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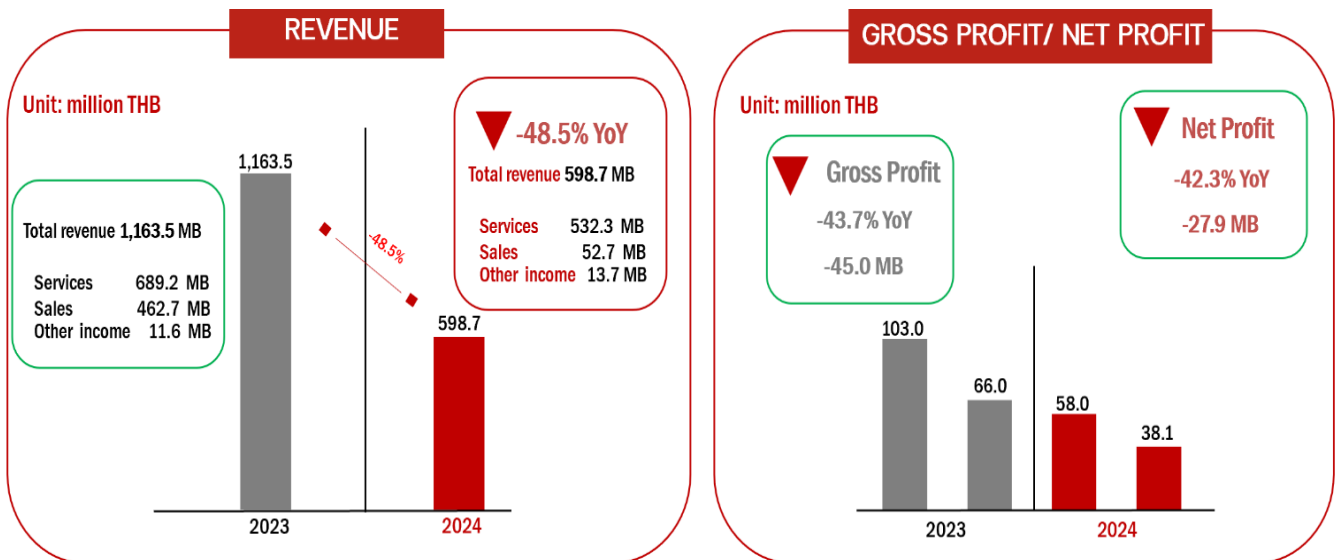
Subject Management Discussion and Analysis of the 2nd Quarter 2024 Operating Results

Dear Governors and President
Stock Exchange of Thailand

Infraset Public Company Limited (the “Company”) hereby submitted the Management Discussion and Analysis of the 2nd Quarter 2024 operating results, ending 30 June 2024. Details are as follows:

Operating Result Overview

For the six-month periods ended 30 June 2023 and 2024, the Company’s revenues were 1,163.51 million Baht and 598.74 million Baht, respectively. In 2024, Company’s revenues consist of revenue from sales of 52.70 million Baht, revenue from services of 532.28 million Baht and other income of 13.77 million Baht, representing 8.80%, 88.90% and 2.30% of total revenue, respectively. The revenue from services derive from 3 main business, which are Data Center & Information Technology Infrastructure Business, followed by, Maintenance and Service Business, and Telecommunications and Transportation Infrastructure Business, respectively. The revenue ‘s proportion of each type of business to total revenue from services accounted for 65.04%, 24.77% and 10.19%, respectively.



For the six-month periods ended 30 June 2023 and 2024, the Company’s net profits were 65.98 million Baht and 38.08 million Baht respectively. The corresponding net profit margins were 5.67% and 6.36% respectively. The Company’s net profit decreased from last year by 27.90 million Baht or 42.28%; while the Company’s net profit margins increased. The major reasons were as follows.

1. The Company's total revenues and total expenses decreased significantly. The revenue from sales decreased from the same period last year by 409.99 million Baht or 88.61% and revenue from services decreased by 156.91 million Baht or 22.77%. Total expenses decreased in a greater proportion than the decrease in total revenues., that is, the decrease in cost of sales by 380.48 million Baht or 88.17%, the decrease in cost of services by 141.33 million baht or 22.90%. As a result, gross profit margin in 2024 were 9.91%, which increased from 8.95% in 2023.

2. Revenue from services for the six-month period in 2024 decreased significantly from the same period in 2023. This was due to the main project that is being in progress, was acquired in late 2023 caused relatively low of percentage of completion. As a result, the revenue recognition from the main project operations was not very high. Whereas the main projects that recognized revenue in the same period in 2023 derived from several large projects, both those that were continued from the previous year and those received during the period. As a result, the percentage of completion of those projects and the value of the delivered work were high.

Revenue and Gross Profit from Services by Business

Data Center & Information Technology Infrastructure Business

For the six-month periods ended 30 June 2023 and 2024, the Company's revenues from Data Center & Information Technology Infrastructure Business were 457.43 million Baht and 346.21 million Baht, respectively. The corresponding gross profits were 44.58 million Baht and 26.54 million Baht respectively. The Company's revenue and gross profit from the business decreased from last year. This was mainly due to the main project that is being in progress, was acquired in late 2023 caused relatively low of both percentage of completion and revenue recognition. Revenue recognition from the said project accounted for 64.96% of revenue from services.

Telecommunications and Transportation Infrastructure Business

For the six-month periods ended 30 June 2023 and 2024, the Company's revenues from Telecommunications and Transportation Infrastructure Business were 112.46 million Baht and 54.24 million Baht, respectively. The corresponding gross profits were 16.33 million Baht and 11.52 million Baht respectively. The revenue and gross profit from the business decreased from last year since the main projects that were recognized revenue in the 2023 were large projects and most of them were delivered in 2023, resulting in the value of the remaining work delivered in 2024 having a small value. In addition, the Company has not started a new project during the period.

Maintenance and Service Business

For the six-month periods ended 30 June 2023 and 2024, the Company's revenues from Maintenance and Service Business were 119.30 million Baht and 131.82 million Baht, respectively. The corresponding gross profits were 32.51 million Baht and 46.26 million Baht, respectively. The Company's revenue and gross profit from the business increased from last year. The revenue recognition mainly derived from MA USO I and MA USO II projects, and personnel recruitment for the sustainable digital community ecosystem development project activity 1 project.

Personnel Costs

For the six-month periods ended 30 June 2023 and 2024, the Company's personnel costs were 25.59 million Baht and 35.65 million Baht respectively. The costs were comprised of the salaries, bonuses, related expenses of the employees, and incentives of the Installation and Service Department and Design and Estimate Division. The costs increased because an increase in the number of employees of Installation and Service Department and Design and Estimate Division from 77 staff in 2023 to 90 staff in 2024 to ensure that the Company would have sufficient manpower for the large projects that acquired and expected to receive in the year 2023-2024.

Distribution Costs

For the six-month periods ended 30 June 2023 and 2024, the Company's distribution costs were 3.91 million Baht and 3.55 million Baht, respectively. The major expense that increased from last year were salary and compensation of Sales Department. While, the expense that decreased from last year was advertisement expense and entertainment expense.

Administrative Expenses

For the six-month periods ended 30 June 2023 and 2024, the Company's administrative expenses were 26.47 million Baht and 27.78 million Baht, respectively. The main expenses were the compensations for administrative employees such as salaries, bonuses, and other employees' benefits. Major expenses that decreased from last year were donation and remuneration for executive committee, and training and seminar expense; while the major expenses that increased from last year were the compensations for administrative employees and depreciation expense of vehicle.

Please be informed accordingly.

Yours sincerely,

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(Mr. Sakboworn Pukkanasut)
Managing Director