



**Telecom**<sup>'''</sup>  
PUBLIC COMPANY LIMITED

# OPPORTUNITY DAY

## Q1 2021

25 May 2021



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# Company Timeline



- 
**2550**
  - Established and registered as a company limited with 100% of total shares held by Interlink Communication Public Company Limited and Baht 30 million registered capital
- 
**2555**
  - Received a Telecommunications Network Provider Type III License No. 3A/55/001 from Office of The National Broadcasting and Telecommunications Commission (NBTC) with 15 years of license term
  - Received “Right of Way” to install Fiber Optic Network along railways for servicing with 30 years term
  - Started installation of Fiber Optic Network over the country, covered 10 provinces by emphasizing on Bangkok area and nearby area.
- 
**2556**
  - Started the service of Interlink Fiber Optic Network by focusing on service quality
- 
**2557**
  - Increased registered capital to Baht 300 million by issuing 270,000 shares with the value of Baht 100 per share, Offering to former shareholder for expanding the Company’s network
  - Purchased Data Center building and related equipment from Interlink Communication Public Company Limited and started Data Center service.
  - Obtained Data Center quality standard from ISO under ISO27001 which is the important standard to operate business
  - Received authorization from NBTC to provide International Private Leased Circuit (IPLC) and International Internet Protocol Virtual Private Network (International IP-VPN)
  - Connected the network with oversea network service provider in order to provide data transferring service across countries such as Singapore, Malaysia, Cambodia, Vietnam and Hong Kong
- 
**2558**
  - Converted to Public Company Limited / Changed par value from Baht 100 to Baht 1
  - Increased registered capital to Baht 500 million by issuing new 200,000,000 million shares at par value Baht 1
  - Connected the network to Myanmar at both Thailand border crossing points at Mae-Sot, Tak province and Mae-Sai, Chiang Rai province

# Company Timeline



**2559**

- Connected the network to Laos at Thailand border crossing point for providing service to customers.
- Began to provide service to customers in 3 Southern border provinces.
- Allotted and sold 200 million ordinary shares at par value 1 Baht, in connection with the Initial Public Offerings to investors and unconnected persons for Baht 5.20 per share, so the issued and paid-up share capital is Baht 500 million and premium on share capital is Baht 815 million



**2560**

- Change of the par value of ordinary shares of the Company from that of Baht 1 to that of Baht 0.50, so the issued and paid-up share capital is Baht 500 million which the total of 1,000 million ordinary shares at a par value of Baht 0.50 each. The Company registered the change in the par value with the Ministry of Commerce on 9 May 2017 and the change was effective on 15 May 2017



**2561**

- Increased registered capital to Baht 625 million as to reserve for the issuance of warrant to purchase ordinary shares of the Company (ITEL-W1)
- ITEL-W1 maturity is 3 years from issue date of warrant. It can be exercised after the warrants are completed 2 years after issuance date at the end of each quarter with exercise ratio at 1 unit of warrant has the right to purchase 1 new ordinary share and the exercise price is 5 Baht per share



**2562**

- Certified member of the Private Sector Collective Action Coalition Against Corruption from Thai Institute of Directors Association (IOD) by the Private Sector Collective Action Coalition Against Corruption Council (CAC)



**2563**

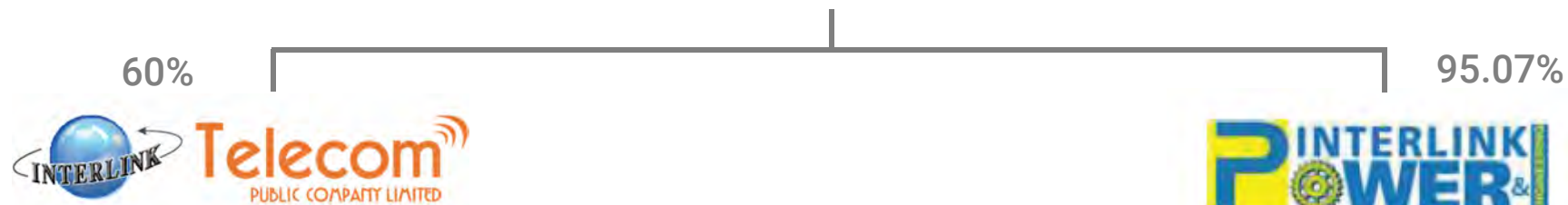
- Increased registered capital to Baht 750 million as to reserve for the issuance of warrant to purchase ordinary shares of the Company (ITEL-W2)
- ITEL-W2 maturity is 1 year from issue date of warrant. It can be exercised at the end of each quarter with exercise ratio at 1 unit of warrant has the right to purchase 1 new ordinary share and the exercise price is 3 Baht per share

# ◆ Group & Company Structure



## ILINK : Interlink Communication Pcl.

- Distribute all types of signal cable
- Import and Export all types of signal cable
- Design, construction and contracting for submarine cable project which is electrical cable or composite cable of high voltage cable and fiber optic cable
- Design, construction and contracting for transmission line, underground cable and substation or project related to electrical power system



## ITEL : Interlink Telecom Pcl.

- Provide fiber optic network services
- Design, construction and contracting for fiber optic project and telecommunications project
- Provide data center service
- Design, construction and contracting for data center

## IPOWER : Interlink Power and Engineering Co., Ltd.

- Design, construction and contracting for submarine cable project which is electrical cable or composite cable of high voltage cable and fiber optic cable
- Design, construction and contracting for transmission line, underground cable and substation or project related to electrical power system

# ◆ Products & Services



- 1

**Data Service**

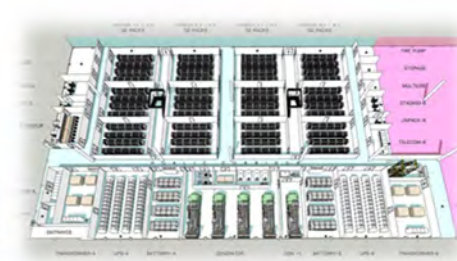
การให้บริการโครงข่ายวงจรสื่อสารข้อมูลความเร็วสูง
  
- 2

**Installation**

การให้บริการติดตั้งโครงข่ายโทรคมนาคม
  
- 3

**Data Center**

การให้บริการพื้นที่ศูนย์ข้อมูลหรือดาต้าเซ็นเตอร์



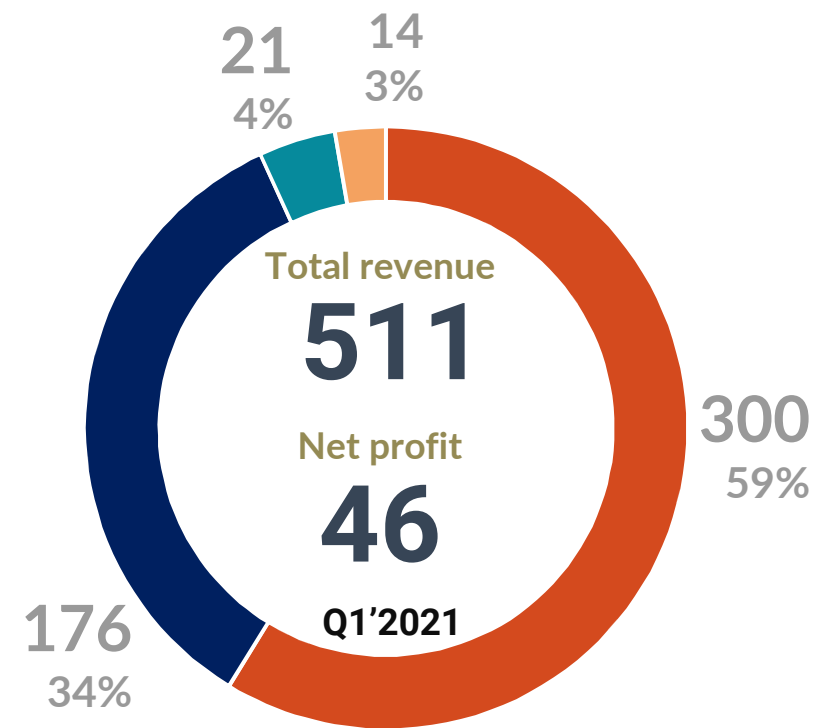
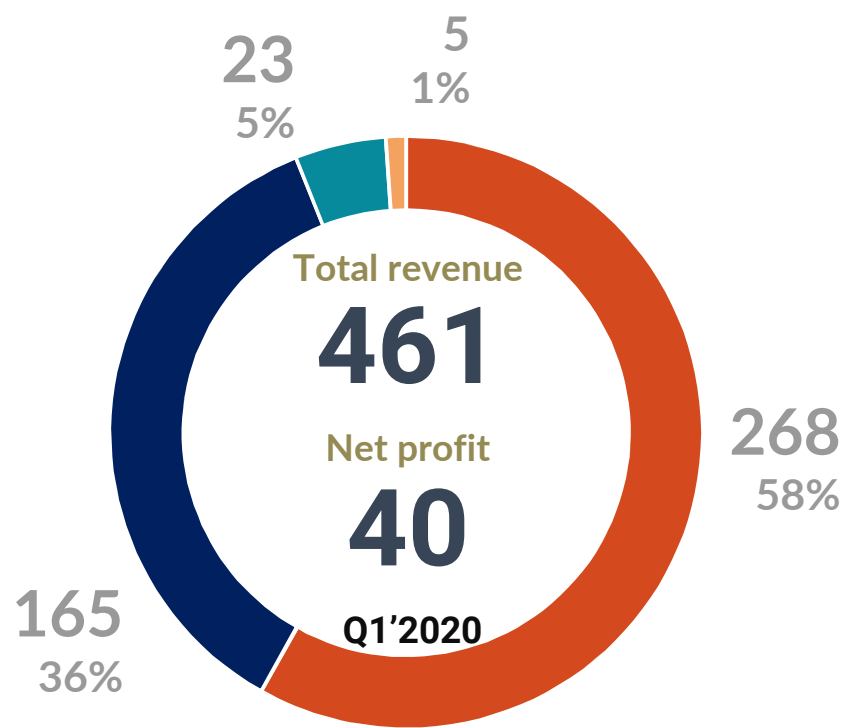
# Performance & Update - Q1 2021

## Revenue & Net Profit

Unit : Million Baht



Total revenue + 50 MB; +11%  
Net profit + 6 MB; +15%



● Data Service    
 ● Installation    
 ● Data Center    
 ● Other

### Overview

#### Data Service

- #of circuit increase to **23,320 (Mar21)** from 22,902 (Dec20)
- #of customer increase to **769 (Mar21)** from 752 (Dec20)
- % of SLA at **99.99 %**

#### Installation

- Major projects recognition are;
  - **Microwave** **79 MB**
  - **Construction for ISP** **51 MB**
- New project in 2021 (exc. VAT) such as; **Microwave (new) 79 MB**
- Current Backlog as of 31Mar21 = **599 MB**

#### Data Center

- #of customer remain 19 customers (Mar21) from 19 (Dec20)
- Run at **95% of occupancy rate**
- % of SLA at **100%**

# Performance & Update - Q1 2021

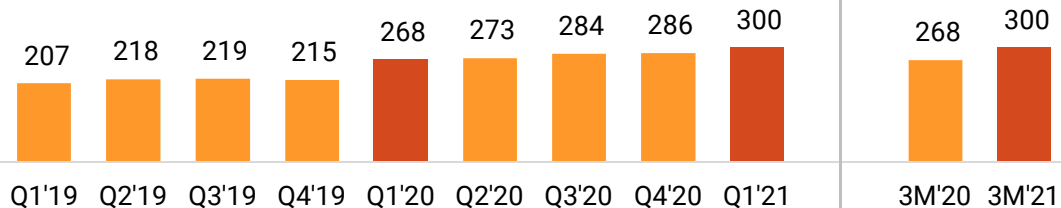
## Data Service

### Revenue

YoY **+12%**

**+12%**

QoQ **+5%**

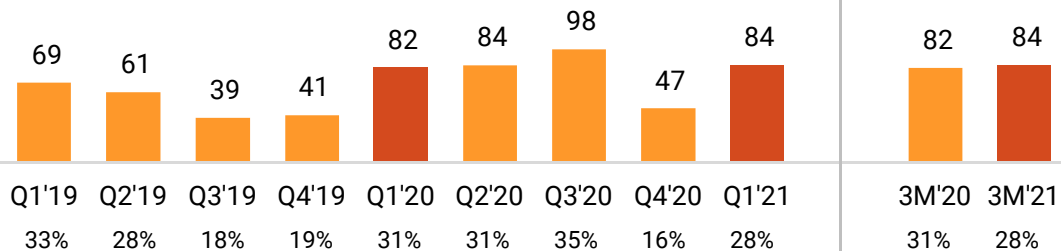


### GP

YoY **-3%**

**-3%**

QoQ **+12%**



%GP

Quarter	%GP
Q1'19	33%
Q2'19	28%
Q3'19	18%
Q4'19	19%
Q1'20	31%
Q2'20	31%
Q3'20	35%
Q4'20	16%
Q1'21	28%

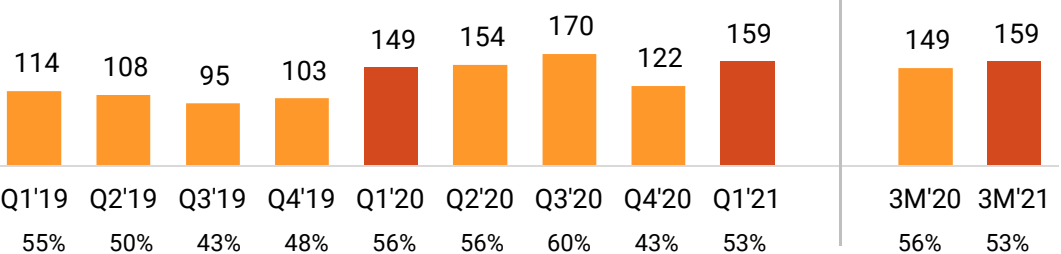
Period	%GP
3M'20	31%
3M'21	28%

### EBITDA

YoY **-3%**

**-3%**

QoQ **+10%**



%EBITDA

Quarter	%EBITDA
Q1'19	55%
Q2'19	50%
Q3'19	43%
Q4'19	48%
Q1'20	56%
Q2'20	56%
Q3'20	60%
Q4'20	43%
Q1'21	53%

Period	%EBITDA
3M'20	56%
3M'21	53%

## Data Service

### Revenue

- **Significant growth YoY**
- **Continuously growth QoQ**
- Increased in # of customers and # of circuits are the key of success in Q1'21 vs Q1'20
- New Links acquiring are such as;
  - Government Pension Fund
  - KTBCS - additional
  - Siam Chai Service
- Planned to recognize USO Phase 2 - Service Revenue full phase during 2021

### Gross Profit

- Decreased in %GP YoY and highly drop in Q4'20 as a result of expenses related to underground duct and cost of service of USO for repair and maintenance
- In FY2021, we still believe that **%GP is expected to be around 25 - 30%** in 2021 onwards as a result of repair and maintenance and start to recognize service income in USO 2

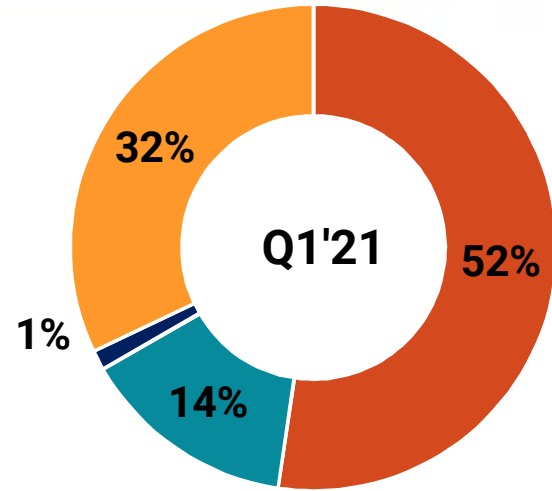
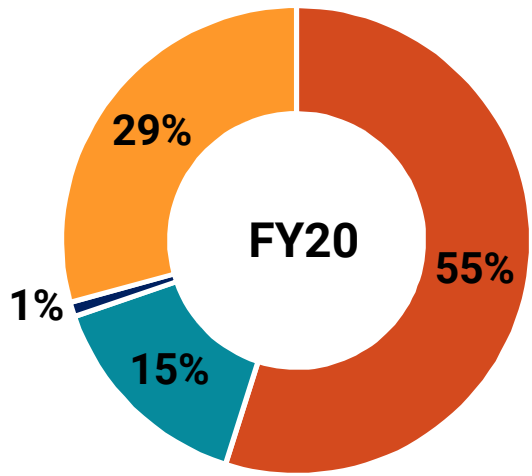


# Performance & Update - Q1 2021

## Data Service



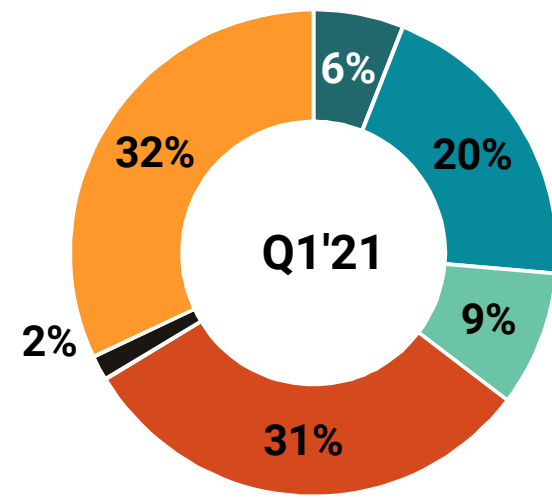
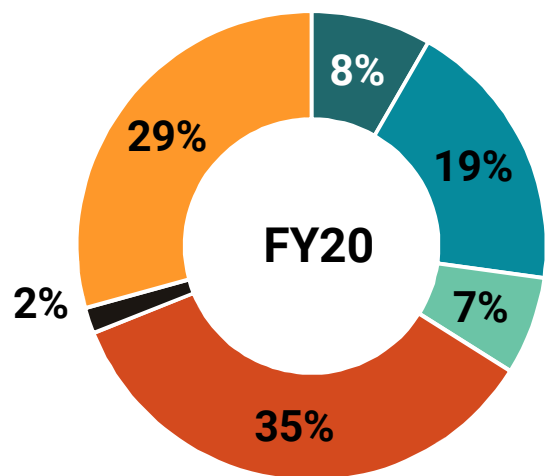
- Bandwidth
- Dark Fiber
- IPLC
- USO



### Revenue by Service Type

- No. 1 Bandwidth; 52%
- No. 2 USO Service; 32%
- No. 3 Dark Fiber; 14%
- No. 4 IPLC; 1%

- BFI
- BIZ
- GOV
- ISP
- MBC
- USO



### Revenue by Customer Segment

- USO > ISP > BIZ > GOV > BFI > MBC  
32% 31% 20% 9% 6% 2%
- Strategy focus on **ISP, BIZ, GOV and BFI**

# Performance & Update - Q1 2021

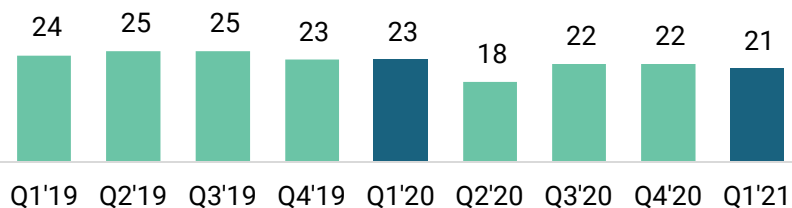
## Data Center



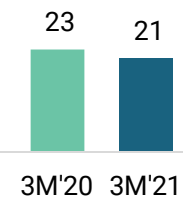
### Revenue

YoY **-9%**

QoQ **-5%**



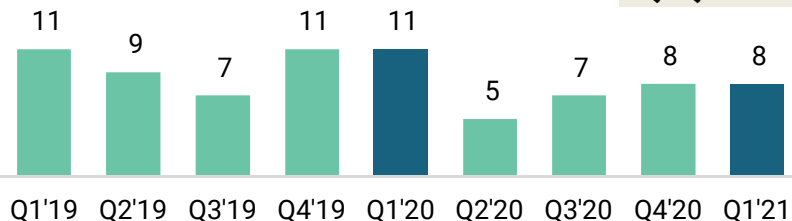
**-9%**



### GP

YoY **-10%**

QoQ **+2%**



**-10%**



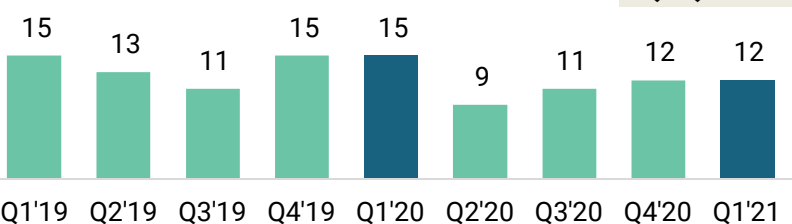
%GP 46% 36% 28% 48% 48% 28% 32% 36% 38%

48% 38%

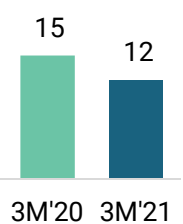
### EBITDA

YoY **-8%**

QoQ **+2%**



**-8%**



%EBITDA 63% 52% 44% 65% 65% 50% 50% 55% 57%

65% 57%

## Data Center

### Revenue

- Having 3 major customers with **95% utilization of capacity**
- Contract with one of them get renewed for next 5 years; though contract value decreased, the term and condition is better, as a result in decrease in revenue of data center

### Gross Profit

- GP of Q1'21 decreased due to the decreasing revenue as mention above and also from repair and maintenance in data center
- New Control level of **%GP above 35%** as competitive price situation

# Performance & Update - Q1 2021

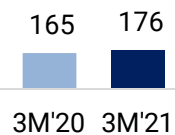
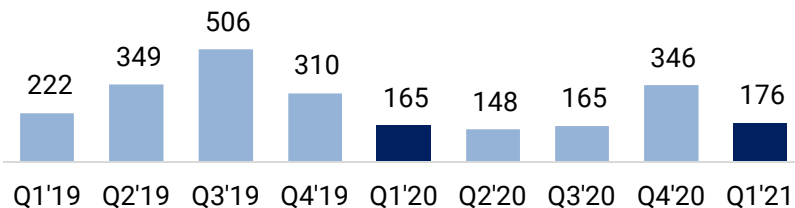
## Installation

### Revenue

YoY +7%

+7

QoQ -49%

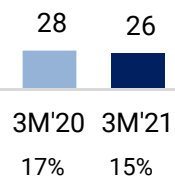
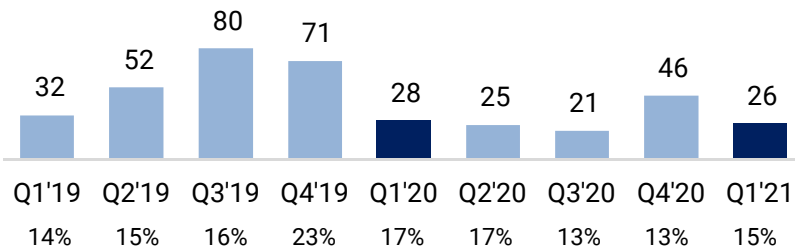


### GP

YoY -2%

-2%

QoQ +2%

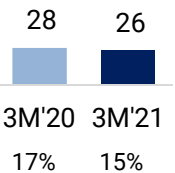
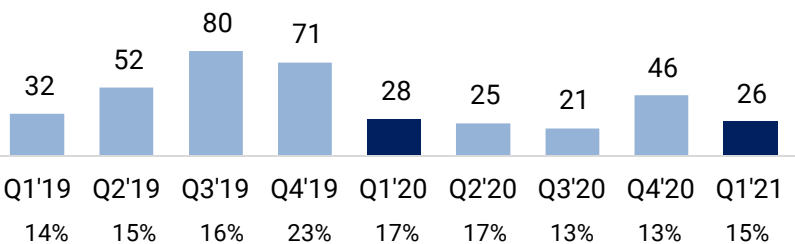


### EBITDA

YoY -2%

-2%

QoQ +2%



## Installation

### Revenue

- Fluctuation in revenue upon completion of projects progression
- Major projects revenue recognition in Q1'21 are;
  - **Microwave** 79 MB
  - **Construction for ISP** 51 MB

### Gross Profit

- Decreased in term of %GP due to the project mix of between Q1'21 vs Q1'20. The major projects in Q1'20 are USO
- Control level of **%GP between 15% - 20%**

### Backlog

- New project in 2021 (exc. VAT) such as; **Microwave 79 MB**

Upcoming Projects	Recurring	Non-recurring
Drone and Antidrone		✓
CCTV		✓
USO-TOT	✓	✓
Course online	✓	

# Performance & Update - Q1 2021

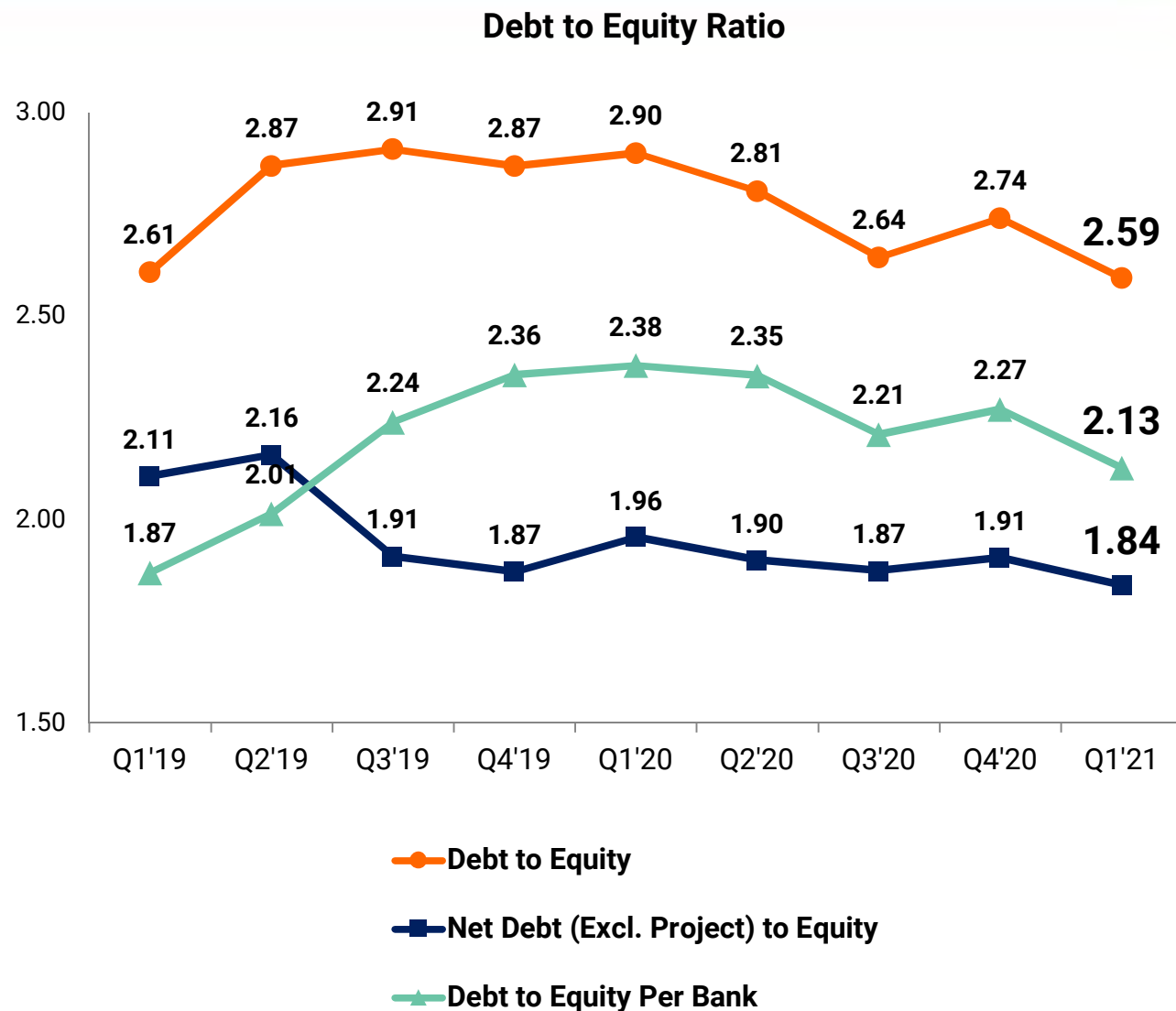
## Backlog as at 31 March 2021



	Information as of Q1'21					Q4'20
	2021 (9 m)	2022	2023	2024 onward	Total	Total
<b>Bandwidth, DFI, IPLC</b>	499	233	128	78	<b>938</b>	<b>935</b>
<b>USO1-DSV</b>	112	149	103	-	<b>364</b>	<b>401</b>
<b>USO2-DSV</b>	254	339	339	619	<b>1,551</b>	<b>1,610</b>
<b>DATA SERVICE</b>	<b>865</b>	<b>721</b>	<b>570</b>	<b>697</b>	<b>2,853</b>	<b>2,946</b>
<b>DATA CENTER</b>	49	57	33	54	193	210
<b>INSTALLATION (est. timeline)</b>	510	57	32	-	599	660
<b>TOTAL BACKLOG</b>	<b>1,424</b>	<b>835</b>	<b>635</b>	<b>751</b>	<b>3,645</b>	<b>3,816</b>

# Performance & Update - Q1 2021

## Debt to Equity Ratio



- Debt to Equity Ratio in Q1'21 decreased due to improvement of ITEL's performance and due to the repayment of loans by cash collection from project
- Debt to Equity Ratio may fluctuated in each period due to the project financing
- ITEL received funding from both of liabilities (bank loans) and operational result
- ITEL planned to maintain the appropriate level of debt to equity ratio by issuing new warrants

Reminder for investor

## ITEL-W2: exercise price at 3.00 Baht

ใช้สิทธิครั้ง 3

วันที่แจ้งการกำหนดการใช้สิทธิ 24 - 30 มีนาคม

วันใช้สิทธิ 31 มีนาคม

3rd

4th

Final

ใช้สิทธิครั้ง 4

วันที่แจ้งการกำหนดการใช้สิทธิ 23 - 29 มิถุนายน

วันใช้สิทธิ 30 มิถุนายน

ใช้สิทธิครั้งสุดท้าย

วันที่แจ้งการกำหนดการใช้สิทธิ 4 - 18 สิงหาคม

วันใช้สิทธิ 19 สิงหาคม **ครบกำหนดอายุ**

# Five Years Plan



<b>2025 Goals</b>	<b>Revenue Target over 5,000 MB (CAGR = 15.60%)</b>		<b>DE Ratio Under 1.7 times</b>
	<b>Gross Profit Margin</b> Data Service: above 40% by 2025/Installation: Minimum at 20%/ Data Center: above 45% each year		
	<b>NPAT Margin Target at 15% by 2025</b>		

<b>Growth Pillars</b>	<b>Driven by recurring revenue</b>	<b>Maximization of assets utilization</b>	<b>Increasing of market shares</b>	<b>Improving/Maintaining customer experiences in term of churn rate</b>	<b>Improving/Maintaining service excellent in term of SLA</b>
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<b>Current Performance</b>	<b>58% w USO 55% w/o USO</b>	<b>45%</b>	<b>7%</b>	<b>0.99%</b>	<b>99.9924%</b>
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<b>Measurements</b>	<b>80%</b>	<b>60% Within 5 years</b>	<b>12% Within 5 years</b>	<b>Lower than 2%</b>	<b>99.99%</b>
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**Telecom**<sup>'''</sup>  
PUBLIC COMPANY LIMITED

**WE SERVE THE BEST CONNECTIVITY**

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 ITEL CHANNEL