







SYMPHONY

**Analyst Meeting
3Q2022**

22nd November 2022



-  **3Q2022 Financial Performance**
-  **Corporate News**
-  **2022 Outlook & Guidance**
-  **Q & A**

Revenue Growth

+4% YoY
+2% QoQ

Quarter performance remain **strong with revenue** (excl. USO reversal in Q3-21)



Net Profit growth

+81% YoY
-7% QoQ

Net Profit (NP) closed 47 MB, compared to Q3-21 at 26MB (excl. **USO reversal 31.7MB**) increased by **+81% YoY**



Overall Performance

Quarter performance remain **strong with revenue** (excl. USO reversal in Q3-21) and Net Profit growing on double digit growth

Expect to close full year 2022 with same positive growth trend, driven by overall growth on core services, both from Enterprise and International BUs



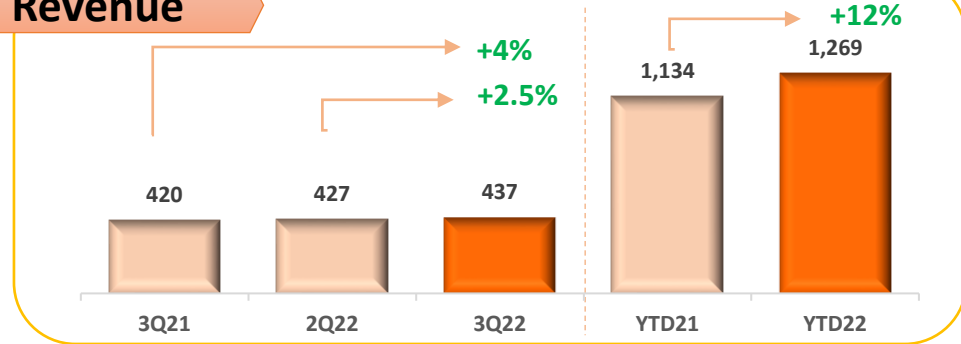


3Q2022 FINANCIAL PERFORMANCE



Unit : Million Baht

Revenue



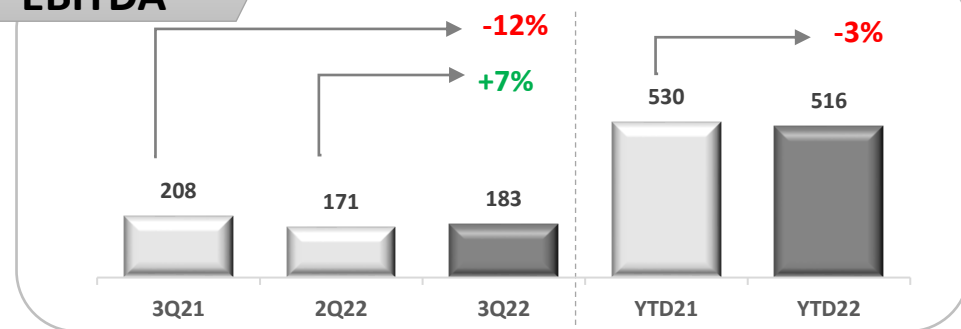
3Q2022

Higher revenue reflecting its continued solid business growth mainly driven by strong sales demand from both domestic enterprise and global connectivity services

9M2022

Increased 12% compared with last year due to strong growth of connectivity services revenue

EBITDA



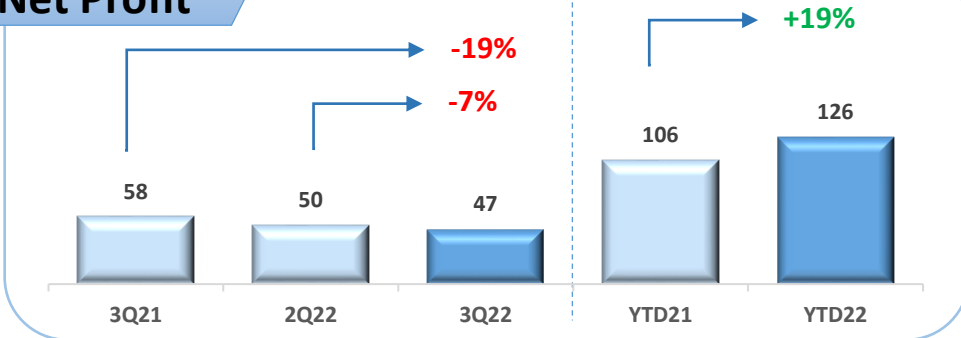
3Q2022

EBITDA decreased 12% YoY due to 3Q2021 has one-time adjustment of reversal USO fee of Baht 39.7 million. If excluded, the higher EBITDA increased by 8.7%

9M2022

Slightly lower than last year due to higher connection cost to support network and customers, in line with higher revenue growth and 3Q2021 has one-time adjustment.

Net Profit



3Q2022

lower by 19% YoY due to one-off Other Income for reversal of USO fee provision made in 3Q2001 amounted to Baht 39.7 million. If excluded the Other Income, Net Profit increased significantly by 80.7%

9M2022

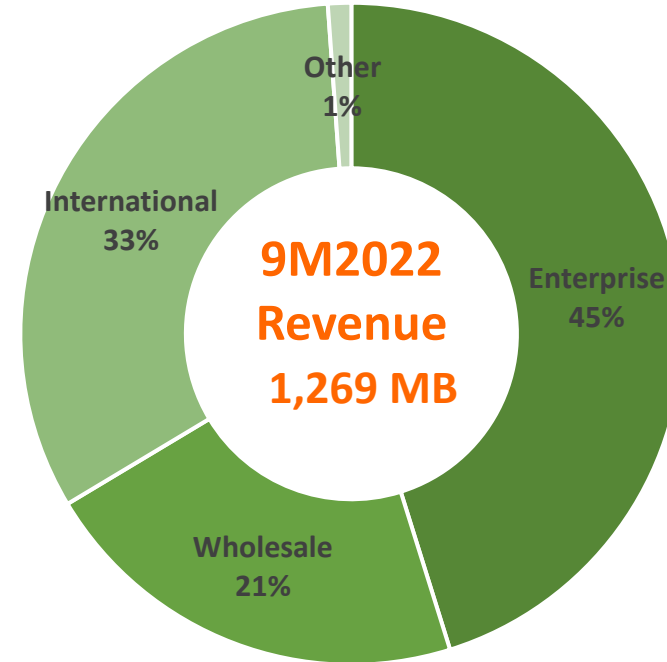
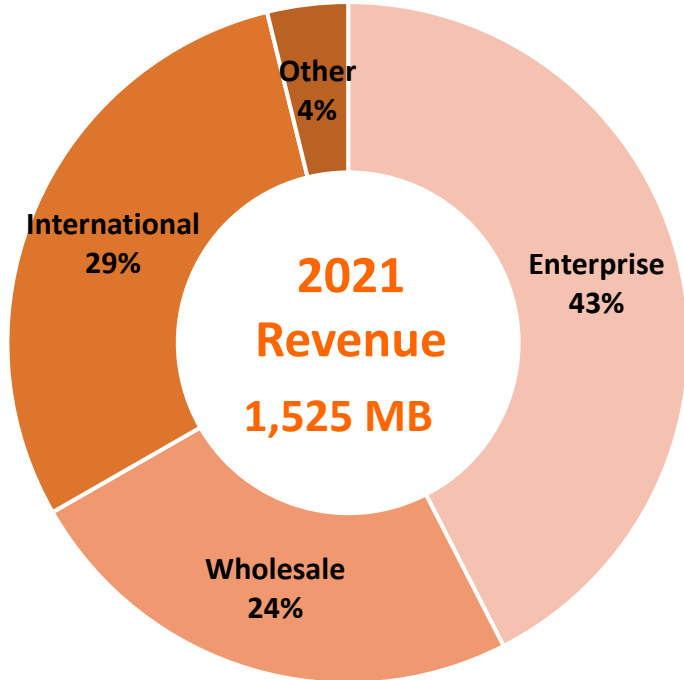
Overall 9M 2022 earnings, major driven by strong revenue growth from all business segments and well-managed cost, result in good profitability growth



REVENUE CONTRIBUTION



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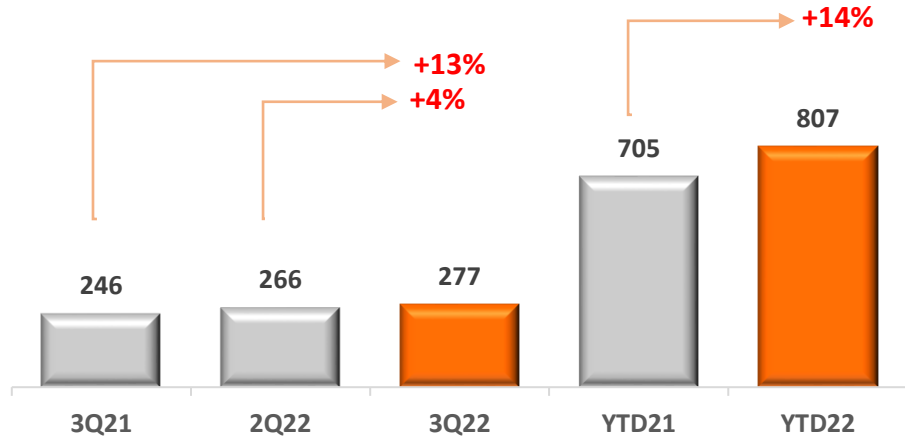
2022 Revenue growth continued mainly from **Enterprise and International** segments, which are the **key growth driver** of the business focus; **Wholesale** segment declining as a result of competitive and change in market landscape

COST OF SERVICES & SALES and OPERATING COST



Unit : Million Baht

COSS



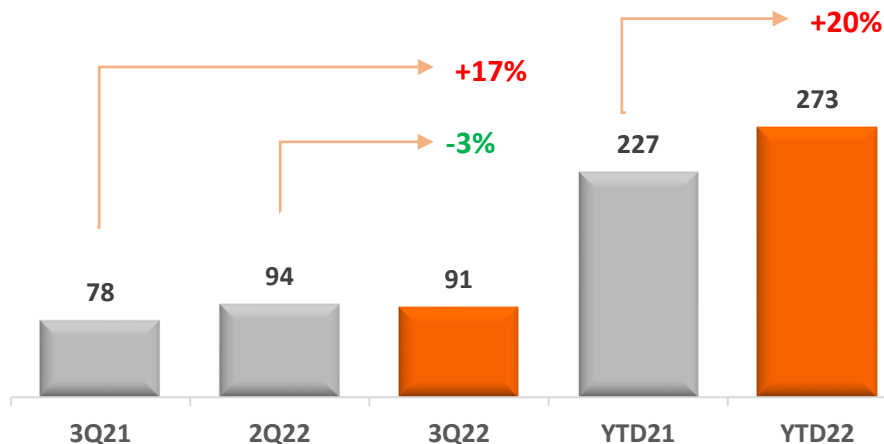
3Q2022

Cost increased due to higher network connection expenses from lease line rental on domestic and international services to support higher data connectivity usage, ICT solutions for enterprises segment and increasing international traffic demand between regional borders

9M2022

Cost increased due to mainly due higher network connection expenses, higher employee expenses and higher site expenses but lower depreciation expense for network equipment.

OPEX



3Q2022

Higher due to employee expense and higher maintenance on office equipment . However, it decreased by 3% QoQ mainly due to lower employee expense compared to previous quarter

9M2022

OPEX higher YoY due to higher overall staffing costs and maintenance office equipment.

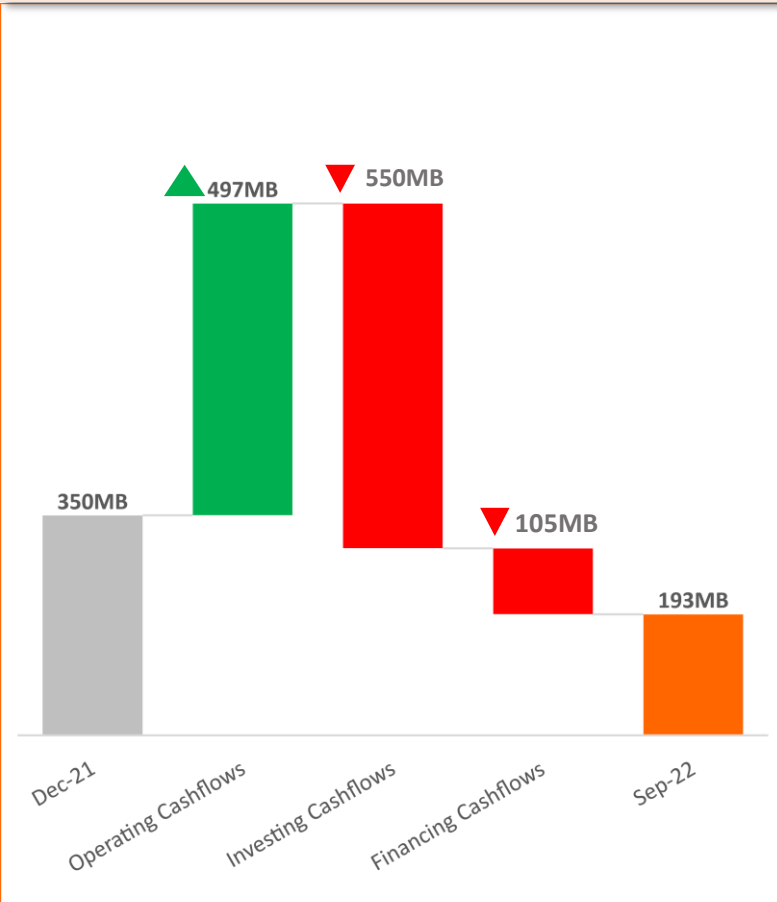


FINANCIAL POSITION

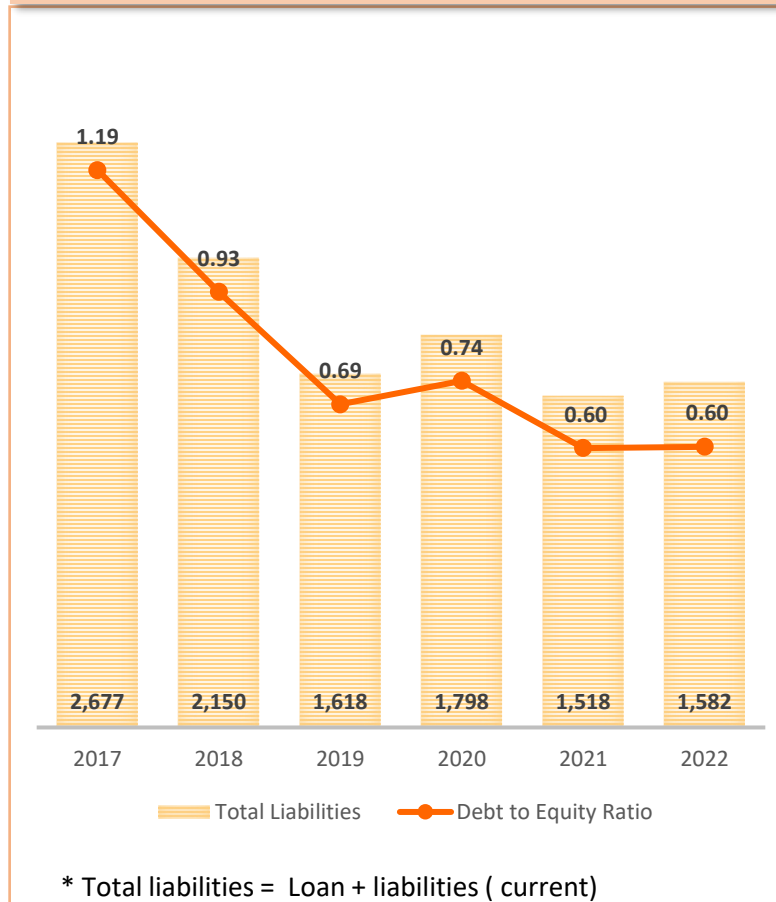


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Cash Flow Management



Debt Maturity Profile



- Operating cash flow increased in Q3. Cash flow **healthy** to support working capital, new investment and loan obligations.
- **Investing** 550 MB which includes new MPLS project.
- **DE Ratio** slightly increased from year 2021 however, company continue repayment loan obligations to decrease financial cost.



FINANCIAL RATIOS



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RATIOS	2020	2021	9M2022
Revenue Growth	1.0%	15.4%	12.0%
Net Profit Growth	113%	35.1%	18.9%
Net Profit Margin	7%	8%	10%
Return On Asset	2.3%	4.0%	4.4%
Return On Equity	4.0%	6.4%	7.0%
Debt to Equity	0.74	0.60	0.60
Debt to EBITDA	2.83	2.18	2.30
Debt Service Coverage	1.50	1.55	1.78



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Disposition of ADCTH's Shares



- On November 21, 2022, SYMC entered into the Share Sale and Purchase Agreement with DB Arrow Pte Ltd in Singapore. DB Arrow is a part of DigitalBridge Group, Inc which is global investor in the data centre business.
- The purpose is to dispose all ordinary shares that SYMC holds in AIMS Data Centre (Thailand) Limited.
- The transaction is expected to complete by Q2/23
- **Rationales and benefits of the transactions:**
 - Reduce the risk from obligations of the Company to potentially provide future financial support.
 - the disposal of all ordinary shares in ADCTH will allow the Company to be able to focus more on managing the Company's core business.
 - able to use the cash received from the sale of shares to invest in other businesses which have potential and growth including being able to generate appropriate returns.
 - Be able to use cash received from the sale of shares to repay loans to reduce interest expenses and/or used as working capital in the company.



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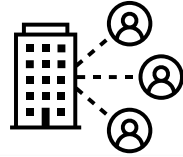


2022 OUTLOOK & PRIORITIES



Economic

- Thailand economy for the fourth quarter of this year expects to be on slow recovery mode together with other macroeconomic factors such as global recession outlook, inflation risk, financial currency volatile and rising energy cost
- Interest rate increase may lead to chain effect of higher cost of purchasing power and higher operation cost



Domestic Market

- EEC Area as potential growth for Industrial Estates (IE) and EV automobile. Should expand coverage footprint & enlarge customers base via our network expansion
- Increasing focus for Digitalisation by all Enterprise and BIG Opportunity for connectivity + Cloud + Security + Digital Solutions



International Market

- explore more opportunities to serve more infrastructure and connectivity for hyperscalers/cloud providers as part of their future technology infrastructure expansion into Thailand
- Continue to focus on cross-border connectivity opportunities particularly in CLMV region
- Potential 3-4 new submarine cable landing in TH, 2023-2024



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Financial Focus

- Continue regular capex spending on new MPLS network and other network expansion including customer acquisition.
- Maintain healthy margin and sustain Free Cash Flow to support working capital, investment and loan obligations.



2022 GUIDANCE



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REVENUE	Low Double-Digit Growth	<ul style="list-style-type: none">• Continue expand customers base with more connectivity and ICT services offering• Push growth demand on Global Connectivity business, serving OTT, Cloud Providers and Regional Carriers
EBITDA	Low single-digit growth with sustainable margin	<ul style="list-style-type: none">• Focus on cost optimisation and efficiency spending• Potential higher utilities cost “due to higher energy cost” and higher cable organise
NET PROFIT	Mid double-digit growth	<ul style="list-style-type: none">• Growth on revenue segments• Sustain desired level of EBITDA and lower cost financing
CAPEX	Capex Spending estimate 25% of revenue	<ul style="list-style-type: none">• Focus on network quality, enhancement and access coverage expansion (customers acquisition)• Enhance services and solutions offering for Enterprise segment



THANK YOU



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