

RC 04/22

24 February 2022

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

The Board of Directors' Meeting No. 2/2022 of Jasmine International Public Company Limited (the "Company"), held on 24 February 2022, has resolved to approve the consolidated financial statements for the year 2021, ended 31 December 2021, that have been accordingly audited by the Company's external auditor and reviewed by the Audit Committee at the meeting No.1/2022 held on 24 February 2022. Also, on this occasion, the Company would like to report its operating results as detailed below:-

Operating Results for 3-Month Period

Unit: Million Baht

	4Q2021	3Q2021	4Q2020 (Restated)	QoQ		YoY	
				Increased (decreased)	%	Increased (decreased)	%
Revenue from Sales & Services:							
Broadband and Internet TV Service segment	4,578	4,602	4,404	(24)	(1)	174	4
Provision, design and installation of telecommunications systems segment	335	286	243	49	17	92	38
Revenue from other segment and other income	766	143	169	623	437	597	353
Total Revenue	5,679	5,031	4,816	648	13	863	18
Cost of sales and services	3,540	3,383	3,596	157	5	(56)	(2)
Selling and administrative expenses	1,253	1,066	1,398	187	18	(145)	(10)
Expected credit losses	73	44	104	29	66	(31)	(30)
FX loss (gain)	(68)	167	(128)	(234)	(141)	60	(47)
Net profit (loss)	45	(370)	(935)	415	(112)	980	(105)
EBITDA	3,787	3,470	3,014	317	9	773	26

Operating Results for Y2021

Unit: Million Baht

	Y2021	Y2020 (Restated)	YoY	
			Increased (decreased)	%
Revenue from Sales & Services:				
Broadband and Internet TV Service segment	18,033	17,587	446	3
Provision, design and installation of telecommunications systems segment	1,131	913	218	24
Revenue from other segment and other income	1,207	730	477	65
Total Revenue	20,371	19,230	1,141	6
Cost of sales and services	13,483	13,462	21	0
Selling and administrative expenses	4,692	5,318	(626)	(12)
Expected credit losses	287	300	(13)	(4)
FX loss	229	83	146	176
Net profit (loss)	(1,501)	(3,134)	1,633	(52)
EBITDA	13,648	12,167	1,481	12

The operating results for the year 2021 had a net loss of 1,501 million Baht, decreasing by 52 %, compared to the year 2020 in which the total net loss was recorded at 3,134 million Baht. The EBITDA for the year 2021 was at 13,648 million Baht, increasing by 1,481 million Baht or 12 %, compared to that of 12,167 million Baht in the year 2020.

The operating results for 4Q2021 had a net profit of 45 million Baht, compared to the same period of the previous year and 3Q2021 in which the net loss was recorded at 935 million Baht and 370 million Baht, respectively. For 4Q2021, the EBITDA was at 3,787 million Baht, increasing by 773 million Baht or 26% YoY and also increasing by 317 million Baht or 9%, QoQ.

The operating results for Y2021 and 4Q2021 are as detailed below:-

Total revenue

The total operating revenue of the Company and its subsidiaries for Y2021 was 20,371 million Baht, increasing by 1,141 million Baht or 6% YoY, comprising:-

- The revenue obtained from Broadband and Internet TV Service segment of 18,033 million Baht, increasing by 446 million Baht or 3% YoY due to an increase in the number of 3BB subscribers.

As at the end of 2021, 3BB had a total of 3.65 million 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 2.43 million with Average Revenue Per User (ARPU) of 598 Baht per month for Y2021 and 597 Baht per month for 4Q2021.

- The revenue obtained from the provision, design and installation of telecommunications systems segment of 1,131 million Baht, increasing by 218 million Baht or 24% YoY as a result of an increase in the revenue obtained from domestic and international circuit leasing services. Moreover, for the year 2021, the Bitcoin mining business that has recognized its revenue since 3Q2021, recognized its revenue from approximately 9.6 Bitcoins earned, equivalent to approximately 16.5 million Baht.
- The revenue obtained from other segment and other income of 1,207 million Baht, increasing by 477 million Baht or 65% YoY due to the record of the revenue from the reversal of the liability of TTTBB in 4Q2021 of 609 million Baht and the gain from the change in the fair value of investment properties - net of 22 million Baht - a result of the change in the accounting policy for investment properties of Premium Assets Company Limited, a subsidiary in JAS Group in 4Q2021.

The total operating revenue of the Company and its subsidiaries for 4Q2021 was 5,679 million Baht, increasing by 863 million Baht or 18% YoY and also increasing by 648 million Baht or 13% QoQ, comprising:-

- The revenue obtained from Broadband Internet and Internet TV Service segment of 4,578 million Baht, increasing by 174 million Baht or 4% YoY.
- The revenue obtained from the provision, design and installation of telecommunications systems segment of 335 million Baht, increasing by 92 million Baht or 38% YoY and also increasing by 49 million Baht or 17% QoQ as a result of an increase in the revenue obtained from circuit leasing services. Moreover, in 4Q2021, the Bitcoin mining business recognized its revenue from approximately 6.8 Bitcoins earned, equivalent to approximately 12.3 million Baht.
- The revenue obtained from other segment and other income of 766 million Baht, increasing by 597 million Baht or 353% YoY and also increasing by 623 million Baht or 437% QoQ.

Operating Expenses

In 2021, the operating expenses, consisting of cost of sales and services, sales and services expenses and selling and administrative expenses, were of 18,175 million Baht, decreasing by 605 million Baht or 3% YoY. Details are as follows:-

- Cost of sales and services for the year 2021 was recorded at 13,483 million Baht, increasing by 21 million Baht YoY, comprising:-
 - 1) The OFC rental fee which in 2021 decreased by 601 million Baht YoY mainly as 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 and the rental rate increase 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 and the rental rate increase).
 - 2) Other costs of sales and services which in 2021 increased by 623 million Baht YoY was mainly due to the depreciation of network equipment of TTTBB and the cost of Internet TV business service offering
- Selling and administrative expenses for the year 2021 was recorded at 4,692 million Baht, decreasing by 626 million Baht or 12% YoY. Such decrease was mainly a result of 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.

Cost of sales and services for 4Q2021 was 4,793 million Baht, decreasing by 201 million Baht or 4% YoY, but increasing by 344 million Baht or 8% QoQ, comprising:-

- Cost of sales and services in 4Q2021, amounting 3,540 million Baht, decreasing by 56 million Baht or 2% YoY, but increasing by 157 million Baht or 5% QoQ.

- Selling and administrative expenses in 4Q2021, amounting 1,253 million Baht, decreasing by 145 million Baht or 10% YoY, but increasing by 187 million Baht or 18% QoQ.

For the year 2021, the Company and its subsidiaries had an operating loss of 1,376 million Baht, decreasing by 1,370 million Baht, compared to the year 2020 in which the operating loss was recorded at 2,746 million Baht. For 4Q2021, the Company and its subsidiaries had the operating profit of 139 million Baht, increasing when compared to the same quarter last year and the previous 3Q2021 in which the operating loss was of 682 million Baht and 276 million Baht, respectively.

During the year 2021, JAS Group changed its accounting policies and accounting estimates as follows:-

1. The change in the accounting policy for investment properties from a cost model to a fair value model, using the full retrospective method and restated the prior year's financial statements to present as comparative information. The cumulative effect of the change in this accounting policy is shown as a separate item in the statement of changes in shareholders' equity.
2. The change in the accounting policy for properties, plant and equipment from a cost basis to revaluation basis for its land and buildings; the effect of the change in this policy was recognized prospectively (as TAS 16 does not require that the changes be applied retrospectively).
3. The change in the accounting policy for the estimated useful lives of building that shall result in a decrease in the depreciation to be recognized in the future.

The impacts of the aforementioned changes on the financial statements are as follows:-

The impacts of the change in Accounting Policy as of 31 December 2021	Effect from revaluation (Million Baht)		
	Cost basis	Increased changes in revalued	Revaluation basis
<u>ASSETS</u>			
Investment Properties	285	974	1,259
Land & Building	580	1,610	2,190
<u>LIABILITIES</u>			
Deferred tax liabilities	-	532	532
<u>SHAREHOLDERS' EQUITY</u>			
Retained earning (loss)-unappropriated -IP	-	763	763
Retained earning (loss)-unappropriated -PPE	-	(10)	(10)
Increase in surplus on revaluation of assets	-	1,298	1,298
<u>Statement of Comprehensive Income</u>			
Gain (loss) on change in fair value of IP		41	41
Gain (loss) on changes in revalued amounts of building-PPE		(13)	(13)
Income tax effect		(6)	(6)
Profit (loss)		23	23
<u>Other Comprehensive Income</u>			
Change in revaluation of assets		1,622	1,622
Income tax effect		(324)	(324)
Other comprehensive income-net		1,298	1,298

Business Trends in 2022

Bitcoin Mining Business of Jasmine Technology Solutions Public Company Limited (JTS)

In the previous year, JTS conducted researches on Bitcoin mining and started the experiment on mining Bitcoins. The company also sought for funding, entered into contract with "Bitmain" – a major manufacturer of the Bitcoin mining machines, requested for electricity support from the Provincial Electricity Authority to get ready for moving forward with full strengths to operate the Bitcoin mining business. In parallel, JTS finding new businesses that can build on the crypto business of the company.

Broadband Internet Business

The outbreaks of COVID-19 have changed the people's ways of life in many ways, be they the routine activities or the working life. Under COVID-19, certain companies have seriously adopted the Work From Home policy and required that their staff work alternately from home and office, resulting in higher consumption of bandwidth. In order to serve the demand of Internet users that has been increasing with diversity of Internet usage conditions in each service area, 3BB plans to launch a variety of packages, plus many more value added services to address the requirements of the customers who may be people of low income, users who are happy with a lot more value added services and/or speeds higher than 1000 Mbps. The company is ready to introduce these new packages in 2Q2022. In addition, 3BB targets to double the revenue from corporate clients so the company plans to find more partners for the provision of more interesting solutions to its corporate clients.

IPTV Business under the Brand of 3BB GIGATV

It has been the period of 1 year already that 3BB has offered the IPTV service under the name of 3BB GIGATV that has significantly helped reducing churns of 3BB Internet services. In the previous year, the target group of 3BB GIGATV was the customers of high-end packages; however, in 2022, according to its plan, 3BB will expand the customer base of 3BB GIGATV to more groups of people and to finally achieve 2 million subscribers within the year 2023. The company aims at obtaining more revenue streams from monthly subscription services such as Golf Channel Thailand HD+ and Transactional VOD services. Besides, the company is currently looking for partners who wish 3BB to offer their OTT service to 3BB's existing customers such as WeTV, Netflix and etc. The company also plans to introduce a new business model that can help expand 3BB GIGATV to lodges, dormitories and hotels.

Apart from the above mentioned schemes, the company also plans to introduce its IOT service with a world-class platform that the customers can access via their own mobile phones as well as 3BB GIGATV Box , along with e-commerce services. Additionally, the company plans to have 3BB technicians work as an additional sale channel of 3BB services, commencing in 2Q2022.

Please be informed accordingly.

Yours sincerely,
Jasmine International Public Company Limited

(Mr. Subhoj Sunyabhisithkul)
Acting Chief Executive Officer