

INET 0001/03/2020

February 28, 2020

Subject: Management's Discussion and Analysis for the year 2019

To: The President of The Stock Exchange of Thailand

Enclosure: 1. A Set of the Management's Discussion and Analysis for the year 2019
(Thai / English)

Internet Thailand Public Company Limited ("INET") would like to submit its audited consolidated financial statements and separate financial statements for the year ended December 31, 2019.

The operation result of the Company and its subsidiaries ("the Company") for the year ended December 31, 2019 amounting to Baht 169.18 million. Please see further details in the Management's Discussion and Analysis for the year 2019 as attached.



บริษัท อินเทอร์เน็ตประเทศไทย จำกัด (มหาชน)
Internet Thailand Public Company Limited

Best regards,



Mrs. Morragot Kulatumyotin

Managing Director



Management's Discussion and Analyst and Operating Results for year 2019

Internet Thailand Public Company Limited and its subsidiaries

Business Overview

Internet Thailand Public Company Limited (“Company”) is a one-stop service provider of ICT infrastructure for businesses and individuals who wish to use ICT as a tool to enhance competitiveness of their businesses. The company's services cover cloud services and digital services. Full internet network connection providing data center services with various devices for those who want an efficient service and an international standard. To use as a tool to increase efficiency for businesses.

The market and competition

The company focuses on providing basic infrastructure services. Infrastructure as a Service to be an important in ICT that Thai businesses can use to enhance business competitiveness and manage costs in the business more efficiently. to use technology in line with the Digital Economy with confidence start from using Cloud Solutions with international standards. High security And located in Thailand. IaaS became the Company's main services that it was determined to present as a new option to many organizations. Nowadays, the Company becomes the leading service provider of Cloud Solutions.

In order to improve the confidence in its services the Company presented those businesses and organizations interested in using the services with a free trial, an initiative which received quite a warm welcome from the customers. As a result, new customers always come in and tryout the Company's services while the Company also provides additional services to its original customers. The Company's business direction is corresponding with the usage direction of Cloud Solutions, which also grow quickly. By Gartner, the world's leading information technology research and analysis Company Reported that the cloud service industry will grow leap forward until 2022, with the market of public cloud services from around the world expected to grow by 17.5%

The trend of the industry and competition in the future

The economic conditions and demand type of consumers, technology changes. Impact of information and communication technology industry continues. Currently, consumers require fast communication is increasing. Make, model, providing ICT has changed as well. As a result, an

adaptation of enterprises Social Media for Business or SMB service information. Trying to meet the needs of both consumers and enterprise retail of goods and services.

From this year, the enterprises will inevitably adopt technology to adapt to the organization. The growth and use of CRT is driven by four different drivers, such as cloud computing, AI, social, business and big data, from giants. Social media has started to use AI technology, such as chat robots, command compliance, management procedures, etc. Obviously, use Facebook, twitter, Youtube and online help to promote campaigns and even open services. Online 24 hours to provide information to users all the time, so that their business has a large amount of information flow. This leads to another technology called big data technology, which is a huge data source, so it's a tool. Data analysis is used to establish customer access policies, social services or media.

The economic conditions and changing needs in society. Coupled with the economic policy of the government to drive the digital economy to sustainable growth in Thailand (Thailand 4.0) makes the services of ITC are growing steadily both in Hard Infrastructure and Soft Infrastructure. The ITC's various services. ICT services which are mentioned at all, it is consistent with the company's core business, including Cloud Solutions, Internet Access and Co-Location is all important to help businesses. Technology services company that is applied to their businesses in the digital economy.

The Company's competitive strategies

In order to achieve its goals, the Company lays down its competitive strategies, as follow.

- Market management
- Emphasize the quality of service
- Cost management

Operating Results of 2019

As of the year 2019, the Company has grown both revenue and number of customers. The company's revenue from sales and services 1881.93 million baht, with the continued growth compared to the same period last year, an increase of 28.37% compared to the year 2018 due to revenue from the provision of services. Main Meanwhile, the company expanded its customer base grew by 40% from 2,149 cases in 2561 to 3,004 cases in 2019.

Although, in the year 2019, Infrastructure fund does not follow the plan. Enabling companies to manage finances. Strategy in the second half to reduce the high investment services. To provide services that help customers transition to digital business quickly and easily using the existing resources of the company. The personnel capable Services available on the infrastructure security. The new service is made available Knowledge as a Service, a provider of knowledge divided into 2 categories:

1. Developer such as UX/UI, Laravel, Java, JavaScript, SA, Python, NodeJs, PHP, Swift, Vue, React native, Angular, CSS, C#, .Net etc.
2. IT Support such as Project Manager, Business Analyst, System Analyst, Mobile Development, Digital Marketing, Tester etc.

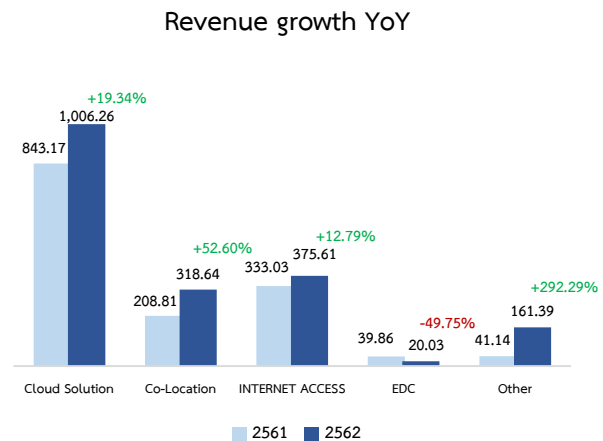
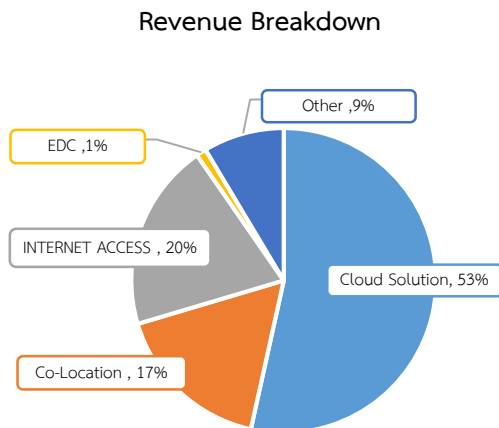
In the past year, knowledge services have been growing in response. In addition, Thai companies plan to recruit people. From provincial universities the employees can work in the area, create working space, and meet business needs of people. Continue to develop ICT.

Operating Results

Unit : Million Baht

List	2019	2018	Increase (Decrease)	% Increase (Decrease)
Revenue	1,881.93	1,466.01	415.92	28.37%
Cost of Goods Sold	(1,363.51)	(1,103.03)	(260.48)	23.61%
Gross Profit	518.42	362.98	155.44	42.82%
Other Revenue	131.45	206.80	(75.35)	-36.44%
SG&A	(359.89)	(321.45)	(38.44)	11.96%
Share profit (loss) associates and investment in joint ventures	4.10	(0.67)	4.77	-711.94%
Interest	(90.89)	(51.29)	(39.60)	77.21%
EBT	203.19	196.37	6.82	3.47%
Tax	(34.01)	(43.45)	9.44	-21.73%
Net Profit	169.18	152.92	16.26	10.63%

Revenue Breakdown



Total Revenue: As of the year 2019, the company has total revenue of 2,013.38 million baht, an increase of 20.36% compared to the previous year. Follow business growth in ICT infrastructure services.

Core Services Revenue:

Overall, Core Services Revenue grew by 28.37% compared to the previous year from 1,466.01 million baht in 2018. To 1,881.93 million baht in the year 2019. The revenue growth is due to the increase in the number of customers of the company.

Cloud Services Is a service for using computer resources through the internet under the security standards that comply with international standards. In the year 2019, the company has revenue from Cloud Services in the amount of 1,006.26 million baht, an increase of 19.34% from the previous year due to the company there are many Cloud Services. There are new development services on the Cloud for customers to use more services such as Infrastructure for Big Data, Chatbot as a Service, Document management as a Service that reduces paper usage and speeds up systematically management Including various services and service on top that meet the needs of customers in specific industries. At a reasonable price, fast, modern and safe

Co -Location In the year 2019, Revenue from Co-Location service in the amount of 318.64 million baht, increase of 52.60% from the previous year because the company opened the service INET-IDC3, giving the company more space to provide services. Affect the increased income as well. Together with the company developing INET-IDC continuously for the most efficient Co-Location service and to allow customers at all levels to believe in quality

Internet Access the Company has revenue from Internet Access in the amount of 375.61 million baht, an increase of 12.79% from the previous year, despite the fact that the service was intense competition and this part of the income has a lot of expenses to pay off. Rather it takes time to provide services including collecting money but still growing in the same direction as Cloud services because most

customers when using Cloud services will choose Internet Access as well. For management as a single center according to customer needs

In order, to improve the service level. Therefore has improved the service system by bring Software Defined Network to help manage the network Can reduce the risk of human error

Statement of Financial Position

As of the year 2019, the Company has a total asset in the amount of 6,377.15 million baht, an increase of 22% from the previous year from investing land , buildings and equipment which is according to the business plan for support continually business expansion resulting to increase of the value of asset. The Company has total liabilities in the amount of 4,481.29 million baht, an increase of 32% from the previous year, because the provision establishing the infrastructure fund does not follow the plan. The company considers funds from the loan were used to pay the costs incurred by the Company and enhance the liquidity of the company is to focus on the management of debt and liquidity. The burden is back to optimum condition.

Unit : Million Baht

List	2019	2018	% Increase (Decrease)
Asset			
Current Asset	961.70	867.76	11%
Non-current Asset	5,415.45	4,351.82	24%
Total Asset	6,377.15	5,219.58	22%
Liabilities and Shareholders' Equity			
Current Liabilities	2,238.93	1,768.83	27%
Non-current Liabilities	2,242.36	1,628.07	38%
Shareholders' Equity	1,895.86	1,822.68	4%
Total Liabilities and Shareholders' Equity	6,377.15	5,219.58	22%