

Subject: Management Discussion and Analysis on Financial Statements for the 9-Month Period Ended 30 September 2022

Attention: President

The Stock Exchange of Thailand

Readyplanet Public Company Limited (the “Company”) would like to inform the Management Discussion and Analysis on financial statements for the 9-month period of 2022 as follows.

Operating Performance and Profitability

Total Revenues

The Company had a total revenue of THB 119.06 million in the first 9 months of 2022, reflecting an increase from that of the same period in the previous year, which stood at THB 109.84 million. The change in the Company's total revenue was a result of changes in revenue from rendering of services, which is main source of the Company's revenue. This is because the majority of the Company's total revenue comes from revenue from rendering of services.

	For the 9-Month Period Ended September 30,			
	2021		2022	
	THB million	Percentage	THB million	Percentage
Revenue from Rendering of Services				
- Self Services ^{1/}	44.61	40.61	53.03	44.54
- Managed Services ^{2/}	60.90	55.44	65.18	54.75
Total Revenue from Rendering of Services	105.51	96.05	118.21	99.29
Other Incomes ^{3/}	4.33	3.95	0.85	0.71
Total Revenues	109.84	100.00	119.06	100.00

Remarks: 1/ Providing services that customers can perform by themselves through the use of the Company's platform (Self Services) where the customer is a user of the Company's platform for digital marketing yourself such as building a website, customer relationship management (CRM) and direct hotel booking system management (Direct Hotel Booking) etc.

2/ Providing services that the Company's experts manage for customers through the Company's platform (Managed Services), whereby experts on digital marketing and related fields from the Company using the Company's platform in providing services to customers such as website design and advertising management etc.

3/ Key other incomes such as rental income, gain on foreign exchange translation and revenue from social security remedial measures

Revenue from Rendering of Services

For the first 9 months of 2022, the Company generated THB 118.21 million in revenue from rendering of services, reflecting a 12.04% increase from that of the same period in the previous year, which stood at THB 105.51 million. This was because COVID-19 was still spreading during quarter 1 of 2022, but gradually improved from quarter 2 of 2022 onwards, leading to relaxation of COVID-19 containment measures and the opening of borders to accept international tourists. That, coupled with the “Rao Tiew Duay Gun” project undertaken by the government to stimulate domestic tourism, caused revenue from rendering of services to increase with key details on the rendering of services as follows.

- Revenue from rendering of self services amounted to THB 53.03 million in the first 9 months of 2022, reflecting an 18.87% increase from that of the same period in the previous year, which stood at THB 44.61 million. This was mainly due to an increase in hotel direct booking platform revenue from domestic tourism stimulus measures following relaxation of the COVID-19 containment measures.
- Revenue from rendering of managed services amounted to THB 65.18 million in the first 9 months of 2022, reflecting a 7.03% increase from that of the same period in the previous year, which stood at THB 60.90 million. Such increase corresponded to gradual relaxation of the COVID-19 containment measures, which took effect especially during quarter 2 of 2022, causing many businesses to increase their online advertising budget and subsequently leading to an increase in online advertising management service revenue.

Other Incomes

For the first 9 months of 2022, the Company had THB 0.85 million in other incomes, reflecting an 80.37% decrease from that of the same period in the previous year, because during the first 9 months of 2021, Readyplanet Max Company Limited (“RPMAX”) had revenue from the collection tax penalty paid by RPMAX’s previous shareholder of THB 3.07 million, while the first 9 months of 2022 had no such transaction. The Company’s key other incomes comprised THB 0.12 million in gain on selling assets which is from the sale of office supplies and office equipment transferred from the original office and other incomes-others consisting of THB 0.40 million in subsidy from the Ministry of Labor, THB 0.15 million in refund from advertising expenses, and THB 0.06 million in refund from provident fund due to employee resignation before specified term.

Cost of Services

For the first 9 months of 2022, the Company incurred THB 44.40 million in cost of services, reflecting an increase from that of the same period in the previous year, which stood at THB 43.79 million. The Company's cost of services comprised employee expenses, amortization expenses, and commission expenses for advertising management employee. The key reason for such increase was amortization expenses, which amounted to THB 7.70 million for the first 9 months of 2022, an increase as compared to that of the same period in the previous year of THB 6.72 million. Amortization expenses showed an increasing trend since 2019 as the Company continuously invested in the development of software to ensure that the Company's services better responded to customer needs.

Selling Expenses

For the first 9 months of 2022, the Company incurred THB 19.42 million in selling expenses, reflecting an increase from that of the same period in the previous year, which stood at THB 19.18 million. This was mainly due to an increase in expenses related to employee including commission which was higher than that of the same period in the previous year. As the COVID-19 outbreak situation began to subside, the Company therefore increased the sales staff to support the demand for services and generate sales for the Company.

Administrative Expenses

For the first 9 months of 2022, the Company incurred THB 38.39 million in administrative expenses, reflecting a decrease from that of the same period in the previous year, which stood at THB 40.19 million. Administrative expenses mainly comprised employee expenses, depreciation and amortization expenses, service rental fee and professional fees. Other administrative expenses during the past showed a decreasing trend because the Company, during quarter 3 of 2021, moved its office to a new office building, which charged a lower fee for service rental fee as compared to the previous office building, and because the Company restructured its business, enabling the cutting down of cost. Other administrative expenses included (1) insurance premium, (2) bank charges and other fees, and (3) maintenance and repairs.

Net Profit

For the first 9 months of 2022, the Company generated THB 13.59 million, reflecting an increase from that of the same period in the previous year, as a result of a shift in its business strategy to reach larger business groups, coupled with the Company's customers being able to return to usual business following improvements to the

COVID-19 outbreak situation and relaxation of COVID-19 containment measures. Particularly with the opening of borders to accept international tourists and the “Rao Tiew Duay Gun” project undertaken by the government to stimulate domestic tourism posed positive impact to hotels, companies in the hotel business as well as other businesses recovered, enabling them to spend more on digital marketing.

Analysis of Financial Position

Assets

As at 30 September 2022, the Company had THB 261.93 million in total assets, reflecting a THB 11.85 million increase from that as at 31 December 2021. This was due to a THB 17.30 million increase in cash and cash equivalents from the Company's ability to continuously generate cash flow from operations.

Liabilities

As at 30 September 2022, the Company had THB 173.12 million in total liabilities, reflecting a THB 2.79 million decrease from that as at 31 December 2021. This was mainly due to the Company's full repayment of THB 10 million in loan from financial institution, while contract liabilities increased by THB 8.60 million in accordance with an increase in customers' demand to engage in digital marketing.

Shareholders' Equity

As at 30 September 2022, the Company had THB 88.81 million in total shareholders' equity, reflecting a THB 14.64 million increase from that as at 31 December 2021. This was mainly due to the Company's generation of net profit during the period. Additionally, in 2022, the Extraordinary General Meeting No. 1/2022 had a resolution to offset legal reserve and share premium with deficit as at the end of 2021, causing retaining earnings as at the end of September 2022 to be THB 26.71 million from the deficit of THB 55.99 million.

Interim Dividend Payment

On 10 November 2022, the Board of Directors' Meeting No. 3/2022 resolved to approve allocation of THB 0.72 million as legal reserve and interim dividend payment to shareholders of the Company at THB 0.15 per share, totaling THB 12.75 million, scheduled for payment by 9 December 2022.

Please be informed accordingly.



Yours sincerely,

Miss Ananya Sangratanadech

Senior Vice President - Finance and Accounting Unit