

Business overview

During the first quarter of 2022, there were significant events beneficial to the Company as per the below conclusion.

1. **Ultra Asia Company Limited, which is our subsidiary, purchased ordinary shares of QROI Network Service Inc. (“QNSI”), Philippines, which operates the business of providing services in the installing and testing of telecommunication towers in the Philippines on 28 February 2022, in the proportion of 67.00 percent of the total issued and paid-up shares of QNSI, amounting to 3.84 million USD, or approximately 126 million Baht.**

2. **The Company allocated 639.75 million newly issued ordinary shares of the Company in the form of a general mandate to a specific investor (Private Placement) as per the resolution of the Annual General Meeting of Shareholders for 639.75 million shares on 7 March 2022, at a price of 0.10 baht per share, approximately 63.97 million Baht in total.**

In this regard, the Company registered the change of paid-up registered capital from the amount of 2,632.98 million baht to the amount of 2,696.95 million baht at the Department of Business Development, Ministry of Commerce on 9 March 2022.

Consolidated Income Statement

Operating results in the first quarter of 2022, the Company and its subsidiaries had total revenue of 67.83 million baht, which is considered an increase of approximately 25 million baht from the same quarter of the year, or accounting for 58.36 percent from the same quarter of the year.

Regarding the revenue earned in the first quarter of last year, most of the revenue was from telecommunications services in the Philippines, amounting to 34.89 million baht, or 51.44 percent, followed by revenue from telecommunication towers and government projects in the country, which is the manufacturing of substation structures and selling industrial products in the amount of 21.45 million baht, and other income of 11.49 million baht.

The decreased revenue from the project in the first quarter of 2022 was due to the COVID-19 virus epidemic that has occurred from the beginning of 2020 until the present, causing the Electricity Generating Authority of Thailand (EGAT) to postpone the bidding for the installation of large high-voltage transmission towers in many big projects since the end of 2020. Consequently, the purchase of high-voltage transmission towers from 2021 until the first quarter of 2022 was postponed. Due to the reduced workload, the figure of project costs in the financial statements was higher than the project revenue because the costs of all manufacturing plants were recorded together. The cost of idle capacity was also included in the cost of project revenue.

However, in the first quarter of 2022, the Company still had revenue from sales of structures for substations and telecommunication towers in the country.

The selling and administrative expenses in the first quarter of 2022 increased from the same quarter of the year by 7.68 million baht because of expenses for overseas business development and loss from selling existing equipment that cannot be used in the amount of 3.01 million Baht.

In addition, the Company had a financial cost of 1.48 million baht, compared to the same quarter of the year where the financial cost was 4.50 million baht, as the Company settled the repayment for some loans. Thus, the Company could reduce a lot of interest costs.

Sincerely Yours,

- Natchapoln Patcharamaneepakorn-
(Mr. Natchapoln Patcharamaneepakorn)
Company Secretary