

## Executive Summary

In the first quarter of this year, the Thai economy has been boosted by recovery in the tourism sector. With the easing of the Covid-19 pandemic, domestic economic activity is returning to normal and the tourism sector is recovering rapidly. However, the continued concern of utility cost increased, higher inflation risk and uncertain political landscape due to coming soon national election have certainly added to further negative outlook and slower growth in some businesses sectors.

Amid the uncertain economic situation and challenges, the company closed the first quarter with another good performance with strong topline growth on revenue and net profit, backed by continued sales demand growth, come from surging data connectivity demand from domestic enterprises, OTT and Indo-China segments.

As of 31 Mar, the Company holds 49 percent of shareholding in AIMS Data Centre (Thailand) Limited ("ADCTH"), which the Company invested since year2020. Due to strategic reasons, the Company has decided to fully dispose its investment and all transaction has been completed in May2023.

## Quarter Performance

The Company reported its strong Q1 performance with 15.8% YoY increase in Total Revenue, reflecting its continued solid business growth mainly driven by strong sales demand from both domestic enterprise and global connectivity services. Net Profit for current quarter was Baht 46.9 million, higher by 60.7% YoY, on the back of higher revenue and and higher operation cost.

For QoQ comparison, the Company also performed higher with 7.4% in Total revenue and higher with 29.3% in Net Profit due to strong contribution growth with 7.6% in services revenue, lower service & administration expense by 9.6% but higher cost of service by 14.8% and depreciation expense (network asset) by 6.2%.

## 1Q2023 Performance Overview

### Revenue

In 1Q2023, service revenue was Baht 466.4 million, increased by 15.9% YoY and 7.6% QoQ, due to higher revenue from domestic and international service segments resulted from growing demand for data connectivity, cloud and security services and ICT solutions to support digitalisation for many Enterprises.

Other income was Baht 3.3 million, decreased 17.6% QoQ due to 4Q2022 had one-time adjustment of lawsuit of Baht 1.2 million and higher by 11.4% from interest income from loan to related party.

Unit : Million Baht	Amount			Change	
	Q1/22	Q4/22	Q1/23	(%) QoQ	(%) YoY
<b>Revenue</b>					
Service revenue	402.6	433.3	466.4	7.6%	15.9%
Other income	3.0	4.0	3.3	-17.6%	11.4%
<b>Total Revenue</b>	<b>405.6</b>	<b>437.3</b>	<b>469.7</b>	<b>7.4%</b>	<b>15.8%</b>
Costs of Services and Sales (excl. D&A)	(168.9)	(180.3)	(207.0)	14.8%	22.6%
Depreciation & Amortization (D&A)	(94.5)	(91.1)	(96.7)	6.2%	2.4%
<b>Total Cost of Services and Sales</b>	<b>(263.4)</b>	<b>(271.5)</b>	<b>(303.8)</b>	<b>11.9%</b>	<b>15.3%</b>
Service & Administrative Expenses (excl. D&A)	(74.7)	(92.2)	(82.2)	-10.8%	10.1%
Depreciation & Amortization (D&A)	(13.1)	(14.2)	(14.0)	-1.4%	6.9%
<b>Total Service &amp; Administrative Expenses</b>	<b>(87.8)</b>	<b>(106.4)</b>	<b>(96.2)</b>	<b>-9.6%</b>	<b>9.6%</b>
<b>Operating Profit /( Loss)</b>	<b>54.4</b>	<b>59.5</b>	<b>69.8</b>	<b>17.3%</b>	<b>28.2%</b>
Financial Cost	(8.7)	(9.4)	(9.6)	1.6%	10.0%
Income Tax Expenses	(10.2)	(13.8)	(13.3)	-3.7%	29.7%
<b>Core Net Profit/(Loss) for the period</b>	<b>35.5</b>	<b>36.3</b>	<b>46.9</b>	<b>29.3%</b>	<b>32.2%</b>
<i>Core Net Profit/(Loss) Margin</i>	<i>8.8%</i>	<i>8.3%</i>	<i>10.0%</i>		
Share of loss of associate accounted for using equity method	(6.3)	0.0	0.0	0.0%	-100.0%
<b>Net Profit/(Loss) for the period</b>	<b>29.2</b>	<b>36.3</b>	<b>46.9</b>	<b>29.3%</b>	<b>60.7%</b>
<i>Net Profit/(Loss) Margin</i>	<i>7.2%</i>	<i>8.3%</i>	<i>10.0%</i>		

EBITDA (Unit : Million Baht)	Amount			Change	
	Q1/22	Q4/22	Q1/23	(%) QoQ	(%) YoY
<b>EBITDA</b>					
Operating Profit /( Loss)	54.4	59.5	69.8	17.3%	28.2%
Depreciation & Amortization (D&A)	107.6	105.3	110.7	5.2%	2.9%
<b>EBITDA</b>	<b>162.0</b>	<b>164.8</b>	<b>180.5</b>	<b>9.5%</b>	<b>11.4%</b>
<i>EBITDA Margin</i>	<i>39.9%</i>	<i>37.7%</i>	<i>38.4%</i>		

### Costs of Services and Sales (COSS)

In 1Q2023, Costs of Services and Sales were Baht 303.8 million, increased by 15.3% YoY and by 11.9% QoQ mainly due to higher network connection expenses from lease line rental on domestic and international services to support higher data connectivity usage, higher employee expense, higher utilities site, higher USO and license fee and higher depreciation expense for network equipment.

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

In 1Q2023, Service & Administrative expenses were Baht 96.2 million, increased by 9.6% YoY mainly due to higher selling and marketing expense for connecting with customers and public relation with more customer, higher employee expense and higher depreciation expense for office equipment.

Compare with 4Q2022, lower by 9.6% mainly due to higher forex loss. This quarterly had lower selling and marketing expense but higher employee expense.

### EBITDA and Net Profit

In 1Q2023, EBITDA closed at Baht 180.5 million, increased by 11.4% YoY due to higher services revenue growth from Domestic and International segments but net-off with higher cost of service, service and administrative expense, depreciation expense for network equipment and office equipment.

Compare with 4Q2022, increased by 9.5% QoQ due to higher total revenue but net-off with higher cost of service, depreciation expense for network equipment and lower service and administrative expense, depreciation expense for office equipment.

Net Profit closed at Baht 46.9 million, increased by 60.7% YoY and by 29.3% QoQ due to proportion of growth in service income more than proportion of cost of service, depreciation expense for network equipment and service and administrative expense.

## Statement of Financial Position and Cashflows

Unit : Million Baht	31-Dec-22		31-Mar-23		Change	
	Amount	%	Amount	%	Amount	(%) YoY
<b>Assets</b>						
Cash and cash equivalents	199.5	4.6%	215.0	5.0%	15.5	7.8%
Trade and other account receivables	343.5	7.9%	317.2	7.3%	-26.4	-7.7%
Other current assets	87.0	2.0%	101.5	2.3%	14.5	16.7%
<b>Total current assets</b>	<b>630.1</b>	<b>14.6%</b>	<b>633.7</b>	<b>14.7%</b>	<b>3.6</b>	<b>0.6%</b>
Investment in associate	0.0	0.0%	0.0	0.0%	0.0	0.0%
Long-term loans to related party	124.1	2.9%	121.6	2.8%	-2.5	-2.0%
Network equipment and PPE	3,302.2	76.4%	3,301.5	76.4%	-0.6	0.0%
Other non-current assets	268.4	6.2%	263.4	6.1%	-5.0	-1.9%
<b>Total non-current assets</b>	<b>3,694.7</b>	<b>85.4%</b>	<b>3,686.6</b>	<b>85.3%</b>	<b>-8.1</b>	<b>-0.2%</b>
<b>Total assets</b>	<b>4,324.8</b>	<b>100.0%</b>	<b>4,320.2</b>	<b>100.0%</b>	<b>-4.6</b>	<b>-0.1%</b>
<b>Liabilities and shareholders' equity</b>						
Trade payables	408.5	9.4%	435.3	10.1%	26.8	6.6%
Current portion of long-term/ short-term loans	306.2	7.1%	296.1	6.9%	-10.1	-3.3%
Other current liabilities	113.7	2.6%	128.0	3.0%	14.3	12.5%
<b>Total current liabilities</b>	<b>828.4</b>	<b>19.2%</b>	<b>859.4</b>	<b>19.9%</b>	<b>31.0</b>	<b>3.7%</b>
Long-term loans	638.3	14.8%	565.3	13.1%	-73.0	-11.4%
Other non-current liabilities	173.7	4.0%	164.1	3.8%	-9.6	-5.5%
<b>Total non-current liabilities</b>	<b>812.0</b>	<b>18.8%</b>	<b>729.4</b>	<b>16.9%</b>	<b>-82.6</b>	<b>-10.2%</b>
<b>Total liabilities</b>	<b>1,640.4</b>	<b>37.9%</b>	<b>1,588.8</b>	<b>36.8%</b>	<b>-51.6</b>	<b>-3.1%</b>
Share capital and share premium	1,818.0	42.0%	1,818.0	42.1%	0.0	0.0%
Retained earnings	840.1	19.4%	887.0	20.5%	46.9	5.6%
Other components of equity	26.3	0.6%	26.3	0.6%	0.1	0.2%
<b>Shareholders' Equities</b>	<b>2,684.4</b>	<b>62.1%</b>	<b>2,731.4</b>	<b>63.2%</b>	<b>47.0</b>	<b>1.8%</b>
<b>Total liabilities and shareholders' equity</b>	<b>4,324.8</b>	<b>100.0%</b>	<b>4,320.2</b>	<b>100.0%</b>	<b>-4.6</b>	<b>-0.1%</b>

Unit : Million Baht	As of 31-Mar-22	As of 31-Mar-23
Cash flows from operating activities	188.6	233.8
Cash flows used in investing activities	(186.9)	(109.7)
<b>Free cash flows</b>	<b>1.8</b>	<b>124.0</b>
Cash flows used in financial activities	(93.3)	(104.9)
Net change in cash	(91.5)	19.2
Effect of exchange rate changes	1.4	(3.7)
<b>Beginning Cash and Cash Equivalents</b>	<b>350.4</b>	<b>199.5</b>
<b>Ending Cash and Cash Equivalents</b>	<b>260.3</b>	<b>215.0</b>

As of 31 March 2023, total assets were Baht 4,320.2 million, decreased by 0.1% from 31 December 2022, mainly due to decreased by 7.7% in trade account receivable and by 2% in loan to related party and increased by 7.8% in cash and cash equivalents.

Cash and cash equivalents were Baht 215.0 million, increased by 7.8% from 31 December 2022 due to cash balance from normal business operations and receipt money from trade accounts receivable.

Network equipment and PPE assets were Baht 3,301.5 million, decreased by 0.6% from 31 December 2022 mainly due to depreciation expense.

Total liabilities were Baht 1,588.8 million, decreased by 3.1% from 31 December 2022 mainly due to loan repayment during the period.

Total shareholders' equity was Baht 2,731.4 million, increased by 1.8% from 31 December 2022 due to the positive net operating result during the period.

As of 31 March 2023, Debt to Equity (D/E) ratio was at 0.58x (*as of 31 December 2022: 0.61x*) and Debt to EBITDA ratio was at 2.20x (*as of 31 December 2022: 2.41x*).

### 2023 Outlook

The macroeconomic challenges and political landscape situation will be the key factors that need to be monitored closely together with global concerns from global economic slowdown and global financial market volatility which may have adverse effect in short to mid-term period.

SYMC will continue to focus on organic growth with plans on network and services expansion to support our customers across sectors for greater demand on connectivity and value-added services offering. The Company believes that digitalization initiatives by enterprises will be the key trend in the future and global data connectivity will continue to lead more global hyperscalers of Cloud and Data Center to expand their infrastructure in the ASEAN region including Thailand and building more services offering to a larger customer base.

The company remains positive and committed to maintain revenue and earnings growth for the whole year 2023. The company is ready to respond to the needs of customers by providing services with a comprehensive yet stable network and offering a complete solution service with new technologies and innovation services and delivering Excellent Customer Experience and Connection Excellence.