

# 1Q 2022: Management Discussion and Analysis

## 1Q 2022 Highlights

In this quarter, Samart Corporation Public Company Limited or "SAMART" recorded the total revenues for the three-month period of THB 1,637 million with Net Loss attributable to equity holders of the Company was THB 93 million.

### **SAMART's performance by business lines;**

Samart Corporation PCL., divided its businesses into 4 lines of business

- 1) Digital Business or "SDC"
- 2) ICT Solution and Service Business or "SAMTEL"
- 3) Utilities and Transportations Business
- 4) Technology related Business

### **Digital Business**

#### **(Samart Digital Pcl. or "SDC")**

The business under the Digital group will focus on the full service of Digital Trunked Radio System (DTRS). The DTRS network covers the key areas nationwide including the national park areas which on the process of installation. Moreover, we also offer the platform service as well as the Digital Sport.

### **ICT Solution and Service Business**

#### **(Samart Telcoms Pcl. or "SAMTEL")**

In this quarter, the new projects were signed with the total value of THB 2,961 million. By the end of 1Q/2022, SAMTEL had total backlog worth THB 7,969 million.

### **Utilities and Transportations Business**

The Company was on the preparation of listing our subsidiary, Samart Aviation Solutions Public Company Limited (SAV), in the stock exchange of Thailand. The Company plan to IPO SAV and the process shall use for the business expansion in the future. SAV has the direct ownership in Cambodia Air Traffic Services Company Limited (CATS). CATS operates the countrywide air traffic business in Cambodia.

The COVID-19 crisis has been effected to the air traffic business of CATS. However in last quarter, the flights number were increased to 10,072 flights, increased from 7,428 flights or growth by 35% YoY.

### **Technology Related Business**

In 2020, the Company signed the contract on Improvement of Efficiency in Excise Tax Management for Domestic Beer with Excise Department for 7 years with the total project value of THB 8,033 million. This project is already started since 1 May 2022

## Financial Performance

### Revenues

The consolidated sales, contract works and services revenues (after elimination of related parties transaction) in 1Q/2022 were THB 1,603 million, decreased by 11% YoY. Revenues in each business line are as follow;

### Digital Business

Sales, contract works and services revenues from Digital Business in 1Q/2022 were THB 283 million, increased by 186% YoY. Majorly contributed by the increasing in revenue of trading DTRS equipment in Digital Network business.

### ICT Solution and Service Business

The revenues from sales, contract works and services in 1Q/2022 were THB 950 million which decreased by THB 282 million from the same period last year or decreased by 23%. It was mainly come from lower sale and contract work revenue recognition.

### Utilities and Transportations and Technology Related Business

The revenues from sales, contract works and services were THB 518 million, increased by 22% YoY. The increase in sales, contract works and services revenues mainly came from the construction of transmission line, substation business and air traffic business.

### Cost of Sales, Contracts Works and Services

Cost of sales, contract works and services were THB 1,343 million, decreased by 14% YOY.

The cost of sales, contract works and services were mainly came from ICT Solution and Service Business.

### Selling and Administrative Expenses

Selling and Administrative expenses were THB 271 million, which represented 17% of total revenues of the Company, decreased by THB 4 million or 1% YoY.

### Finance Cost

Finance cost was THB 123 million, increased by 48% YoY mainly due to the issuing convertible debenture of Digital Business.

### Net Profit/ Loss

Net Loss attributable to the equity holders of the Company was THB 93 million, decreased by THB 24 million or 36% YoY.

### Financial Position

As of 31 March 2022, SAMART reported the total assets of THB 20,737 million, increased by 14% compared to the year-end of 2021.

The total liabilities was THB 15,806 million by the end of 1Q/2022, increased by 18% compare to the end of 2021. The total shareholders' equity was reported THB 4,931 million.