



บริษัท ไอแอนดีไอ กรุ๊ป จำกัด (มหาชน)  
I&I Group Public Company Limited  
475 Siripinyo Building, Unit 1801, 18th Fl., Si Ayutthaya Road,  
Thanon Phaya Thai, Ratchathewi, Bangkok 10400 Thailand  
T (+66) 2-248-3745-6 F (+66) 2-248-3747 W www.ii.co.th

NO IIG 017/2021

11 November 2021

Subject: Management discussion and analysis for the nine months ended September 30, 2021

Attn: Governors and President Market for Alternative Investment (MAI)

I&I Group Public Company Limited (“the Company”) would like to submit the management discussion and analysis of the operating results for the nine months ended September 30, 2021 as follows:

Statement of comprehensive income for the nine months ended 30 September

Overall Group Performance	For Nine Months Ended 30 September				Change	
	2021		2020		Increase/(Decrease)	
	THB mm	%	THB mm	%	THB mm	%
Sales and Services Revenues	489.72	99.03	382.82	99.40	106.90	27.9
Other Revenue	4.82	0.97	2.32	0.60	2.50	107.8
<b>Total Revenue</b>	<b>494.54</b>	<b>100.00</b>	<b>385.14</b>	<b>100.00</b>	<b>109.40</b>	<b>28.4</b>
Cost of Sales and Services	351.14	71.00	270.69	70.28	80.45	29.7
<b>Gross Margin (Exclude Other Income)</b>	<b>138.58</b>	<b>28.30</b>	<b>112.13</b>	<b>29.29</b>	<b>26.45</b>	<b>23.6</b>
Selling and Administrative Expenses	71.36	14.43	68.20	17.71	3.16	4.6
<b>Profit Before Finance Costs and Income Tax</b>	<b>72.04</b>	<b>14.57</b>	<b>46.25</b>	<b>12.01</b>	<b>25.79</b>	<b>55.8</b>
Finance Costs	(0.12)	(0.02)	(0.03)	(0.01)	(0.09)	300.0
<b>Profit Before Tax</b>	<b>71.92</b>	<b>14.54</b>	<b>46.22</b>	<b>12.00</b>	<b>25.70</b>	<b>55.6</b>
Income Tax	(15.43)	(3.12)	(9.3)	(2.41)	(6.13)	(65.9)
<b>Net Profit After Tax</b>	<b>56.49</b>	<b>11.42</b>	<b>36.92</b>	<b>9.59</b>	<b>19.57</b>	<b>53.0</b>



Summary of Performance

**Sales and Services Revenues (9M YoY)**

For the nine months ended 30 Sep 2021 and 2020, the Company recorded total sales and service revenue of THB 489.72 million and THB 382.82 million, respectively. This is equal to an increase of 27.9% YoY. The significant increase came from growth of service revenue of Customer Relationship Management (CRM) and Enterprise Resource Planning (ERP) by 19.6% and 25.2%. respectively.

Table 1: Sales and Services Revenues by type of service for the nine months ended 30 September

Revenue Types	For <i>Nine Months</i> Ended 30 September				Change	
	2021		2020		Increase/(Decrease)	
	THB mm	%	THB mm	%	THB mm	%
1. Revenue from Customer Relationship Management (CRM)	263.37	53.3	220.26	57.2	43.11	19.6
2. Revenue from Enterprise Resource Planning (ERP)	170.08	34.4	135.83	35.3	34.25	25.2
3. Revenue from Consulting service of Customer Experience Management (CEM) and Digital Marketing	28.96	5.9	13.37	3.5	15.59	116.6
4. Revenue from Data Analytics & Management (iiG Data)	9.48	1.9	0	-	9.48	100.0
5. Revenue from Placement Service	17.83	3.6	13.36	3.5	4.47	33.5
<b>Sales and Services Revenues</b>	<b>489.72</b>	<b>99.0</b>	<b>382.82</b>	<b>99.4</b>	<b>106.90</b>	<b>27.9</b>
Other Revenue	4.82	1.0	2.32	0.6	2.50	107.8
<b>Total Revenue</b>	<b>494.54</b>	<b>100.0</b>	<b>385.14</b>	<b>100.0</b>	<b>109.40</b>	<b>28.4</b>



บริษัท ไอแอนดีไอ กรุ๊ป จำกัด (มหาชน)  
I&I Group Public Company Limited  
475 Siripinyo Building, Unit 1801, 18th Fl., Si Ayutthaya Road,  
Thanon Phaya Thai, Ratchathewi, Bangkok 10400 Thailand  
T (+66) 2-248-3745-6 F (+66) 2-248-3747 W www.ii.co.th

**1. Revenue from Customer Relationship Management (CRM)**

For the nine months ended 30 September 2021, the Revenue from Customer Relationship Management (CRM) increased by THB 43.11 million or 19.6% YoY. The increase is from salesforce subscription increased 20.40% YoY and revenue from implementation and application management service for CRM system increased 18.5% YoY, mainly from acquiring new major customers in life and other insurance business.

**2. Revenue from Enterprise Resource Planning (ERP)**

For the nine months ended 30 September 2021, the revenue from Enterprise Resource Planning (ERP) increased by THB 34.25 million or 25.2% YoY, mainly from the increase in revenue from Implementation and Application Management Service for ERP System of THB 23.71 million from acquiring new customer in assets management business and the increase in revenue from Software Subscription & MA and the Grant of License from Oracle of THB 10.54 million compared to the same period of last year, from a new service to migrate the legacy ERP on premises to ERP on Cloud for our clients, resulting in significant increase in recurring revenue. In addition, our subsidiary has also developed our own software, E-Tax on Cloud, for customers to submit E-Tax Invoice and E-Receipt to the Revenue Department. The E-Tax Program can operate with Oracle and other ERP software, so, this is an opportunity to create a new revenue stream from our customer base and new customer, including non-oracle user in the future.

**3. Revenue from Consulting service of Customer Experience Management (CEM) and Digital Marketing**

For the nine months ended 30 Sep 2021, the revenue from consulting service and implementation specialized in brand strategy planning, customer experience management and digital marketing increased THB 15.59 million or increased 116.6% compared to the same period of last year, from acquiring new customers in commercial bank, hospital, and pharmaceutical manufacturing.

**4. Revenue from Data Analytics & Management (iiG Data)**

In Q4 2020, the Company launched new business unit, Data Analytics & Management business or “iiG data”. For the nine months ended 30 Sep 2021, the revenue from Data Analytics & Management was THB 9.48 million from providing service to customers in the hospital business which is continued contracts from last year and new customer in life insurance business

**5. Revenue from Placement Service**

For the nine months ended 30 September 2021, the revenue from placement service increased THB 4.47 million or increased 33.5% compared to the same period of last year due to acquiring new customers in oil and energy and life insurance business.



### Sales and Services Revenues (3M YoY)

For the three months ended 30 September 2021 and 2020, the Company recorded total sales and service revenue of THB 172.06 million and THB 150.99 million, respectively. This is equal to an increase of 14.02% YoY. The significant increase came from revenue growth of Customer Relationship Management (CRM), Enterprise Resource Planning (ERP) and Data Analytics & Management (iiG Data) in the amount of THB 5.14 million, THB 4.89 million and THB 6.34 million, respectively.

Table 2: Sales and Services Revenues by type of recurring and non-recurring for the nine months ended 30 September

Revenue Types	For <i>Nine Months</i> Ended 30 September				Change	
	2021		2020		Increase/(Decrease)	
	THB mm	%	THB mm	%	THB mm	%
Revenues- Recurring	227.97	46.1	186.54	48.4	41.43	22.2
Revenues- Non-Recurring	261.75	52.9	196.28	51.0	65.47	33.4
<b>Sales and Services Revenues</b>	<b>489.72</b>	<b>99.0</b>	<b>382.82</b>	<b>99.4</b>	<b>106.90</b>	<b>27.9</b>
Other Revenue	4.82	1.0	2.32	0.6	2.50	107.8
<b>Total Revenue</b>	<b>494.54</b>	<b>100.0</b>	<b>385.14</b>	<b>100.0</b>	<b>109.40</b>	<b>28.4</b>

### Recurring and Non-Recurring Revenue (9M YoY)

For the nine months ended 30 Sep 2021, the recurring revenue increased THB 41.43 million or 22.2% compared to the same period of last year, mainly from an increase in revenue from Customer Relationship Management (CRM) and Enterprise Resource Planning (ERP). Furthermore, the non-recurring revenue increased THB 65.47 million or 33.4% compared to the same period of last year, mainly from revenue from Consulting service of Customer Experience Management (CEM) and Digital Marketing, Data Analytics & Management (iiG Data) and Enterprise Resource Planning (ERP). This results in the portion of the non-recurring revenue increased from 51.0% to 52.9% YoY.

### Recurring and Non-Recurring Revenue (3M YoY)

For the three months ended 30 Sep 2021, the recurring revenue increased THB 12.45 million or 18.40% compared to the same period of last year, mainly from an increase in revenue from Customer Relationship Management (CRM) and Enterprise Resource Planning (ERP). Furthermore, the non-recurring revenue increased THB 8.71 million or 10.47% compared to the same period of last year, mainly from revenue from Consulting service of Customer Experience Management (CEM) and Digital Marketing.



บริษัท ไอแอนดีไอ กรุ๊ป จำกัด (มหาชน)  
I&I Group Public Company Limited  
475 Siripinyo Building, Unit 1801, 18th Fl., Si Ayutthaya Road,  
Thanon Phaya Thai, Ratchathewi, Bangkok 10400 Thailand  
T (+66) 2-248-3745-6 F (+66) 2-248-3747 W www.ii.co.th

### **Cost of Sales and Services**

For the nine months ended 30 September 2021, Cost of sales and services of the Company mainly came from cost of consultation and Implementation system. Overall cost of sales and service increased in line with our sales increases. For the nine months ended 30 September 2021, the Company recorded cost of sales and services of THB 351.14 million or 71.0% of sales (For the nine months ended 30 September 2020: THB 270.69 million or 70.36% of sales.), increased 29.6% YoY. The reason mainly came from the service cost increase by the same direction of sale increased and the slightly increase in cost of services 32.61% YoY.

### **Selling and Administrative Expenses**

For the nine months ended 30 September 2021, the Company recorded selling and administrative expenses THB 71.36 million or 14.43% of total revenues (For the nine months ended 30 September 2020: THB 68.20 million or 17.71% of total revenues), an increase of THB 3.16 million YoY but decreased by 3.3% point compared to the same period of last year.

### **Net Profit After Tax**

For the nine months ended 30 September 2021, Net profit after tax was THB 56.49 million or 11.42% of total revenues, increased by THB 19.57 million or 53% compared to the same period of last year. This is mainly due to the increase in service revenue from Customer Relationship Management (CRM). Enterprise Resource Planning (ERP) and other business.



Statement of Financial Position ended 30 September 2021

Financial Position	30 September 2021		31 December 2020		Change Increase/(Decrease)	
	THB mm	%	THB mm	%	THB mm	%
<b>Assets</b>						
Cash and cash equivalents	141.04	18.1	159.00	25.1	(17.96)	(11.30)
Trade and Other receivables, net	129.68	16.7	88.87	14.0	40.80	45.90
Unbilled receivables	125.13	16.1	80.23	12.7	44.89	55.94
Prepaid software license fees	69.8	9.0	54.85	8.6	14.95	27.26
Other current assets	7.05	0.9	3.72	0.6	3.34	90.03
Goodwill	251.71	32.3	217.31	34.3	34.41	15.84
Other non-current assets	54.19	7.0	29.93	4.7	24.26	81.06
<b>Total assets</b>	<b>778.60</b>	<b>100.0</b>	<b>633.91</b>	<b>100.0</b>	<b>144.69</b>	<b>22.83</b>
<b>Liabilities</b>						
Current liabilities	200.65	25.8	124.10	19.6	76.55	61.68
Non-current liabilities	48.19	6.2	22.08	3.5	26.10	118.15
<b>Total liabilities</b>	<b>248.84</b>	<b>32.0</b>	<b>146.18</b>	<b>23.1</b>	<b>102.65</b>	<b>70.22</b>
<b>Equity</b>	<b>529.76</b>	<b>68.0</b>	<b>487.73</b>	<b>76.9</b>	<b>42.03</b>	<b>8.62</b>
<b>Total liabilities and equity</b>	<b>778.60</b>	<b>100.0</b>	<b>633.91</b>	<b>100.0</b>	<b>144.69</b>	<b>22.83</b>

**Total Assets**

Total assets as of 30 Sep 2021 is THB 778.60 million, increased THB 144.69 million or 22.83% compared to total assets as of 31 December 2020. The main reason came from the increase in an account receivable and unbilled receivables of THB 85.69 million. Non-Current Asset shown on the financial statement is goodwill that will be tested for impairment at least on a yearly basis. The Goodwill is the amount recorded from company valuation/appraisal from the purchase price allocation and not impaired in this period due to the good performance and solid cashflow status.



บริษัท ไอแอนดีไอ กรุ๊ป จำกัด (มหาชน)  
I&I Group Public Company Limited  
475 Siripinyo Building, Unit 1801, 18th Fl., Si Ayutthaya Road,  
Thanon Phaya Thai, Ratchathewi, Bangkok 10400 Thailand  
T (+66) 2-248-3745-6 F (+66) 2-248-3747 W www.ii.co.th

#### **Total Liabilities**

Total liabilities as of 30 September 2021 is THB 248.84 million, increased THB 102.65 million or 70.22% compared to total liabilities as of 31 December 2020 due to the increase in deferred income from software subscription, maintenance, and application management service revenue total of THB 51.06 million, which is in line with the increase in prepaid software license fees and the increase from account payable for investment in subsidiaries of THB 20.22 million, which is a result of the investment transaction of Diginative Co., Ltd in September 2021.

#### **Equity**

Total equity as of 30 September 2021 is THB 529.76 million, increased THB 42.03 million or 8.62%, mainly due to net profit from operation from the past nine months of THB 56.49 million offset with dividend paid during the period THB 15 million.

#### **AR Turnover and Collection Period**

The standard credit term for our clients running between 30-120 days depending on type of sales and service. Most of the credit terms of the Company and its subsidiaries are 30 days. As of 30 September 2021, the DSO (Day Sales Outstanding) was 51 days on average, a slightly decreased 6 days from 57 days as of 31 December 2020.

Please be informed accordingly.

Sincerely Yours,

(Mr. Somchai Mekasuvanroj)

Chief Executive Officer

I&I Group Public Company Limited