



# **Analyst Meeting**

## **4Q2023**

13<sup>th</sup> March 2024



**SYMPHONY**

**4Q2023 & FY2023 Financial  
Performance**

**2024 Outlook & Guidance**

**Corporate News**

**Q & A**



# 2023 EXECUTIVE HIGHLIGHTS



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## Revenue continued its growth

**+19% YoY**

Revenue reaching an unprecedented pinnacle of **two billion baht, double-digit increases**, fueled by heightened sales and decreased cancellations. Significantly **contributed** from **international segment**.



## Net Profit growth

**+63% YoY**

Achieved **highest net profit to date**, totaling **265 million baht**. Mainly from new sales expansion and well cost managed. **NP margin** increased 9.5% to **13.1%**



## Business Gained momentum

Year 2023 sees **continued strong performance** with significant service revenue growth and consistent **double-digit net profit increase**, driven by sustained growth in the **international segment** and steady demand for connectivity, **cloud services, and security solutions** in the Enterprise segment.





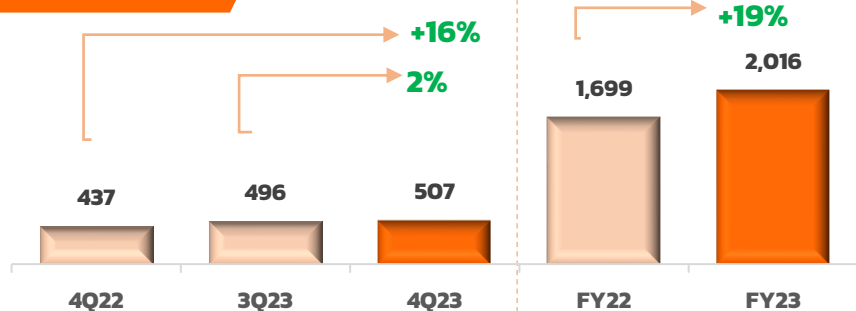
# 4Q2023 FINANCIAL PERFORMANCE



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Unit : Million Baht

## Revenue



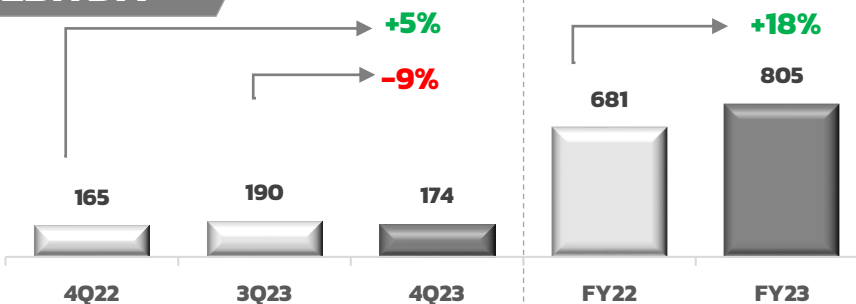
**4Q2023**

**Increased** compared with Q4 last year due to growth of connectivity services revenue also compare with Q3/23 revenue growth due to new customer base.

**FY2023**

Closed year with **highest revenue** reflecting its continued solid business growth mainly driven by **strong sales demand** especially from international connectivity services and effective churn protection strategies.

## EBITDA



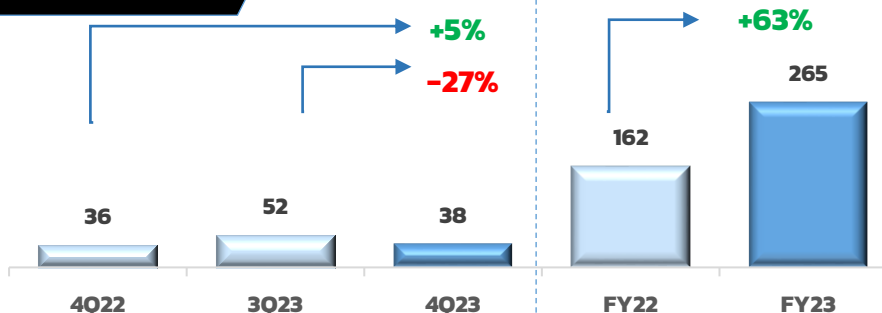
**4Q2023**

**Increased** compared with last year due to growth of connectivity services revenue. Even though decreased from last quarter due to last quarter gain on fx rate but loss in Q4.

**FY2023**

Continue growing 18% due to growth of revenue services and other income increased.

## Net Profit



**4Q2023**

**Strong growth** of connectivity services revenue but lower than last quarter due to loss of fx rate 13.9 Million baht.

**FY2023**

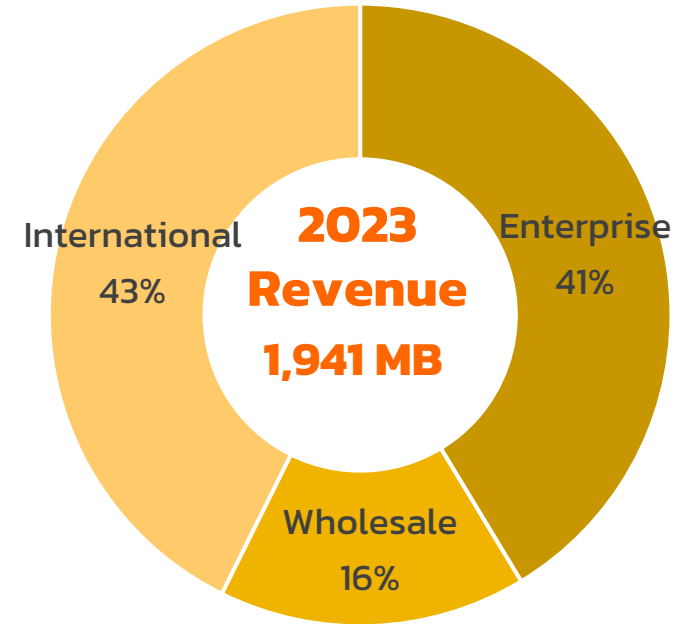
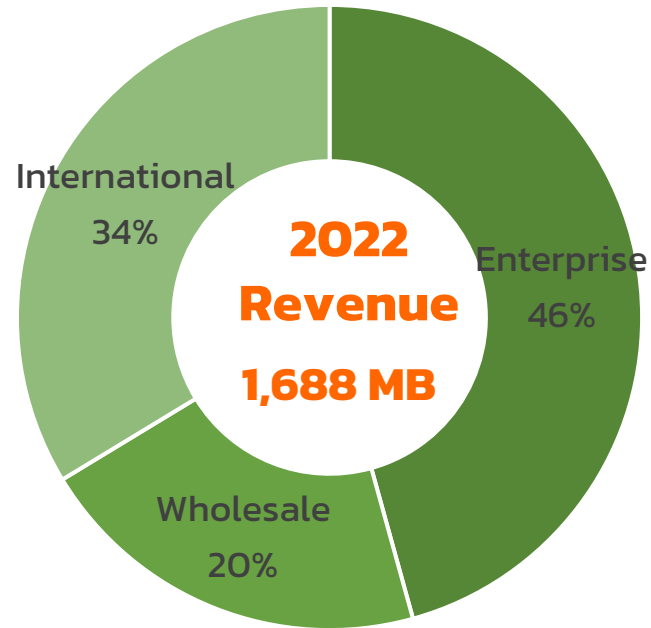
**Highest net profit** achieved by maximizing revenue, leveraging gains from investment associate sales, and effectively managing costs, resulting in a robust profit margin. Normalized NP reached 204MB, marking a 26% growth



## REVENUE MIX CONTRIBUTION



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\* Excluded other income

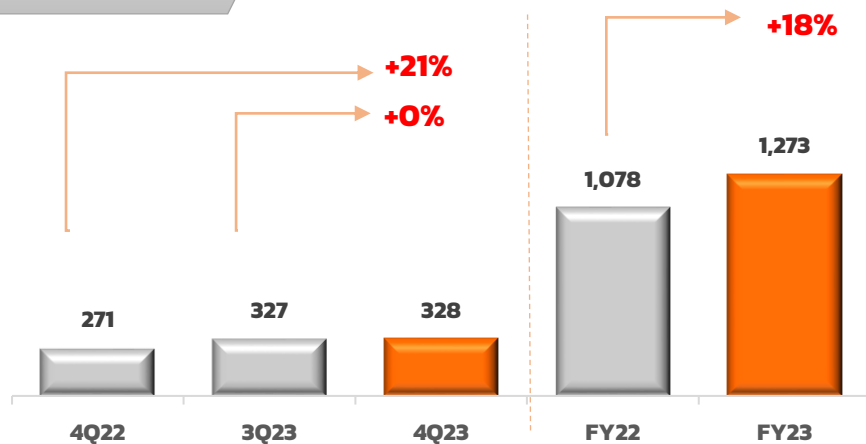
**2023** **International** segment drives **revenue** growth primarily due to increased demand for global connectivity services and local demand for cloud, ICT services for ETP. Meanwhile, the **Wholesale** segment's contribution is **reduced** due to competitive pressures and pricing challenges in the market.

# **COST OF SERVICES & SALES** and **OPERATING COST**



Unit : Million Baht

## COSS



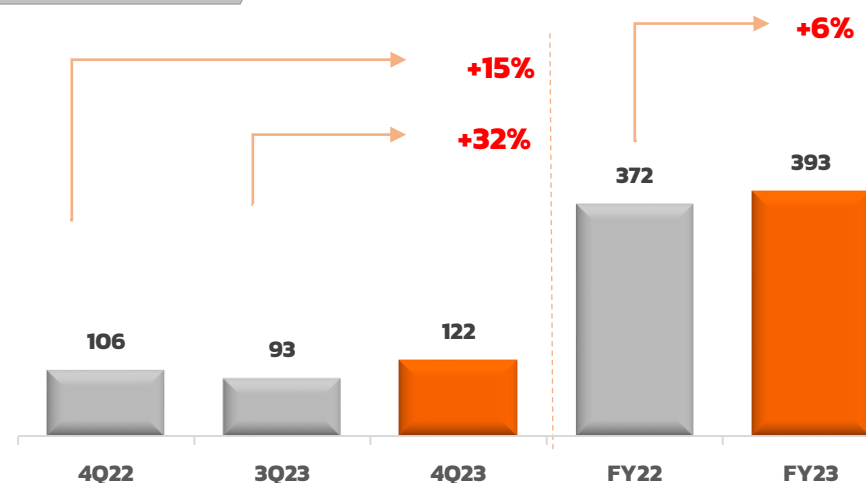
### 4Q2023

Costs rose due to increased network connection expenses, including lease line rentals for domestic and international services, driven by higher data connectivity usage, leading to elevated cost of sales.

### FY2023

Costs surged primarily due to heightened network connection expenses, driven by the addition of new customers in the international segment. This increase was further influenced by elevated site expenses and higher depreciation expenses associated with network equipment.

## OPEX



### 4Q2023

IYoY and QoQ increases were driven by a 13.9MB foreign exchange loss, elevated employee expenses, and higher sales and marketing expenditures.

### FY2023

YoY increase was primarily due to elevated employee expenses, encompassing training costs, as well as higher professional fees and general administrative expenses.

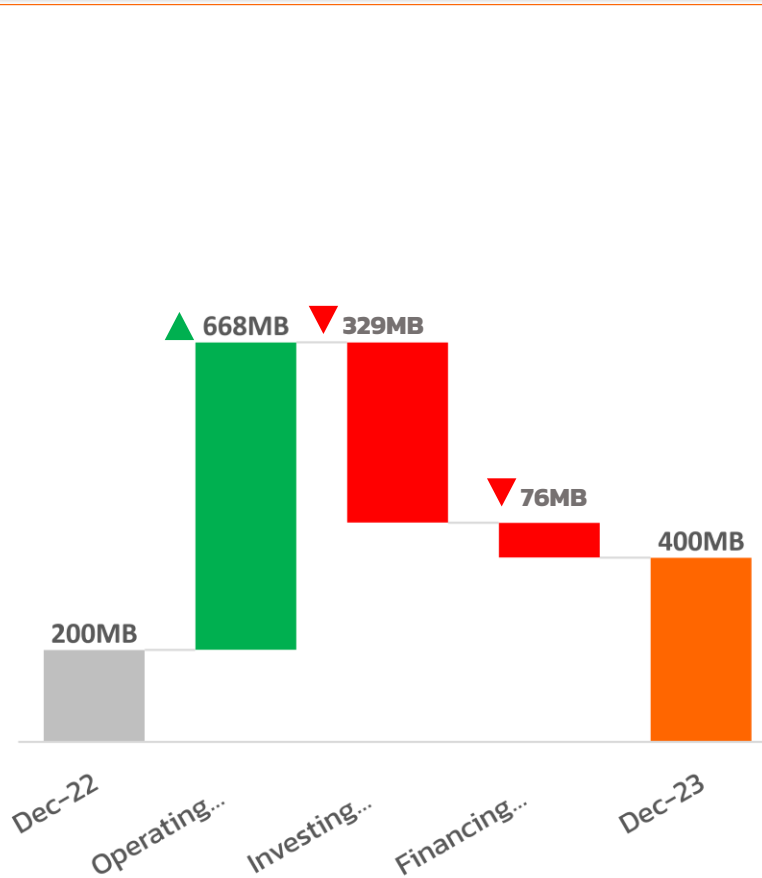


## FINANCIAL POSITION

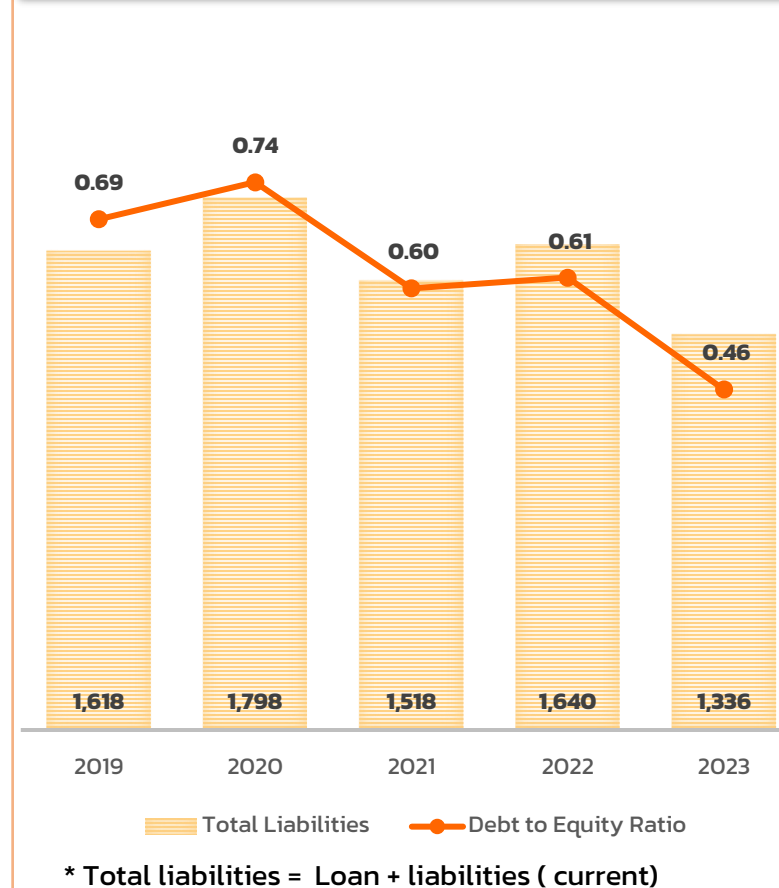


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### Cash Flow Management



### Debt Maturity Profile



- **Operating** cash flow in 2023 surged to 668 million, marking a significant increase compared to the previous period.
- **Investing** 329 MB to enhance the third route project, specifically focusing on DWDM technology to strengthen and upgrade the network infrastructure, including the installation of additional fiber optics.
- **DE Ratio** Decreased from year 2022, reflecting improved financial discipline and suggesting a more balanced debt structure compared to equity within the company.<sup>7</sup>



## FINANCIAL RATIOS



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RATIOS	2021	2022	2023
Revenue Growth	15.4%	11.4%	18.7%
Net Profit Growth	35.1%	26.0%	21.1% *
Net Profit Margin	8.8%	9.6%	10.4% *
Return On Asset	3.1%	3.9%	6.2%
Return On Equity	5.2%	6.2%	9.1%
Debt to Equity	0.60	0.61	0.46
Debt to EBITDA	2.18	2.41	1.66
Debt Service Coverage	1.55	1.76	2.34

\* Exclude AIMS





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## 2024 OUTLOOK & PRIORITIES



### Economic

- The economy is poised for moderate growth. The government's continued investment in infrastructure projects and efforts to attract foreign investment contribute to economic stability. However, challenges such as global economic uncertainties and domestic political tensions remain, necessitating cautious fiscal policies and structural reforms to sustain growth momentum.



### Domestic Market

- Emphasize market expansion to increase market share and customer base, targeting existing and new customer groups like eco cars, while also prioritizing managed security and cloud services.
- Prioritizing churn protection is crucial for retaining current clients by delivering high-quality services and maintaining strong commitment.



### International Market

- The high demand for international connectivity persists across the region, including OTT and Cloud Service Providers, Hyperscale Data Centers, and the Indo-China segments.
- Continuing to prioritize cross-border connectivity opportunities, particularly in the CLMV (Cambodia, Laos, Myanmar, Vietnam) region and Southeast Asia (SEA).



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### Financial Focus

- Sustain strong financial positions and allocate funds for network expansion while reliably accommodating future customer growth.
- Maintaining financial discipline, striving for enhanced cash flow, and ensuring a robust free cash flow position.



## 2024 GUIDANCE



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### REVENUE

**Low Mid Double-Digit Growth**

- Maintaining revenue growth and expanding customer base through connectivity and digital services, including cloud, security, and digital solutions, is a top priority, alongside crucial churn protection strategies for retaining existing clientele.

### EBITDA

**Low single-digit growth with sustainable margin**

- Managing rising costs from global economic factors like increased electricity expenses and cable-related organizational costs by optimizing fiber rentals to reduce financial impacts..

### NET PROFIT

**Double-digit growth**

- The priority is maintaining margins by optimizing costs throughout operations, ensuring profitability while effectively managing expenses.

### CAPEX

**Capex Spending estimate 20-25% of revenue**

- Prioritize improving network quality, enhancing coverage, and expanding access to attract new customers.
- Improve service and solution offerings for the enterprise segment.



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## 2023 DIVIDEND



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The Board of Directors resolved to the 2024 Annual General Meeting of Shareholders Year 2024, which will be held on April 19, 2024, to consider and approve the **dividend payment at the rate of 0.1459 baht per share** to ordinary shareholders of the 433,654,887 ordinary shares, or a **total of Baht 63.27 million** based on the operating results for the 2023.



Record Date



Approval in AGM



Pay dividend to share  
holder

**THANK YOU**

**Q & A**

# Symphony Communication Public Company Limited

## Investor Relations



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