



(Translation)

LTO-2023-0202

9 November 2023

Subject: Submission of the Management Discussion and Analysis based on
the Interim Financial Statements for the Three-Month period ended 30 September 2023

Attention: The President of the Stock Exchange of Thailand

Information and Communication Networks Public Company limited (" Company")
held the Board of Directors' Meeting No. 4/2023 on 9 November 2023. The Meeting approved
the interim financial statements for the three-month and nine-month period ended 30 September
2023, which were reviewed by the Company's auditor.

We would like to submit the Management Discussion and Analysis based on the
financial statements for the three-month 2023 period ended 30 September 2023.

Please be informed accordingly.

Sincerely yours,

(Mr. Chanachai kulnoppaleark)

Chief Financial Officer

Executive Summary

The 3rd quarter of 2023 operating results of the company recognized sales and services revenue and net profit more than the same period of the prior year caused from the company could recognize major part of sales and services revenue from the high value projects of 2023 such as the contract with Export-Import Bank of Thailand for service provider to develop Core Banking with the total project value of 447.33 million THB which the Company is the Lead Firm and has the work proportion at 55.71% of total project with the amount of 249.21 million THB. The contract with National Telecom Public Company Limited for Procurement of 4G/5G Mobile Network Equipment on the 700 MHz Band with the total project value of 681.80 million THB which the Company has the work proportion at 40% of total project with the amount of 272.72 million THB. And the contract for Rental of sustainable digital community ecosystem development project activity 1 provide a public internet service center (Digital Community Centers) Group 2 : Equipment rental and personnel recruitment for 454 digital community centers with Office of the National Digital Economy and Society Commission (ONDE) with the total value of 1,341.50 million THB, etc.

Considering the performance in 3rd quarter of 2023, the Company reported its total revenue at 719.45 million THB categorized into sales and services revenue at 719.19 million THB and other revenues at 0.26 million THB compared to total revenue of 393.45 million THB in the same period of 2022, showing an increase by 326.00 million THB, accounted for 82.86%. The increase in sales and services revenue in this quarter were affected by the company could get major high value contracts mentioned above. Its cost of sales and expenses were at 611.86 million THB or 85.04% of total revenue in Q3/2023 and at 351.23 million THB or 89.27% of total revenue in Q3/2022. In term of net profit, it was equivalent to 85.61 million THB or 11.90% of total revenue in Q3/2023 when compared with the same period of last year was equivalent to 33.67 million THB showing an increase by 51.94 million THB, accounted for 154.26%.

With reference to the issuance of warrants to purchase ordinary shares of ICN to the existing shareholders of the Company ("ICN-W1"), the warrant holders have exercised their rights for the 1st round on March 31, 2022, the 2nd on September 30, 2022 and the 3rd on March 31, 2023 that It turns out and there are 44,948,257 units of remaining warrants left. The remaining warrant holders will be able to exercise their rights the final round on November 30, 2023. The company will proceed these as working capital for business operations.

1. Business Performance Analysis

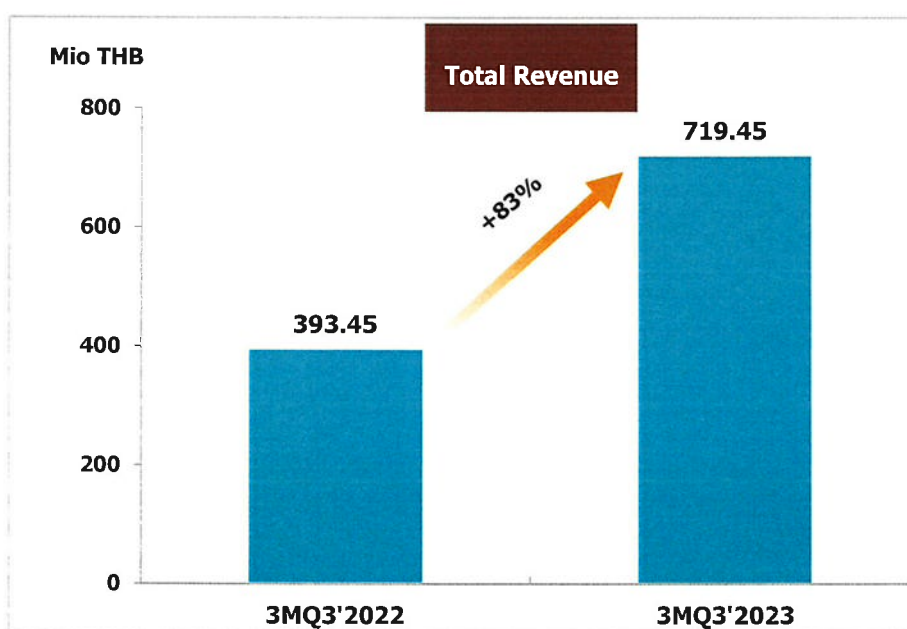
1.1 Revenue

For the 3rd quarter of 2022 and of 2023 the Company reported its total revenue of 393.45 million THB and 719.45 million THB respectively with the increase by 82.86% compared to the same period of last year. Major revenues were recognized from the projects; for instance, Procurement project of 4G/5G Mobile Network Equipment on the 700 MHz Band or “5G project” the contract for service provider to develop Core Banking (Deposit Loan and API) and the contract for Rental of sustainable digital community ecosystem development project activity 1 provide a public internet service center (Digital Community Centers) Group 2 : Equipment rental and personnel recruitment for 454 digital community centers, etc.

Type	Consolidated		Consolidated	
	Jul - Sep 2022		Jul - Sep 2023	
	MB	%	MB	%
1. Sales and Services Revenue	393.18	99.93	719.19	99.96
2. Other Revenue*	0.27	0.07	0.26	0.04
Total	393.45	100.00	719.45	100.00

Remarks *Other Revenue comprises of interest income, etc.

Total revenue can be categorized into sales and services revenue and other revenue, whereby in the 3rd quarter of 2022 and 2023, sales and services revenue were accounted for 99.93% and 99.96% of total revenue and other revenue was equivalent to 0.07% and 0.04% respectively.

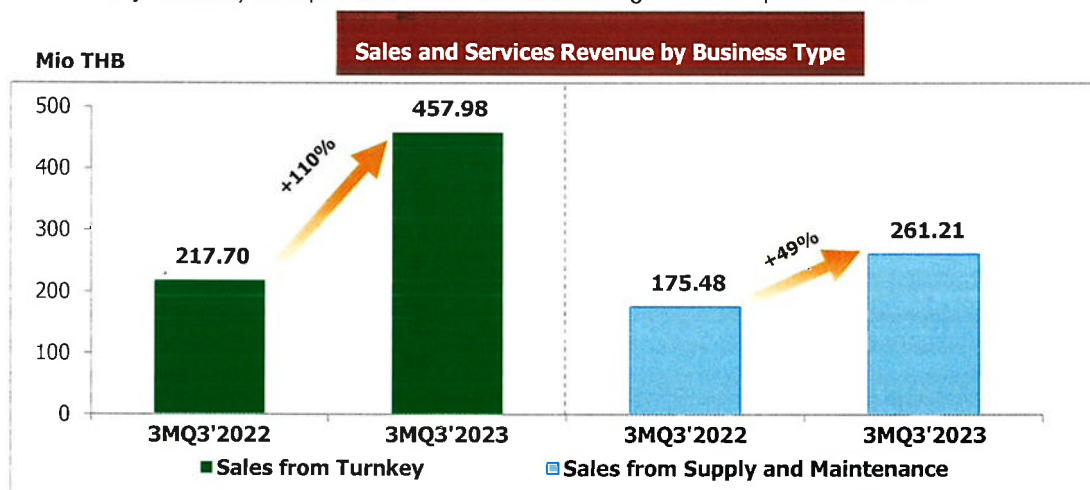


Sales Revenue

Sales revenue in the 3rd quarter of 2023 consisted of turnkey business including telecommunication system and construction, supply and maintenance.

Type	Consolidated		Consolidated	
	Jul - Sep 2022		Jul - Sep 2023	
	MB	%	MB	%
Sales and Services Revenue				
Sales Revenue from Turnkey Business	217.70	55.37	457.98	63.68
- Sales Revenue from Telecommunication System	217.70	55.37	457.98	63.68
Sales Revenue from Supply Service and Maintenance	175.48	44.63	261.21	36.32
- Sales Revenue from Supply of Telecommunication System	3.17	0.81	30.68	4.27
- Sales Revenue from Service Maintenance of Telecommunication System	172.31	43.82	230.53	32.05
Total Sales Revenue	393.18	100.00	719.19	100.00

During the 3rd quarter of 2023, sales revenue from Turnkey business and supply, Service and maintenance were reported at 457.98 million THB and 261.21 million THB or proportionately at 63.68% and 36.32% of total sales and services revenue respectively. Sales revenue from turnkey business showed an increase by 110.37% caused from the company could recognize a part of sales and services revenue from the high value projects such as Procurement project of 4G/5G Mobile Network Equipment on the 700 MHz Band and service provider to develop Core Banking etc. In term of revenue from supply and maintenance, it showed an increase by 48.85% caused from partially recognized service revenue of the contract for Rental of sustainable digital community ecosystem development project activity 1 provide a public internet service center (Digital Community Centers) Group 2 and others which were signed in 1st quarter of 2023.



Other Revenue

In the 3rd quarter of 2022 and 2023, the Company reported its other revenue at 0.27 million THB and 0.26 million THB respectively, equivalent to 0.07% and 0.04% of total revenue and the major item was interest income.

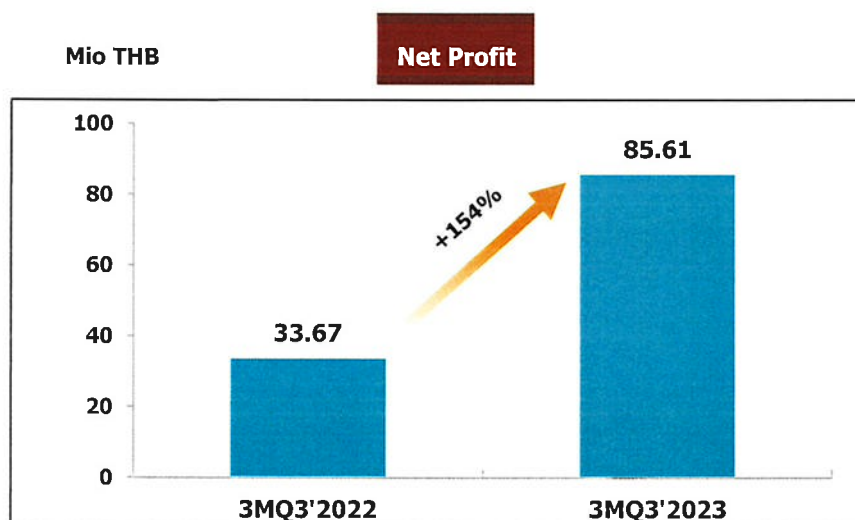
1.2 Cost of Sales and Expenses

Major costs of the Company composed of cost of sales, selling expenses, administrative expenses and interest expense. In the 3rd quarter of 2022 and 2023, the Company showed its cost of sales and expenses at 351.23 million THB and 611.86 million THB with the proportion of 89.27% and 85.04% of total revenue respectively.

Cost of Sales and Expenses	Consolidated		Consolidated	
	Jul - Sep 2022		Jul - Sep 2023	
	MB	%	MB	%
Cost of Sales	329.85	83.84	586.43	81.51
Selling Expenses	8.09	2.06	8.78	1.22
Administrative Expenses	13.03	3.31	16.33	2.27
Finance Cost	0.26	0.06	0.32	0.04
Total Cost of Sales and Expenses	351.23	89.27	611.86	85.04
Total Revenue	393.45	100.00	719.45	100.00

1.3 Net Profit

As a result of overall business performance, the Company reported its net profit for the 3rd quarter of 2022 and 2023 at 33.67 million THB and 85.61 million THB respectively, accounted for 8.56% and 11.90% of total revenue.



2 Financial Status

2.1 Assets

At the end of 2022 and of Q3/2023, the Company reported their total assets of 1,363.67 million THB and 2,665.15 million THB respectively. The major asset items are cash and cash equivalents, trade and other current receivables, contract assets and assets for leased at the end of 2022, proportionately at 9.32%, 44.17%, 30.29% and 0.00% of total assets respectively and at the end of Q3/2023 proportionately at 3.69%, 34.49%, 29.84% and 24.17% of total assets. Total current assets are accounted for 88.05% for the year end 2022 and 72.16% for Q3/2023 to total assets.

With reference to the major asset items, a significant portion remained at trade and other current receivables, contract assets and assets for leased, which reached at 1,015.41 million THB equivalent to 74.46% of total assets at the end of 2022 and reached at 2,358.73 million THB equivalent to 88.50% of total assets at the end of Q3/2023. It derived mostly from the major projects of 2023. However, our customers are government sector and state-enterprise sector whereby the default rate is very limited.

2.2 Sources of Fund

Liabilities

The Company reported their total liabilities at 540.30 million THB at the end of 2022 and 1,739.38 million THB at the end of Q3/2023 and the major items are short-term loans, trade and other current payables, contract liabilities and loans from financial institutions with the proportion in 2022 and in Q3/2023 of 69.53% and 87.76% of total liabilities respectively. These items are regarded as working capital for running the business. And trade and other current payables could be depicted as per the table below:

Trade and Other current payables	As at 31 Dec 2022		As at 30 Sep 2023	
	MB	%	MB	%
Trade payables	206.98	92.45	866.24	96.99
Other current payables	1.10	0.49	1.47	0.16
Trade payables - retention	1.15	0.51	0.42	0.05
Accrued expenses	14.67	6.55	25.03	2.80
Total	223.90	100.00	893.16	100.00

The major trade and other current payables, mostly were trade payables for equipment, service and sub-contractor costs in projects with the proportion in 2022 and in Q3/2023 of 92.45% and 96.99% respectively.

Most of the liabilities were current liabilities with its proportion as at 2022 and at Q3/2023 at 75.73% and 92.28% of total liabilities respectively.

Shareholders' Equity

The shareholders' equity was in the amount of 799.70 million THB at the year end of 2022 and amount of 902.46 million THB at the end of Q3/2023 which has increased from exercising the warrant (ICN-W1) in the amount of 12.13 million THB and corresponding to the business result of which the legal reserve is accounted for at the total amount of 33.75 million THB and the rest of unappropriated retained earnings was 308.60 million THB.

Funding Structure

D/E ratio of the Company was at 0.68 and 1.93 at the end of 2022 and of Q3/2023 respectively. And the Q3/2023 D/E ratio without contract liabilities amounting to 337.65 million THB of the Company was at 1.55.