

Q3 2018: Management Discussion and Analysis

Q3 2018 Highlights

In Q3 2018, Ssmart Telcoms Public Company Limited or "SAMTEL" reported the consolidated revenues of THB 1,883 million and net profit of THB 95 million.

Financial Performance

Revenues

The consolidated total revenues for Q3 2018 was THB 1,883 million, decreased by THB 27 million or 1.4 % from Q3 2017 mainly from the following:

Revenue from sales, contract work and services

Revenue from sales, contract work and services was THB 1,846 million, decreased by THB 64 million or 3.3% compared to Q3 2017, major decreased is caused by sales income.

Other income

Other income was THB 37 million, increased by THB 36 million from Q3 2017.

Cost of Sales, Contract work and Services

Cost of sales, contract work and services was THB 1,575 million or 85.3% of revenues, compare with Q3 2017 at 88.2% due to cost of sale, contract work and services decreased.

Gross Profit

Gross profit was THB 272 million increased by THB 46 million or 20.6%. Gross profit margin was 14.7% increased from 11.8% in Q3 2017.

Selling Expenses, Administrative Expenses, and Other Expenses

Selling expenses, administrative expenses, and other expenses were THB 175 million, increased from Q3 2017 by THB 21 million mainly from increase in salary and benefits and office rental expenses.

Finance Cost & Corporate Income Tax

Finance cost was THB 24 million, decreased by THB 14 million, mainly from decrease in loan. Corporate Income tax expenses were THB 15 million, increased from the same period of last year by THB 21 million.

Net Profit

The consolidated net profit attributable to equity holders of the company was THB 95 million, which increased by THB 52 million or 120.5% from the same period of last year.

Financial Position

Assets

At the end of Q3 2018, SAMTEL reported the total assets of THB 8,368 million, decreased by THB 915 million or 9.9% 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 Q3 2018, SAMTEL reported total liability of THB 4,818 million, decreased of THB 932 million or 16.2% compared to the end of 2017, mainly from a decrease in loans from banks and trust receipts.

SAMTEL reported the total shareholders' equity of THB 3,550 million, an increase of THB 18 million or 0.5% from the end of 2017, mainly from retained earnings.