18.63% and 18.25% of total revenue. For the year 2021, the total administrative expenses were 85.84 MB decreased 9.58% from last year. The effective cost control strategy was still the main reason of the decrease in administrative expense in this year.

Financial Costs

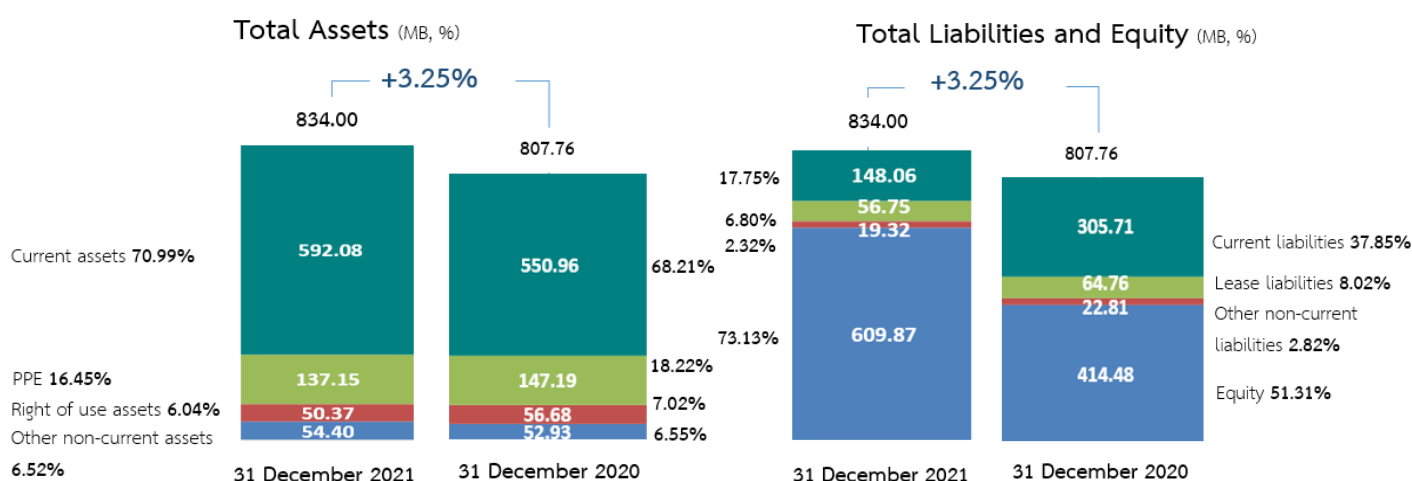
The financial cost for Q4/2021 was 1.98 MB or 1.56% of total revenue compared to the same period of last year which was 3.13 MB or 2.41% of total revenue.

For the year 2021, the financial cost was 9.38 MB compared to 2020 which was 18.41 MB. It decreased by 49.05% due to the repayment of short-term loan. Additionally, the Company tried to expedite bill collection and managed the liquidity from sales to pay off the debt in order to reduce interest payments.

Operating Results

Due to the COVID-19 pandemic and technology disruption, the Company revenue significantly dropped from the year 2020, 28.20%, however the Company was still able to generate profit, 6.70 MB, increased 174.59% from net profit 2.44 MB in 2020. This is a result of the effective cost control policy of the Company.

Financial Position



Assets

As of 31 December 2021, the total assets were 834.00 MB, increased 26.24 MB or 3.25% compared to the end of 2020 equaled to 807.76 MB. It came from the increase in cash, 146.97 MB, which was mainly from Right Offering (RO) and the

increase in advance for purchasing of goods for projects, 25.54 MB. However, there was the decrease in account receivable and current contract assets 130.98 MB.

Liabilities

The total liabilities as of 31 December 2021 were 224.13 MB, decreased 169.15 MB or 43.01% compared to the end of 2020 which equaled to 393.28 MB. It was due to the Company's liquidity management from sales used to pay off the debt to reduce interest payments. The short-term borrowing from bank decreased by 129.98 MB from the end of 2020. Additionally, there was a decrease in trade payable, 26.10 MB or 26.05% from last year because the payment cycle was due before the end of the year.

Shareholders' equity

From the capital increasing by Right Offering (RO) in Q2/2021, the shareholders' equity as of 31 December 2021 was 609.87 MB, increased 195.39 MB or 47.14% compared to the end of 2020.

Financial Ratio

The important ratios are presented below:

Ratio	As of 31 December 2021	As of 31 December 2020
Liquidity Ratio (Times)	4.00	1.80
Debt to Equity Ratio (Times)	0.37	0.95
Return on Equity (%)	1.10	0.59

Yours Sincerely,

(Mr. Prapat Rathlertkarn)
Chief Executive Officer