

## Q1 2021: Management Discussion and Analysis

### Q1 2021 Highlights

In Q1 2021, Smart Telcoms Public Company Limited or "SAMTEL" reported the consolidated revenues of THB 1,239 million and net profit of THB 15 million.

### Financial Performance

#### Revenues

The consolidated total revenues for Q1 2021 were THB 1,239 million, decreased by THB 442 million or 26.3% from Q1 2020 mainly from the following:

#### Revenue from sales, contract work, Services and Rental

Revenue from sales, contract work, services and rental were THB 1,232 million, decreased by THB 446 million or 26.6% compared to Q1 2020, major decreased is caused by in Q1 2020 the Company recognized more revenue from implementation progress of large project such as the project of Design, Supply, Development, Implementation and Maintenance of Core Business Software was THB 435 million, resulting in decrease in the Company's performance compared with Q1 2020.

#### Other income

Other income was THB 7 million, increased by THB 4 million or 110.9% from Q1 2020.

#### Cost of Sales, Contract work, Services and Rental

Cost of sales, contract work, services and rental were THB 1,081 million or 87.8% of revenues compare with Q1 2020 at 85.1%.

Cost of sales, contract work, services and rental decreased from Q1 2020 by THB 347 million or 24.3%, major decreased is caused by cost of Sale, contract work, services and rental

#### Gross Profit

Gross profit of the Company was THB 151 million, compared gross profit with Q1 2020 at THB 250 million decreased by THB 99 million or 39.7%. However Gross profit margin was 12.2% decreased from 14.9% in Q1 2020.

#### Selling Expenses, Administrative Expenses and Other Expenses

Selling expenses, administrative expenses, and other expenses were THB 127 million, decreased from Q1 2020 by THB 39 million or 23.6% mainly from decrease in salary and other employee benefits, promotion and advertising expenses and other expenses.

#### Finance income, Finance Cost and Corporate Income Tax

Finance income was THB 2 million, decreased by THB 1 million or 37.6%. Finance cost was THB 12 million, decreased by THB 13 million or 51.8%, decreased from Bank overdrafts and short-term loans from banks and Current portion of debentures. Corporate Income tax income was THB 6 million, decreased from the same period of last year by THB 13 million.

#### Net Profit

The consolidated net profit attributable to equity holders of the company was THB 15 million, compared net profit with Q1 2020 at THB 47 million decreased by THB 32 million or 67.6%, from the same period of last year. The company still has earnings before Interest, Tax, Depreciation and Amortization (EBITDA) was THB 129 million decreased by THB 231 million or 64.1% from Q1 2020.

### Financial Position

#### Assets

At the end of Q1 2021, SAMTEL reported the total assets of THB 7,284 million, increased by THB 313 million or 4.5% compared to the end of 2020, mainly resulting from a increasing of trade and other receivables.

#### Source of financing

At the end of Q1 2021, SAMTEL reported total liabilities of THB 3,965 million, increased by THB 297 million or 8.1% compared to the end of 2020, mainly increase from bank overdrafts and short-term loans from banks.

SAMTEL reported the total shareholders' equity of THB 3,319 million, increased by THB 15 million or 0.5% from the end of 2020, mainly from retained earnings.