

No. BT 016/2022

November 10<sup>th</sup>, 2022

Subject: Management Discussion and Analysis for the third quarter of year 2022  
To: President  
The Stock Exchange of Thailand

Bliss Intelligence Public Company Limited and subsidiaries (“the company”) have submitted the consolidated financial statements for the third quarter of year 2022 ended September 30, 2022, which reported net loss of Baht 21.42 million, slightly increasing of Baht 0.5 million or 2% as compared to net loss of Baht 20.92 million in the same period of prior year. The company hereby reports the operating result as follows.

### 1. Total revenues

The company’s total revenues were Baht 45.13 million, decreasing of Baht 28.74 million or 38% as compared to total revenues of Baht 73.87 million in the same period of prior year. Details were as follows:

- 1.1 Revenue from services amounted to Baht 42.81 million, decreasing by Baht 10.26 million or 19% as compared to Baht 53.07 million from the same period of last year mainly related to the project of service providing high-speed internet in remote area Zone C, Group 2 North 2 Region (USO) while some projects are in delivery process.

### 2. Cost of rendering of services

The company’s total cost of rendering services amounted to Baht 42.52 million, decreasing of Baht 22.89 million or 35% as compared to total cost of rendering of services of Baht 65.41 million in the same period of prior year in accordance with a decline in revenue.

### 3. Gross profit

The company reported gross profit of Baht 2.96 million, improving from a reported negative gross profit of Baht 2.59 million in the same period of previous year. The company’s gross profit margin was 7.13% significant increased as compared to -2.80% in the same period of prior year mainly related to the project of service providing high-speed internet in remote area Zone C, Group 2 North 2 Region (USO).

### 4. Total expenses

The company’s total expenses amounted to Baht 23.92 million, improved by Baht 4.70 million or 16% YoY as compared to total expenses of Baht 28.62 million in the same period of prior year. Key reasons were:

- 4.1 an increased in loss allowance for trade receivables of Baht 7.37 million
- 4.2 employee expenses decreased of Baht 2.44 million due to the company restructuring.
- 4.3 financial expenses decreased of Baht 8.04 million from short term loan repayment.

**Operation Performance in the third quarter of 2022**

1. The company has managed and overcome the project's obstacles to keep project on schedule and progress. The projects are expected to be on delivery schedule such as
  - Construction of civil works of underground cable project at Praksa Road, Samutprakarn.
  - Construction of civil works of manhole and underground cable project at Bang Kruai - Sai Noi.
  - Maintenance Service of Electronic Data Capture (EDC) of Application Software for Government Saving Bank.
2. The company has reached a conclusion with The National Broadcasting and Telecommunications Commission (NTBC) for the project of the national broadband network for villages (Zone C) in Group 2 North Region 2. The company has already signed the revised agreement with NTBC on September 9, 2022 and has received the payment for Maintenance Service of Baht 372.88 million on October 7, 2022. The auditor has been clarified and removed this issue from the auditor's qualified opinion.
3. There is some project's problem need to be solving and minimizing to achieves its objectives and meets or exceeds the expectations of the stakeholders.

**Business Overview**

Besides, the company manage all project in hand and keep it on schedule and progress, the company is looking for the potential business with sustainable growth with business partner who can help take the company to the next level is crucial for the success of any business. Details were as follows:

1. On August 3, 2022, the company has submitted applications for e-bidding participation in 2 projects of information technology skill development towards digital transformation in Universal Service Obligation (USO) Project in (Group 2: Upper Northeast) and (Group 3: Lower Northeast) as announced by Office of The National Broadcasting and Telecommunications Commission (NBTC). The value of 2 projects are approximately million 720 Baht according to its median price announcement. Shall there be any further update, the company will inform accordingly.
2. The company is in process of document submission for a completed application to be an officially Very Small Power Producers (VSPP) to sell electricity to Provincial Electricity Authority (PEA) within November 24, 2022. The company is expected to be qualified VSPP to generate and sell electricity from renewable energy sources (Wind Energy).

Please be informed accordingly.

Your sincerely,

(Teerawit Charuwat)  
Managing Director