

## Q1 2018: Management Discussion and Analysis

### Q1 2018 Highlights

In Q1 2018, Ssmart Telcoms Public Company Limited or "SAMTEL" reported the consolidated revenues of THB 1,432 million and net profit of THB 61 million.

### Financial Performance

#### Revenues

The consolidated total revenues for Q1 2018 was THB 1,432 million, increased by THB 27 million or 1.9% from Q1 2017 mainly from the following:

##### Revenue from sales, contract work and services

Revenue from sales, contract work and services was THB 1,424 million, total increased by THB 28 million or 2.0% compared to Q1 2017, caused by growth in revenues from contract work.

##### Other income

Other income was THB 8 million, decreased by THB 1 million from Q1 2017.

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

Cost of sales, contract work and services was THB 1,177 million, increased from Q1 2017 by THB 30 million or 2.6%, which relatively outgrew the revenue from sales and services in the same period because there was an increase in cost of contract work.

#### Gross Profit

Gross profit was THB 246 million decreased by THB 1 million or 0.6%. Gross profit margin was 17.3% decreased from 17.8% in Q1 2017.

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

Selling expenses, administrative expenses, and other expenses were THB 161 million, increased from Q1 2017 by THB 9 million mainly from increase in salary and benefits and other expenses.

### Finance Cost & Corporate Income Tax

Finance cost was THB 31 million, decreased by THB 8 million, mainly from decrease in loan. Corporate Income tax expenses were THB 5 million, increased from the same period of last year by THB 18 million.

### Net Profit

The consolidated net profit attributable to equity holders of the company was THB 61 million, which decreased from the same period of last year by THB 21 million or 25.4%.

### Financial Position

#### Assets

At the end of Q1 2018, SAMTEL reported the total assets of THB 8,623 million, decreased by THB 660 million or 7.1% compared to the end of 2017, mainly resulting from a decrease of cash and cash equivalents, property, plant and equipment and accrued income.

#### Source of financing

At the end of Q1 2018, SAMTEL reported total liability of THB 5,033 million, decreased of THB 718 million or 12.5% compared to the end of 2017, mainly from a decrease in loans from banks and trust receipts and trade and other payables.

SAMTEL reported the total shareholders' equity of THB 3,591 million, an increase of THB 58 million or 1.6% from the end of 2017.