

Q3 2017: Management Discussion and Analysis

Q3 2017 Highlights

In Q3 2017, Ssmart Telcoms Public Company Limited or "SAMTEL" reported the consolidated revenues of THB 1,911 million and net profit of THB 43 million.

Financial Performance

Revenues

The consolidated total revenues for Q3 2017 was THB 1,911 million, increased by THB 387 million or 25% from Q3 2016 mainly from the following:

Revenue from sales and services

Revenue from sales and services was THB 1,910 million, total increased by THB 396 million or 26% compared to Q3 2016, caused by growth in revenues from both sales and contract work.

Other income

Other income was THB 1 million, decreased by THB 9 million from Q3 2016.

Cost of Sales and Services

Cost of sales and services was THB 1,685 million, increased from Q3 2016 by THB 387 million or 30%, 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 225 million increased by THB 9 million or 4%. Gross profit margin was 12% decreased from 14% in Q3 2016.

Selling Expenses, Administrative Expenses, and Other Expenses

Selling expenses, administrative expenses, and other expenses were THB 154 million, decreased from Q3 2016 by THB 5 million mainly from decreasing in losses from change investment in trading securities.

Finance Cost & Corporate Income Tax

Finance cost was THB 38 million, decreased by THB 5 million, mainly from decrease in loan interest. Corporate income tax income was THB 7 million, increased from the same period of last year by THB 2 million.

Net Profit

The consolidated net profit attributable to equity holders of the company was THB 43 million, which increased from the same period of last year by THB 14 million or 48%.

Financial Position

Assets

At the end of Q3 2017, SAMTEL reported the total assets of THB 9,670 million, decreased by THB 348 million or 3% compared to the end of 2016, mainly resulting from a decrease of cash and cash equivalents, accrued income and property, plant and equipment.

Source of financing

At the end of Q3 2017, SAMTEL reported total liability of THB 6,168 million, decreased of THB 374 million or 6% compared to the end of 2016, mainly from a decrease in short-term loans from banks and trust receipts.

SAMTEL reported the total shareholders' equity of THB 3,502 million, an increase of THB 26 million or 1% from the end of 2016.