

Readyplanet Public Company Limited
Management Discussion and Analysis on Financial Statement
For the Year Ended 31 December 2022 Compared to 31 December 2021
Business Overview

Readyplanet Public Company Limited engages in the provision of All-in-One Sales and Marketing Platform services covering websites, online advertising, customer relationship management (CRM), and hotel direct booking through a platform which the Company developed with specialized team of experts providing advice.

Performance for the Year Ended 31 December 2022 Compared to 31 December 2021

Unit: Million Baht

Transactions in statement of profit or loss	For the year ended 31 December				Variance	
	2022	%	2021	%	Amount	%
Revenues from rendering of services	161.15	100%	145.65	100%	15.50	11%
Other incomes	0.97	1%	5.67	4%	(4.70)	-83%
Total Revenues	162.12	101%	151.32	104%	10.80	7%
Cost of services	59.02	37%	58.31	40%	0.71	1%
Distribution costs	26.77	17%	24.80	17%	1.97	8%
Administrative expenses	51.07	32%	50.55	35%	0.52	1%
Total Expenses	136.86	85%	133.66	92%	3.20	2%
Profit from operating activities	25.26	16%	17.66	12%	7.60	43%
Finance incomes	0.10	0%	0.06	0%	0.04	67%
Finance costs	0.40	0%	0.35	0%	0.05	14%
Profit before income tax	24.96	15%	17.37	12%	7.59	44%
Income tax expense	4.52	3%	3.11	2%	1.41	45%
Profit for the year from continuing operations	20.44	13%	14.26	10%	6.18	43%
Loss for the year from discontinued operation	(0.10)	0%	(0.44)	0%	0.34	77%
Profit for the year	20.34	13%	13.82	9%	6.52	47%

For the year 2022, the Company generated THB 161.15 million in revenue from rendering of services, reflecting an 11% increase as compared to 2021. Net profit for the year 2022 amounted to THB 20.34 million, reflecting a 47% increase as compared to 2021, which corresponded to the annual budget set. In quarter 4 of 2022, the Company generated THB 42.94 million in revenues, reflecting a THB 1.49 million increase from that of quarter 3, which stood at THB 41.45 million.

Changes to the Income Statement

1. Revenue from Rendering of Services

Despite the presence of the spread of Omicron during quarter 1 of 2022, the situation started to improve towards the end of quarter 2 of 2022. That, coupled with the relaxation of COVID-19 containment measures by the government, caused various businesses to come back to engage services and for people to return to tourism, leading to an improvement in hotel reservations. The Company's business strategy, which focused on tapping into the market of larger businesses that still possess purchasing power through the offering of the All-in-One Sales and Marketing Platform, also enabled the Company to continuously close new customer transactions. This caused revenue from rendering of services to amount to THB 161.15 million, reflecting a THB 15.50 million or 11% increase from 2021, which stood at THB 145.65 million.

2. Other Incomes

The Company's other incomes amounted to THB 0.97 million. This comprised THB 0.40 million in subsidy from the Ministry of Labour and other revenue from the sale of old furniture and office equipment no longer used.

3. Cost of Services

The Company incurred THB 59.02 million in cost of services, reflecting a THB 0.71 million or 1% increase from that of 2021, which stood at THB 58.31 million. Such increase was attributable to the increase in development of software, resulting in an increase in amortization expense, as well as expenses related to services in order to serve the increase in volume of work.

4. Distribution Costs (Selling Expenses)

The Company incurred THB 26.77 million in distribution cost, reflecting a THB 1.97 million or 8% increase from that of 2021, which stood at THB 24.80 million. This was mainly due to the increase in employee expenses to support new customer acquisitions.

5. Administrative expenses

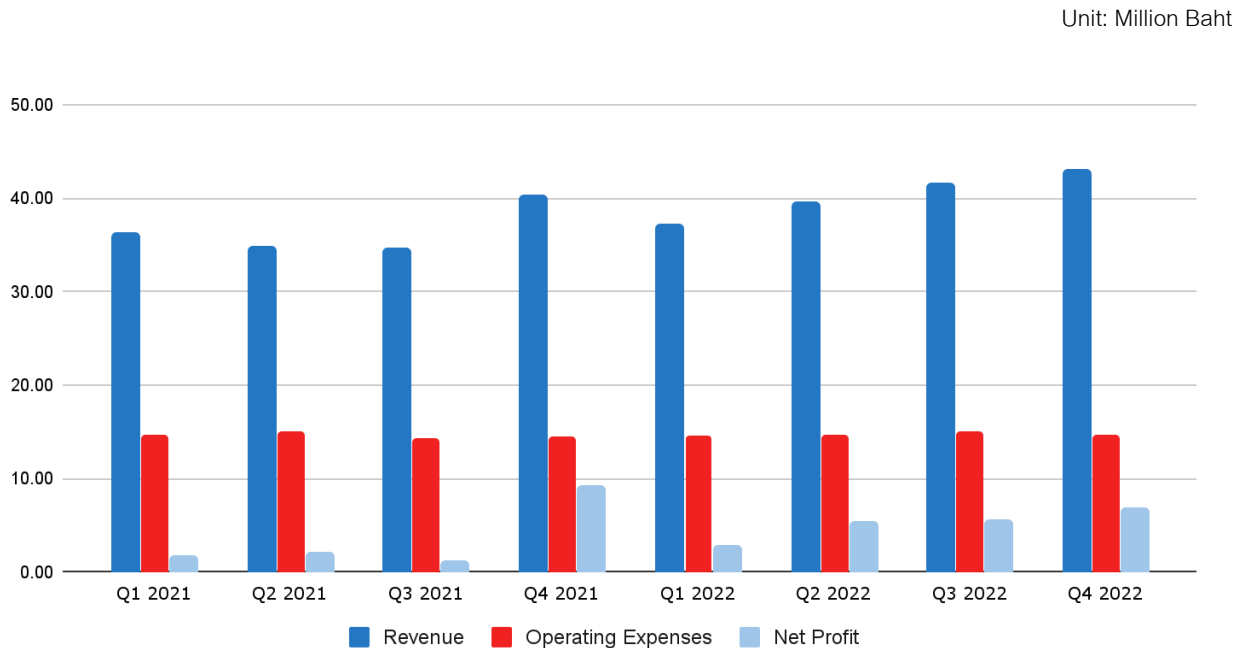
The Company incurred THB 51.07 million in administrative expenses, reflecting a THB 0.52 million or 1% increase from that of 2021, which stood at THB 50.55 million. In 2022, the Company incurred THB 1.13 million in IPO expenses.

6. Income Tax Expense

The Company incurred THB 4.52 million in income tax expense, reflecting a THB 1.41 million or 45% increase, in line with the increase in profits before tax.

Quarterly Performance Analysis

Revenue, operating expenses, and net profit for the Company on a quarterly basis in 2022 as compared to that of 2021 are displayed in the following chart.



In 2022, the Company's revenue displayed growth in every quarter when compared to the same quarter of the previous year (comparing the same quarter year of year, revenue increased for all 4 quarters). In 2022, the Company's profit also displayed growth when compared to the same quarter of the previous year throughout quarters 1, 2, and 3, with the exception of quarter 4. This was due to the fact that profit in quarter 4 of 2021 was especially high given temporary improvement in COVID-19 situation, which prompted consumers, who did not engage in tourist activities throughout quarters 1-3, to make hotel reservations in quarter 4 of 2021. The Company, therefore, had exceptionally high revenue from the rendering of hotel direct booking platform service. In addition, the Company had THB 1.2 million in other revenue in quarter 4 of 2021 from subsidies from the Ministry of Labour and social security.

In summary, revenue and profit for the Company, on a quarterly basis, showed continuous growth in 2022 from 2021.

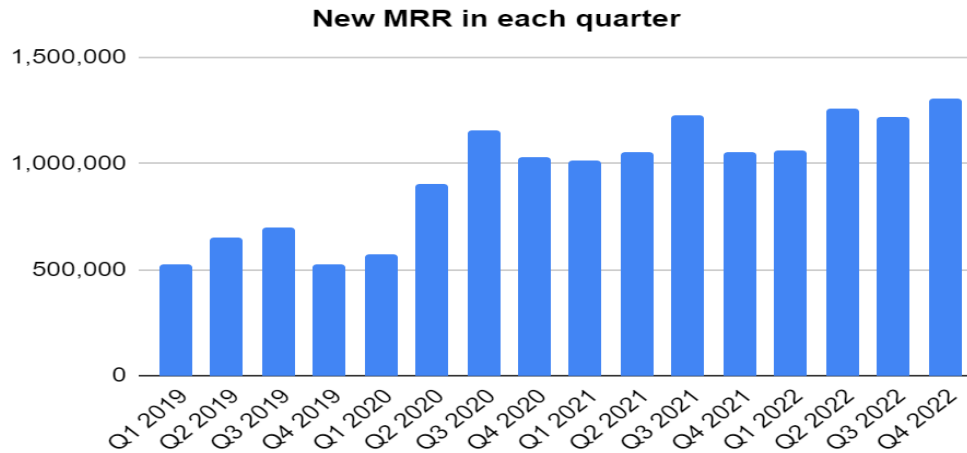
The Company operated in accordance with the strategy that focused on the sale of Readyplanet All-in-One Platform targeted towards medium-sized and large organizations. Despite the impact of COVID-19 outbreak, especially affecting direct hotel booking and online advertising management services, total revenue for the year 2022 stood at THB 161.15 million, reflecting an 11% increase as compared to 2021, and net profit amounted to THB 20.34 million, reflecting a 47% increase as compared to 2021, in line with the annual budget which the Company has set.

In terms of expenses, total expenses in 2022 slightly increased from that of 2021 because the Company had fixed costs such as cost of services and administrative expenses, which remained constant or increased only slightly, not in direct proportion to the increase in revenue. Variable costs only constituted a few items for the Company such as marketing expenses and commission fees, and increased at a proportion close to that of revenue. Therefore, combined, the rate of increase of expenses is lower than that of revenue, specifically, expenses increased from THB 133.66 million in 2021 to THB 136.86 million in 2022, reflecting an overall 2.4% increase.

The Company operated in accordance with set strategy, namely to sell to new customers which are medium-sized and large corporations. These new customers have a large user base or large volume of usage, leading to an increase in new monthly recurring revenue (New MRR) and new average revenue per account (New ARPA) for the Company. This is shown in the chart below, which illustrates New MRR each quarter from quarter 1 of 2019 to quarter 4 of 2022, as well as New ARPA from quarter 1 of 2019 to quarter 4 of 2022.

Revenue and profit of the Company showed an increasing trend as a result of gradual inflow of the aforementioned New MRR for the previous multiple quarters. In quarter 4 of 2022, the Company recorded a new high of New MRR at THB 1.303 million and of New ARPA at THB 6,060, causing current average revenue per account (Current ARPA) to also reflect new high of THB 1,511.

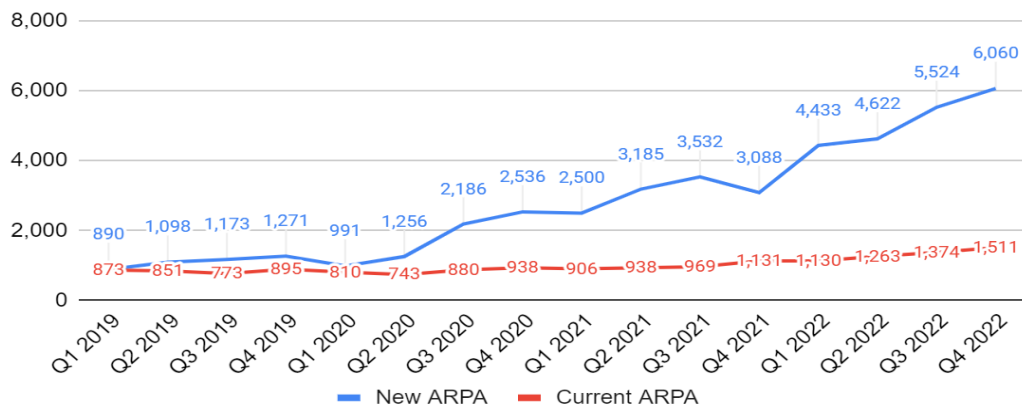
Details are shown in the following chart and table.



	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
New MRR (x1,000)	528	649	698	523	574	905	1,152	1,027	1,012	1,051	1,229	1,050	1,060	1,257	1,221	1,303

The figure of the new recurring income (New MRR) in each quarter

Remark: The calculation of the revenue from new customers on monthly average (New MRR) in each quarter, the company calculates sales volume from new customers who purchased services in that quarter. to be calculated as the average monthly income, for example, a customer purchases a 1-year RMP package service with a service fee of 23,500 baht, representing the gradually recognized income from new customers on a monthly average (New MRR) equal to 1,958 baht (calculated from the service fee of 23,500 baht divided by 12 months) and then add the MRR of all new customers in that quarter.



The figure of the average revenue per new customer (New ARPA) and the average revenue of current customers (Current ARPA) in each quarter

Statements of Financial Position

Assets

As at 31 December 2022, the Company had THB 256.66 million in total assets, reflecting a THB 6.58 million or 3% increase from that as at 31 December 2021. This was because at the end of 2022, trade receivables and other current receivables increased by THB 2.62 million or 9%, following an increase in customers' advertising budget, equipment increased by THB 2.65 million following the Company's purchase of furniture and office decoration for a new space which the Company additionally leased for THB 3.91 million and purchase of additional computers for THB 0.90 million, and other intangible assets apart from goodwill increased by THB 2.15 million following THB 15.84 million record of software.

Liabilities

As at 31 December 2022, the Company had THB 174.63 million in total liabilities, reflecting a THB 1.27 million or 1% decrease from that as at 31 December 2021. This was because contract liabilities (current) , which constituted unearned revenue received in advance from customers who bought the service and were gradually amortized as revenue within 1 year throughout the service period, increased by THB 8.69 million following an increase in service package sales to customers, but this was offset by a THB 9.76 million decrease in cash received in place of advertising, following the increase in large corporate customers for which the Company conducted individual credit checks and awarded postpaid service nature for those who passed the criteria.

Shareholders' Equity

As at 31 December 2022, the Company had THB 82.03 million in total shareholders' equity, reflecting a THB 7.85 million or 10.58% increase from that as at 31 December 2021. This was mainly because of net profit during the year. Additionally, in 2022, the Extraordinary General Meeting No. 1/2022 resolved to utilize legal reserve and share premium to clear retained losses as at the end of 2021, causing

retained earnings as at the end of December 2022 to be THB 19.99 million from the original retained loss of THB 55.98 million. This balance has already incorporated interim dividend payment, which the Board of Directors' Meeting held on 10 November 2022 resolved to approve to shareholders of the Company at THB 0.15 per share, totaling THB 12.75 million, scheduled for payment by 9 December 2022.