

RC 28/20

11 August 2020

Subject : Report on the Company's operating results for the second quarter of the year 2020
Attention : President of the Stock Exchange of Thailand

The Board of Directors' Meeting No.7/2020 of Jasmine International Public Company Limited (the "Company") held on 11 August 2020, has resolved to approve the consolidated financial statements for the second quarter of the year 2020, ended 30 June 2020, that have been accordingly reviewed by the Company's external auditor and by the Audit Committee at the meeting No.3/2020 held on 11 August 2020. Also, on this occasion, the Company would like to report its operating results as detailed below:-

1. Total revenue

The total operating revenue of the Company and its subsidiaries for the second quarter of the year 2020 was 4,833 million Baht, increasing by 5%, compared to that of 4,589 million Baht in the second quarter of the year 2019 and by 1%, compared to that of 4,766 million Baht in the first quarter of the year 2020. Most of the total revenue was the contribution of Triple T Broadband Public Company Limited ("TTTBB").

In the second quarter of the year 2020, Triple T Broadband Public Company Limited (3BB) had 111,733 net additional subscribers, resulting in its record of 3.35 million of the total subscribers at the end of the second quarter of the year 2020. Of this number, approximately 2.22 million or 66% were FTTx subscribers, increasing from 63% recorded at the end of the first quarter of 2020.

The launch of GigaFiber Package in early March 2020 has resulted in a steady growth of 3BB FTTx subscribers. In the second quarter of 2020, 3BB had 175,609 FTTx net additional subscribers, compared to the first quarter of 2020 in which the number of 145,667 FTTx net additional subscribers was recorded.

2. TFRS 16 Leases

As a result of the effectiveness of the TFRS 16 Leases in 2020, it is required that the lease liabilities and the right-of-use assets for the operating lease be recorded and the interest expenses as well as the depreciation of each period be recognized in the statement of profit and loss (Previously, the lease payment under the operating lease agreement were recorded as cost of sales and services or operating cost.)

For the Company and its subsidiaries, the adoption of TFRS 16 Leases mainly affects the Main Lease Agreement (80% of the OFC), entered into between TTTBB and JASIF. In the second quarter of 2020, TTTBB recorded the depreciation and the interest expenses of approximately 2,175 million Baht in the statement of profit and loss. This amount comprised the depreciation –right-of-use assets of approximately 1,245 million Baht and the interest expenses of approximately 930 million Baht. (For the first 6 months of 2020, the depreciation and the interest expenses combined were of 4,308 million Baht in total. This amount comprised the depreciation –right-of-use assets of approximately 2,456 million Baht and the interest expenses

of approximately 1,852 million Baht). These items were previously recorded as the OFC rental fees, under Cost of Sales and Services, of approximately 1,760 million Baht per quarter. However, the record of the OFC rental under the Rental Assurance Agreement (20% of the OFC) remains unchanged.

3. Net profit

In the second quarter of the year 2020, the Company and its subsidiaries had the operating loss of 728 million Baht. This amount, included by

- the FX gain of 193 million Baht;
- the adjustment of the provision for rental assurance of OFC of JASIF due to the change in the assumption (the rental rate increase and the discount rate), net of 172 million Baht;
- the reversal of loss on litigation from reversal of judgment by the Supreme Court due to the compromise agreement, amounting 1.3 million Baht;
- deferred tax of the Company and its subsidiaries of 7 million Baht;
- an allowance for doubtful debts of 3BB of 60 million Baht;

resulted in the record of the net loss in the second quarter of the year 2020 of the Company and its subsidiaries of 414 million Baht, decreasing when compared to the net loss of 990 million Baht in the first quarter of 2020. Nevertheless, the operating results of the second quarter of 2020 decreased when compared to the second quarter of 2019 in which the Company and its subsidiaries recorded the net profit of 2,221 million Baht because in the second quarter of 2019, the Company recorded its gain on sale of investment in the associate (JASIF) of 1,732 million Baht. In addition, in the first and the second quarter of 2020, the subsidiary recorded the OFC rental fees (20% according to the Rental Assurance Agreement) that increased as a result of the additional sales of assets to JASIF in November 2019 and the record of items in the Main Lease Agreement (80% of the OFC) in compliance with the latest Thai Financial Reporting Standard (TFRS) that caused an increase in the amount of depreciation and interest expenses, recorded in the statement of profit and loss (in comparison to the previous accounting record). EBITDA for the second quarter of the year 2020 was at 3,019 million Baht, compared to 1,950 million Baht and 3,094 million Baht in the second quarter of 2019 and the first quarter of 2020, respectively.

4. Operating results of Jasmine Broadband Internet Infrastructure Fund (JASIF) are as follows.

- 4.1 The total revenue generated in the second quarter of the year 2020 was 2,544 million Baht, compared to that of 1,480 million Baht in the second quarter of the year 2019.
- 4.2 The Net Asset Value (NAV) as of 30 June 2020 was 87,515 million Baht, equivalent to 10.9393 Baht per unit.

Please be informed accordingly.

Yours sincerely,
Jasmine International Public Company Limited

(Ms. Saijai Kitsin)
Acting Chief Executive Officer