

## Business Overview

In the third quarter of this year, the overall economy of the country as reported by the Bank of Thailand remained in a contraction state due to stringent measures to control the spread of COVID-19. Moreover, political risks, flood situation and slower market recovery just added to the overall sentiment. With now further relaxing measures from the government and re-opening the country in November, it is expected to drive recovery of economy and businesses including telecommunication sector.

SYMC continue to focus on growing its business across domestic and international segments. Notwithstanding the tough situation of COVID-19, the Company expands its enterprise solutions offerings to wide range of customers base with growing demand for data connectivity usage and digitalization focus. In addition, the Company also tapped and benefit from influx of demand for international connectivity from OTT (over-the-top) players, telco carriers and content providers. To strengthen our quality and stability, the Company is also investing significantly to upgrade and improve network backbone infrastructure to deliver sustainable yet excellent service to all customers.

## Quarter Performance

The Company reported its Q3 performance with 26.4% YoY increase in Total Revenue and 145.1% YoY increase in Core Net Profit, reflecting its continued performance growth in their business focus execution. Included in this Q3 performance was a one-off adjustment of Baht 39.7 million (reversal of USO fee provision) recorded under Other Income, due to final acceptance by NBTC on the litigation case awarded by Supreme Administrative Court on 30 June 2021 (as disclosed in Q2 MD&A).

For QoQ comparison, the Company also performed higher with 14.6% QoQ in Total Revenue and 81.5% in Core Net Profit. Included the share of loss of associate of Baht 8.7 million, the Reported Net Profit was Baht 57.5 million, also higher QoQ and YoY respectively.

## Year-to-Date (9mths) Performance

For 9Ms performance, the Company recorded Total Revenue of Baht 1,133.6 million and Core Net Profit of Baht 131.3 million respectively, increased by 13.2% and 65.2% compared with YoY due to continued growth of connectivity services revenue, one-time reversal USO fee, lower depreciation expense and lower finance costs. Included share of loss of associate of Baht 25.4 million, the Reported Net Profit was Baht 105.8 million, also higher by 33.5% YoY.

## 3Q2021 Performance Overview

### Revenue

In 3Q2021, service revenue was Baht 377.1 million, increased by 15.7% YoY and 4.0% QoQ, due to higher revenue from domestic and international service segments resulted from growing demand for connectivity during this COVID-19 pandemic period.

Other income was Baht 43.3 million, increased >100% QoQ and YoY, due to one-time reversal USO fee of Baht 39.7 million.

For 3Q2021, total revenue was Baht 420.4 million, increased by 14.6% QoQ, and by 26.4% YoY mainly driven by higher service revenue and other income.

Unit : Million Baht	Amount			Change		Amount		Change
	Q3/20	Q2/21	Q3/21	(%) QoQ	(%) YoY	9M2020	9M2021	(%) YoY
<b>Revenue</b>								
Service revenue	325.8	362.4	377.1	4.0%	15.7%	976.3	1,078.6	10.5%
Other income	6.8	4.5	43.3	864.4%	537.4%	24.9	55.0	120.8%
<b>Total Revenue</b>	<b>332.6</b>	<b>366.9</b>	<b>420.4</b>	<b>14.6%</b>	<b>26.4%</b>	<b>1,001.2</b>	<b>1,133.6</b>	<b>13.2%</b>
Costs of Services and Sales (excl. D&A)	(110.0)	(138.5)	(147.6)	6.5%	34.2%	(330.5)	(414.5)	25.4%
Depreciation & Amortization (D&A)	(98.5)	(96.9)	(98.8)	1.9%	0.4%	(301.4)	(290.5)	-3.6%
<b>Total Cost of Services and Sales</b>	<b>(208.5)</b>	<b>(235.4)</b>	<b>(246.4)</b>	<b>4.7%</b>	<b>18.2%</b>	<b>(631.9)</b>	<b>(705.0)</b>	<b>11.6%</b>
Service & Administrative Expenses (excl. D&A)	(61.2)	(64.0)	(64.8)	1.2%	5.8%	(187.9)	(188.9)	0.5%
Depreciation & Amortization (D&A)	(13.4)	(12.5)	(12.9)	3.0%	-3.6%	(40.4)	(37.7)	-6.7%
<b>Total Service &amp; Administrative Expenses</b>	<b>(74.6)</b>	<b>(76.5)</b>	<b>(77.7)</b>	<b>1.5%</b>	<b>4.1%</b>	<b>(228.3)</b>	<b>(226.6)</b>	<b>-0.8%</b>
<b>Operating Profit / ( Loss)</b>	<b>49.5</b>	<b>55.0</b>	<b>96.4</b>	<b>75.2%</b>	<b>94.5%</b>	<b>141.0</b>	<b>202.0</b>	<b>43.3%</b>
Financial Cost	(13.5)	(12.3)	(11.3)	-8.4%	-16.5%	(44.4)	(37.0)	-16.6%
Income Tax Expenses	(9.0)	(6.2)	(18.8)	204.8%	108.7%	(17.1)	(33.7)	97.0%
<b>Core Net Profit/(Loss) for the period</b>	<b>27.0</b>	<b>36.5</b>	<b>66.3</b>	<b>81.5%</b>	<b>145.1%</b>	<b>79.5</b>	<b>131.3</b>	<b>65.2%</b>
Share of loss of associate accounted for using equity method	(0.3)	(8.6)	(8.7)	2.1%	3245.6%	(0.3)	(25.4)	9627.7%
<b>Net Profit/(Loss) for the period</b>	<b>26.8</b>	<b>28.0</b>	<b>57.5</b>	<b>105.7%</b>	<b>114.9%</b>	<b>79.2</b>	<b>105.8</b>	<b>33.5%</b>
<i>Core Net Profit/(Loss) Margin</i>	<i>8.1%</i>	<i>9.9%</i>	<i>15.8%</i>			<i>7.9%</i>	<i>11.6%</i>	
<i>Net Profit/(Loss) Margin</i>	<i>8.0%</i>	<i>7.6%</i>	<i>13.7%</i>			<i>7.9%</i>	<i>9.3%</i>	

EBITDA (Unit : Million Baht)	Amount			Change		Amount		Change
	Q3/20	Q2/21	Q3/21	(%) QoQ	(%) YoY	9M2020	9M2021	(%) YoY
<b>EBITDA</b>								
Operating Profit / ( Loss)	49.5	55.0	96.4	75.2%	94.5%	141.0	202.0	43.3%
Depreciation & Amortization (D&A)	111.8	109.5	111.7	2.1%	-0.1%	341.8	328.2	-4.0%
<b>EBITDA</b>	<b>161.4</b>	<b>164.5</b>	<b>208.1</b>	<b>26.5%</b>	<b>28.9%</b>	<b>482.8</b>	<b>530.3</b>	<b>9.8%</b>
<i>EBITDA Margin</i>	<i>48.5%</i>	<i>44.8%</i>	<i>49.5%</i>			<i>48.2%</i>	<i>46.8%</i>	

**Costs of Services and Sales (COSS)**

In 3Q2021, Costs of Services and Sales were Baht 246.4 million, increased by 18.2% YoY mainly due to the higher from cable rental on domestic and international segment to support higher connectivity demand and ICT solutions for Enterprises segment and increasing international traffic demand between regional borders.

For QoQ comparison, it increased by 4.7% mainly due to the same factors above that is from higher cable rental on domestic and international and depreciation expense.

**Service & Administrative (S&A) Expenses**

In 3Q2021, Service & Administrative expenses were Baht 77.7 million, increased by 4.1% YoY and 1.5% QoQ mainly due to higher employee expense, higher professional fee for ISO certification and higher depreciation and amortisation.

**EBITDA and Net Profit**

In 3Q2021, EBITDA closed at Baht 208.1 million, increased by 28.9% YoY and 26.5% QoQ, due to higher services revenue growth from Domestic and International segments together with better cost management. Exclude the one-time reversal USO fee, EBITDA still closed higher at Baht 176.3 million.

Core Net Profit closed at Baht 66.3 million, increased by >100% YoY and 81.5% QoQ, due to higher service revenue and one-time reversal USO fee. Included the share of loss of associate, the Reported Net Profit was Baht 57.5 million, also higher YoY and QoQ.

## Statement of Financial Position and Cashflows

Unit : Million Baht	31-Dec-20		30-Sep-21		Change	
	Amount	%	Amount	%	Amount	(%) YoY
<b>Assets</b>						
Cash and cash equivalents	695.8	16.4%	445.4	11.0%	-250.4	-36.0%
Trade and other account receivables	238.6	5.6%	310.9	7.7%	72.4	30.3%
Other current assets	109.5	2.6%	92.5	2.3%	-17.0	-15.5%
<b>Total current assets</b>	<b>1,043.8</b>	<b>24.7%</b>	<b>848.9</b>	<b>20.9%</b>	<b>-195.0</b>	<b>-18.7%</b>
Investment in associate	41.0	1.0%	15.6	0.4%	-25.4	-62.0%
Long-term loans to related party	83.3	2.0%	107.8	2.7%	24.5	29.4%
Network equipment and PPE	2,854.1	67.5%	2,910.3	71.8%	56.1	2.0%
Other non-current assets	207.7	4.9%	171.1	4.2%	-36.5	-17.6%
<b>Total non-current assets</b>	<b>3,186.1</b>	<b>75.3%</b>	<b>3,204.8</b>	<b>79.1%</b>	<b>18.7</b>	<b>0.6%</b>
<b>Total assets</b>	<b>4,229.9</b>	<b>100.0%</b>	<b>4,053.6</b>	<b>100.0%</b>	<b>-176.3</b>	<b>-4.2%</b>
<b>Liabilities and shareholders' equity</b>						
Trade payables	310.8	7.3%	351.9	8.7%	41.0	13.2%
Current portion of long-term/ short-term loans	401.5	9.5%	381.6	9.4%	-19.8	-4.9%
Other current liabilities	83.4	2.0%	91.9	2.3%	8.5	10.2%
<b>Total current liabilities</b>	<b>795.7</b>	<b>18.8%</b>	<b>825.4</b>	<b>20.4%</b>	<b>29.7</b>	<b>3.7%</b>
Long-term loans	896.3	21.2%	627.5	15.5%	-268.8	-30.0%
Other non-current liabilities	105.6	2.5%	80.6	2.0%	-24.9	-23.6%
<b>Total non-current liabilities</b>	<b>1,001.9</b>	<b>23.7%</b>	<b>708.1</b>	<b>17.5%</b>	<b>-293.7</b>	<b>-29.3%</b>
<b>Total liabilities</b>	<b>1,797.6</b>	<b>42.5%</b>	<b>1,533.5</b>	<b>37.8%</b>	<b>-264.1</b>	<b>-14.7%</b>
<b>Shareholders' Equities</b>	<b>2,432.3</b>	<b>57.5%</b>	<b>2,520.1</b>	<b>62.2%</b>	<b>87.8</b>	<b>3.6%</b>
<b>Total liabilities and shareholders' equity</b>	<b>4,229.9</b>	<b>100.0%</b>	<b>4,053.6</b>	<b>100.0%</b>	<b>-176.3</b>	<b>-4.2%</b>

Unit : Million Baht	As of 30-Sep-20	As of 30-Sep-21
Cash flows from operating activities	479.3	506.2
Cash flows used in investing activities	(15.5)	(357.8)
<b>Free cash flows</b>	<b>463.7</b>	<b>148.3</b>
Cash flows used in financial activities	(297.1)	(398.7)
Net change in cash	166.6	(250.4)
<b>Beginning Cash and Cash Equivalents</b>	<b>362.2</b>	<b>695.8</b>
<b>Ending Cash and Cash Equivalents</b>	<b>528.9</b>	<b>445.4</b>

As of 30 September 2021, total assets were Baht 4,053.6 million, decreased by 4.2% from 31 December 2020, mainly due to share of loss of associate accounted for using equity method of investment in associate to amount Baht 25.4 million and cash and cash equivalents reduced by amount Baht 250.4 million from working capital and operational capex.

Cash and cash equivalents were Baht 445.4 million, decreased by 36.0% from 31 December 2020 due to working capital and operational capex.

Network equipment and PPE assets were Baht 2,910.3 million, increased by 2.0% from 31 December 2020 mainly due to invest in new network systems/equipment to support the increased customer service.

Total liabilities were Baht 1,533.5 million, decreased by 14.7% from 31 December 2020 mainly due to loan repayment during the period.

Total shareholders' equity was Baht 2,520.1 million, increased by 3.6% from 31 December 2020 due to the positive net operating result during the period.

As of 30 September 2021, Debt to Equity (D/E) ratio and Debt to EBITDA ratio was 0.61x and 2.17x, respectively (*as at 31 December 2020: 0.74x and 2.83x, respectively*).

### 2021 Outlook

For remaining last quarter of 2021, the Company expects that the economy situation will begin to recover and restart following the re-opening of the country and the further relaxation of government measures. This will help all businesses and government sectors to gain back to normal towards the beginning year 2022.

The company remain positive and committed to maintain revenue and earnings growth for whole year 2021 even in the epidemic COVID-19 situation. During this tough period and going forward, the Company continue to focus on creating differentiation and enhancing our solutions as part of long-term strategy to further expand footprint into domestic enterprise market. Along with this ambition, the Company promises to deliver the best network stability and quality with further investment plans to upgrade nationwide network backbone and to drive excellent experience to customers.