

2022: Management Discussion and Analysis

2022 Highlights

In 2022, Ssmart Telcoms Public Company Limited (the Company) or “SAMTEL” conducted business under sustainability development practice with good corporate governance and prioritized three dimensions of sustainability: economy, society, and environment. The Company operated business with enterprise risk management and business continuity under efficient standards, elevated cyber security measures and personal data protection, conducted business with responsibility of customers, society, and stakeholders together with reduction of environmental impact. Furthermore, the Company, in collaboration with partners, increased values in products and services altogether gaining trusts from customers and new contracts awarded, resulting in consolidated revenues of THB 5,267 million and net profit of THB 261 million.

Financial Performance

Revenues

The consolidated total revenues for 2022 were THB 5,267 million, increased by THB 619 million or 13.3 % in 2021 mainly from the following:

Revenue from sales, contract work, Services and Rental

Revenue from sales, contract work, services and rental were THB 4,947 million, increased by THB 366 million or 8% compared to 2021, major increased is caused by revenue from contract work, services and rental.

Other income

Other income was THB 320 million, increased by THB 253 million compared with 2021, mainly due to interest income from legal case.

Cost of Sales, Contract work, Services and Rental

Cost of sales, contract work, services and rental were THB 4,315 million or 87.2% of revenues compare with 2021 at 87.4%.

Cost of sales, contract work, services and rental increased from 2021 by THB 313 million or 7.8%, major increased is caused by cost of contract work services and rental.

Gross Profit

Gross profit of the Company was THB 632 million, compared gross profit with 2021 at THB 579 million increased by THB 53 million or 9.2%. Gross profit margin was 12.8% increased from 12.6% in 2021.

Selling Expenses, Administrative Expenses and Other Expenses

Selling expenses, administrative expenses, and other expenses were THB 561 million, increased from 2021 by THB 36 million or 6.8% mainly from Loss on change in value of short-term investments in trading securities and legal expense.

Finance income, Finance Cost and Corporate Income Tax

Finance income was THB 7.7 million, increased by THB 0.5 million. Finance cost was THB 66 million, increased by THB 17 million or 34.7%, increased from short-term loans from banks. Corporate Income tax income was THB 74 million, increased from the same period of last year by THB 56 million.

Net Profit

The consolidated net profit attributable to equity holders of the company was THB 261 million, compared net profit with 2021 at THB 61 million increased by THB 199 million, from the same period of last year. The company still has earnings before Interest, Tax, Depreciation and Amortization (EBITDA) was THB 705 million increased by THB 656 million from 2021.

Financial Position

Assets

At the end of 2022, SAMTEL reported the total assets of THB 7,471 million, increased by THB 327 million or 4.6% compared to the end of 2021, mainly resulting from a increasing of property, plant and equipment, trade and other receivables.

Source of financing

At the end of 2022, SAMTEL reported total liabilities of THB 3,908 million, increased by THB 135 million or 3.6% compared to the end of 2021, mainly increase from accrued project cost, trade and other payables.

SAMTEL reported the total shareholders' equity of THB 3,563 million, increased by THB 191 million or 5.7% from the end of 2021, mainly from retained earnings.

Performance Regarding Environment

The Company managed its operation to reduce impact on environment. In FY 2022, the Company's absolute GHC emissions (Scope 1: Direct GHC Emissions and Scope 2: Energy Indirect GHC Emission) was 414.38 ton CO₂eq decreased by 4.2% compared to GHC emission in 2019, achieving the full-year target of 419.77 ton CO₂eq in 2022.