



SYMPHONY

SYMPHONY Communication Public Company Limited

Management Discussion and Analysis

**For the Earnings Result of Q1/2025,
ending 31 March 2025**

9 May 2025

Executive Summary and Key Events in Q1/2025

SYMPHONY Communication Public Company Limited (“the Company”) reported its operating results for Q1/2025. The Company recorded total revenue of THB 533.4 million, reflecting a modest increase of 1.2% year-over-year (YoY) compared to Q1/2024, and 4.5% quarter-over-quarter (QoQ) growth from Q4/2024. Service income, the Company’s core revenue stream, reached THB 530.2 million, continuing to show resilience with growth from both the previous quarter and the same period last year.

With revenue increase, the company also has higher operational costs and continued investment in infrastructure. In the current quarter, resulting the EBITDA of THB 196.1 million, down 3.6% YoY but up 6.4% QoQ. The EBITDA margin stood at 36.8%, compared to 38.6% in Q1/2024 and 36.1% in Q4/2024.

The Company maintained solid bottom-line performance with profit after tax of THB 50.4 million, representing a 25.7% increase QoQ and a 21.6% decrease YoY. Excluding foreign exchange (FX) gains, profit after tax would have increased by 55% QoQ and 1% YoY.

The Company has consistently paid dividends. At the Company’s AGM on April 25, 2025, the meeting approved a dividend payment based on the 2024 operating results at a rate of THB 0.1589 per share, totaling THB 68.9million. This represents an increased dividend payout ratio from 25% to 33.5%, or an 8.5% increase from last year’s ordinary dividend of THB 17.9 million.

In the 2024 SET ESG assessment, the Company received its inaugural rating of “BBB.” This marks a key milestone in our sustainability journey. Management remains firmly committed to advancing our ESG practices, with a focus on continuous improvement in both implementation and disclosure.

Economic and Industry Outlook

Thailand’s economic performance in Q1/2025 showed mixed momentum¹. The quarter began with a strong rebound in January driven by rising tourist arrivals, robust private consumption—partly due to government stimulus—and improved activity across trade, manufacturing, and private investment. However, the momentum softened in February and March as tourism activities declined, private investment slowed, and consumption moderated, particularly in services and non-durable goods. Despite this, export performance remained a key driver. March exports surged 17.8% YoY, marking a historic high at USD 29.5 billion², driven by front-loaded shipments to the U.S. ahead of tariff hikes, with strong growth in computer parts (incl. HDDs, +80% YoY) and gold (+269.5% YoY). Manufacturing output also improved in selected segments such as automotive

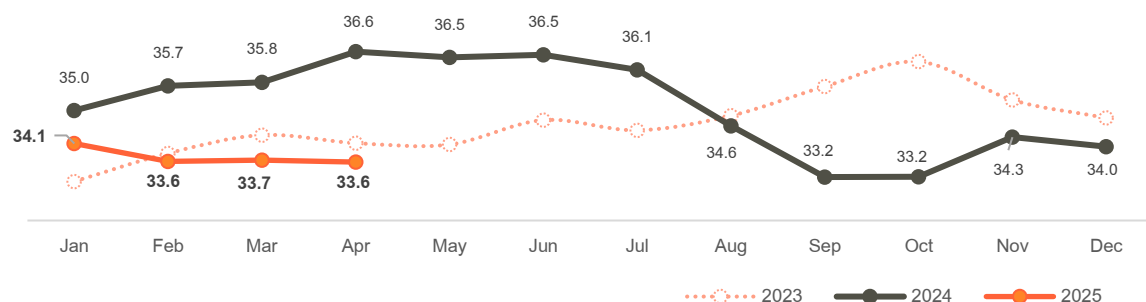
¹ <https://www.bot.or.th/en/news-and-media/news/news-20250430.html>

² www.kasikornresearch.com/Pages/ftp-handler.aspx?token=209f327e-7626-4b87-9931-20d19c41ed86

and electronics. Government spending consistently supported the economy throughout the quarter via both current and capital expenditures.

Thailand's Q2/2025 economic outlook is set to soften, with risks expected to become more pronounced into the second half of the year, as export growth slows due to front-loaded shipments and escalating global trade tensions. U.S. tariff measures and rising competition from China continue to weigh on trade and investment sentiment. On 30 April 2025, the Bank of Thailand¹ cut the policy rate to 1.75% in response to subdued inflation, weak tourism, and rising downside risks from prolonged trade uncertainty. Meanwhile, the Thai Baht strengthened modestly during Q1/2025, appreciating from average 34.0 THB/USD in December 2024 to 33.7 THB/USD in March, which could add pressure on export competitiveness going forward. Thailand's full-year GDP growth is now forecast between 1.3%–2.0%, revised downward from above 2% following the announcement of reciprocal tariffs, as global trade tensions and uncertainties continue to weigh on economic momentum.

Exchange rate (THB/USD)²



The Company currently faces no direct impact from U.S. tariffs, as its suppliers and customers are primarily located outside the U.S. However, it is closely monitoring broader economic implications, including shifts in regional investment sentiment, supply chain dynamics, and technology imports. The company remains agile in adapting to evolving trade policies and continues to prioritize operational efficiency and service quality to mitigate potential macroeconomic headwinds. Management also notes that Thai government officials are in discussions with U.S. counterparts to explore possible tariff exemptions.

Additionally, **in 2025, Thailand's digital economy is projected to grow by 19%³**, driven by the continued expansion of e-commerce and digital payments. This momentum is further supported by rapid development in digital infrastructure, with AI-ready data center capacity expected to increase by over 550%. Government incentives for data center investments and clean energy adoption are reinforcing this growth, even as the economy faces challenges from weak domestic demand and structural industry issues.

¹ <https://www.bot.or.th/en/news-and-media/news/news-20250430-2.html>

² https://app.bot.or.th/BTWS_STAT/statistics/BOTWEBSTAT.aspx?reportID=123&language=TH

³ <https://www.bain.com/insights/e-economy-sea-2024/#:~:text=Profitability%20on%20the%20horizon,%2C%20%2B24%25%20YoY>



Financial Performance

Profit and Loss Statement

(Unit: Million Baht)	3-month				
	Q1/2024	Q4/2024	Q1/2025	% QoQ	% YoY
Operating revenue	506.9	498.4	530.2	6.4%	4.6%
Other income	20.3	12.1	3.1	(74.4%)	(84.7%)
Total revenue	527.1	510.5	533.4	4.5%	1.2%
Cost of services and sales (excl. D&A)	227.4	217.0	239.3	10.2%	5.2%
Depreciation & Amortization (D&A)	99.8	108.8	108.7	(0.1%)	8.9%
Total cost of services and sales	327.2	325.8	348.0	6.8%	6.3%
Gross profit	179.6	172.5	182.3	5.6%	1.5%
Selling and administrative expenses (excl. D&A)	96.3	109.2	98.0	(10.2%)	1.8%
Depreciation & Amortization (D&A)	13.1	13.7	13.6	(0.5%)	3.9%
Total service & administrative expenses	109.4	122.9	111.6	(9.2%)	2.0%
Operating profit (loss) (EBIT)	90.5	61.8	73.8	19.4%	(18.5%)
Finance costs	8.0	6.9	7.3	5.7%	(8.8%)
Tax expense	18.3	14.8	16.1	8.5%	(11.9%)
Net profit for the period	64.2	40.1	50.4	25.7%	(21.6%)
<i>Net profit (loss) margin</i>	<i>12.2%</i>	<i>7.9%</i>	<i>9.4%</i>		
Operating profit (loss) (EBIT)	90.5	61.8	73.8	19.4%	(18.5%)
Total Depreciation & Amortization (D&A)	112.9	122.4	122.3	(0.1%)	8.3%
EBITDA	203.4	184.2	196.1	6.4%	(3.6%)
<i>EBITDA margin</i>	<i>38.6%</i>	<i>36.1%</i>	<i>36.8%</i>		

Details of the income statement for Q1/2025

Revenues

The Company reported **total revenue** of THB 533.4mn in this quarter, increasing 1.2% from the previous quarter and 4.5% from the same quarter of the previous year. While **service revenue** showed strong growth of THB 23.3mn or 4.6% YoY and of THB 31.8mn or 6.4% QoQ, driven by robust sales of connectivity services to domestic and international clients. However, other incomes declined due to the high foreign exchange (FX) gains recorded in the same period last year and the previous quarter. In this quarter, the Company reported an FX gain of THB 0.5 million, representing a decrease from last year, which gained THB 18.5 million and lower than last quarter gained THB 9.9 million.

Costs of Services and Sales (COSS)

In Q1/2025, the cost of services and sales was THB 348.0 million, an increase of THB 20.8 million or 6.3% YoY and an increase of THB 22.2 million or 6.8% QoQ, in line with the growth in operating revenue. The rise in costs was mainly a result of the cost of network connection expenses related to lease line rentals for domestic services and Cloud connection expenses, higher employee expenses and the increased others costs to support sales of ICT equipment and license fee and USO fee.

Service expenses and administrative expenses (SG&A)

The Company's total SG&A in Q1/2025 amounted to THB 111.6 million, reflecting an increase of THB 2.2 million or 2.0% YoY. This increase was primarily a result of the employee expenses and depreciation expense for office equipment. Compared with QoQ, reflecting to decrease of THB 11.3 million or 9.2% due to Q4/2024 had more expenses from marketing expenses, impairment of network equipment and other expenses (professional fee, insurance for employee and MA for software).

EBITDA

In Q1/2025, the Company recorded EBITDA of THB 196.1 million, a decline of THB 7.3 million or 3.6% YoY and increase of THB 11.9 million or 6.4% QoQ. The main reason was decreasing in FX gain but increased from cost of service and sales and service expenses and administrative expenses.

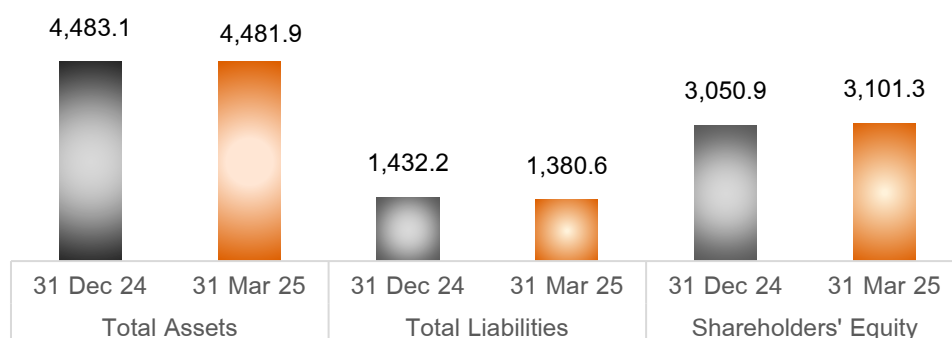
Net profit and net profit margin (NPM)

In Q1/2025, the Company reported a net profit of THB 50.4 million, a decline of THB 13.8 million or 21.5% YoY from high FX gain in the previous year, mentioned above. Excluding this one-off item, normalized net profit increased by THB 4.2 million or 9.1% YoY.

Compared with the previous quarter, net profit increased by THB 10.3 million, or 25.7% QoQ. Excluding the FX gain, normalized net profit increased by THB 19.7 million, or 65.1% QoQ, due to higher service revenue but offset by higher operating costs incurred in Q1/2025.

Statement of Financial Position

(Unit: THB mn)



Total Assets

As of 31 March 2025, totaled THB 4,481.9 million, a decrease of 0.03% from the end of 2024.

- **Current assets** amounted to THB 638.3 million, up 3.5% from THB 616.5 million at the end of 2024. This increase was mainly due to a THB 42.4 million or 14.5% increase in trade and other receivables, offset by a THB 35.0 million or 13.7% decrease in cash and cash equivalents, which was used for the Company's regular working capital needs.
- **Non-current assets** stood at THB 3,843.6 million, down 0.6% from THB 3,866.7 million at the end of 2024. This decrease was a result of scheduled depreciation of network equipment and PPE. As of 31 March 2025, the value of network equipment, property, and other equipment totaled THB 3,602.9 million, representing a 0.6% decrease from the end of 2024.

Total Liabilities

As of 31 March 2025, totaled THB 1,380.6 million, a decrease of 3.6% from the end of 2024.

- **Current liabilities** amounted to THB 970.7 million, up 1.3% from THB 958.4 million at the end of 2024. This increase was mainly due to a rise in current portion of long-/short-term borrowings, which grew by THB 110.6 million or 36.3% from the end of 2024 due to long-term loan but net-off with repayment loan.
- **Non-current liabilities** stood at THB 410.0 million, down 13.5% from THB 473.8 million at the end of 2024. This decrease was mainly due to a reduction in long-term borrowings, which fell by THB 63.6 million from THB 346.9 million at the end of 2024.

Shareholders' Equity

As of 31 March 2025, shareholders' equity stood at THB 3,101.3 million, up THB 50.4mn or 1.7% from THB 3,050.9 million at the end of 2024. This increase was mainly driven by higher retained earnings from the quarter's profit.

Table: Financial Position Overview (31 March 2025 vs. 31 December 2024)

	31 December 2024		31 March 2025		Change	
	Amount	%	Amount	%	Amount	% YoY
<i>(Unit: Million Baht)</i>						
Assets						
Cash and cash equivalents	255.5	5.7%	220.5	4.9%	(35.0)	(13.7%)
Trade and other receivables	292.1	6.5%	334.5	7.5%	42.4	14.5%
Other current assets	68.9	1.5%	83.3	1.9%	14.4	21.0%
Total current assets	616.5	13.8%	638.3	14.2%	21.8	3.5%
Network equipment and PPE	3,625.8	80.9%	3,602.9	80.4%	(22.9)	(0.6%)
Other non-current assets	240.9	5.4%	240.7	5.4%	(0.2)	(0.1%)
Total non-current assets	3,866.7	86.2%	3,843.6	85.8%	(23.0)	(0.6%)
Total assets	4,483.1	100.0%	4,481.9	100.0%	(1.2)	(0.03%)



	31 December 2024		31 March 2025		Change	
	Amount	%	Amount	%	Amount	% YoY
<i>(Unit: Million Baht)</i>						
Liabilities and shareholders' equity						
Trade payables	558.1	12.4%	422.2	9.4%	(135.9)	(24.3%)
Current portion of long-/short-term borrowings	304.5	6.8%	415.1	9.3%	110.6	36.3%
Other current liabilities	95.9	2.1%	133.4	3.0%	37.5	39.1%
Total current liabilities	958.4	21.4%	970.7	21.7%	12.2	1.3%
Long-term borrowings	346.9	7.7%	283.3	6.3%	(63.6)	(18.3%)
Other non-current liabilities	126.9	2.8%	126.6	2.8%	(0.3)	(0.2%)
Total non-current liabilities	473.8	10.6%	410.0	9.1%	(63.8)	(13.5%)
Total Liabilities	1,432.2	31.9%	1,380.6	30.8%	(51.6)	(3.6%)
Share capital and share premium	1,818.0	40.6%	1,818.0	40.6%	0.0	0.0%
Retained earnings	1,206.5	26.9%	1,256.9	28.0%	50.4	4.2%
Other components of equity	26.3	0.6%	26.3	0.6%	0.0	0.0%
Total equity	3,050.9	68.1%	3,101.3	69.2%	50.4	1.7%
Total liabilities and shareholders' equity	4,483.1	100.0%	4,481.9	100.0%	(1.2)	(0.03%)

Cash Flow

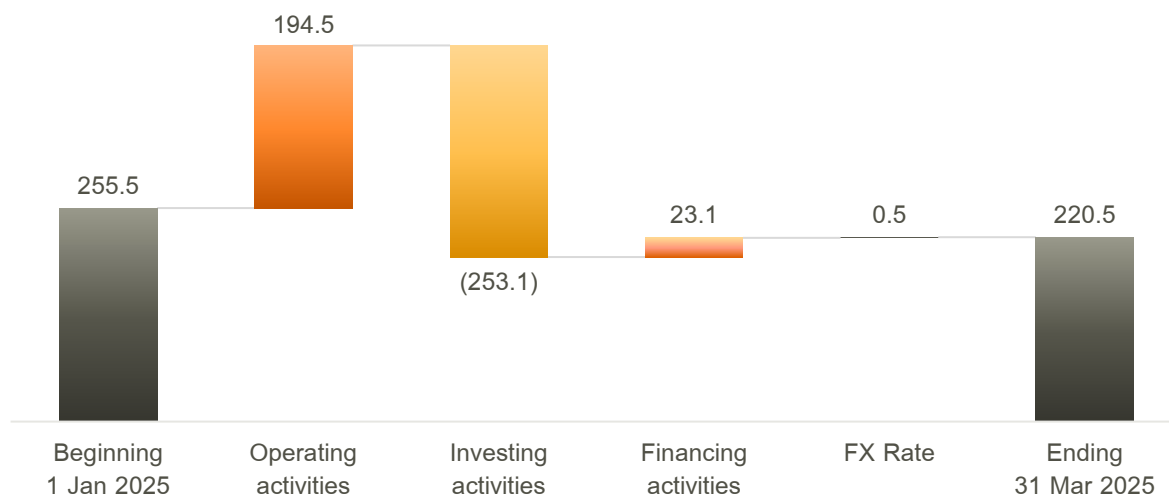
<i>(Unit: THB mn)</i>	Q1/2024	Q1/2025
Net cash from operating activities	247.2	194.5
Net cash from investing activities	(132.0)	(253.1)
Free cash flows	115.2	(58.6)
Net cash from financing activities	(100.0)	23.1
Cash and cash equivalent increased (decreased) – net	15.2	(35.6)
FX Rate	4.5	0.5
Cash and cash equivalent at the beginning of the period	400.0	255.5
Cash and cash equivalent at the end of the period	419.8	220.5

For the first quarter of 2025, the Company generated cash flows from the following activities:

- **Net cash from operating activities** amounted to THB 194.5 million, primarily consisting of cash inflows from operations totaling THB 204.1 million, deducted by net of tax of THB 9.7 million.
- **Net cash from investing activities** was THB 253.1 million, almost all attributed to purchasing network equipment, amount of THB 250.6 million.



- **Net cash from financing activities** totaled THB 23.1 million. Key items included drawdown short-term loan of THB 120 million, repayments of long- and short-term borrowings of THB 73.0 million, payment of lease liabilities of THB 16.9 million, and interest payments of THB 7.1 million.
- As a result of these activities, the Company's **cash and cash equivalents** decreased by THB 35.6 million from THB 255.5 million at the end of 2024, leaving a balance of THB 220.5 million at the end of 31 March 2025.



Key Financial Ratios

	As of Q4/2024	As of Q1/2025
ROA (%)	4.71%	4.32%
ROE (%)	6.90%	6.31%
D/E (times)	0.47	0.45
Debt/ EBITDA	1.91	1.86

2025 Outlook

The Company is expected to be well-positioned for the remainder of 2025, supported by favorable market trends and its diverse telecommunications and digital services portfolio. Symphony is poised to benefit from the ongoing wave of digital transformation across both enterprise and government sectors, despite facing a more competitive landscape.

Thailand's telecommunications sector is undergoing rapid evolution, driven by enterprise digitalization, cloud adoption, and heightened cybersecurity needs. All of which align closely with Symphony's core offerings.



Additionally, the government's ongoing initiatives in smart city development and digital government transformation are creating sustained opportunities in the public sector. **Key growth drivers are following:**

Enterprise Digital Transformation: The acceleration of digital initiatives among Thai enterprises continues to drive demand for Symphony's high-speed connectivity and integrated ICT solutions.

Cloud Migration: The shift from on-premises infrastructure to cloud-based environments is increasing the need for reliable, high-performance connectivity and managed services, areas where Symphony has strong capabilities.

Cybersecurity Demand: Rising cybersecurity threats fuel demand for managed security services, an area where Symphony is well-positioned to support enterprise clients.

Data Center Expansion: Growth in data localization requirements and the adoption of edge computing are expected to stimulate further demand for Symphony's data center and cloud services.

Challenges, while growth prospects remain strong, Symphony must also navigate several challenges:

Intense Competition: The company faces heightened competition from traditional telecom operators and emerging specialized cloud and IT service providers.

Margin Pressure: The commoditization of basic connectivity services may compress margins, necessitating a strategic emphasis on higher-value, differentiated services.

Technological Advancements: The fast pace of networking and digital technologies requires continuous investment to maintain a competitive edge and meet evolving customer expectations.

Symphony's established brand reputation, combined with its comprehensive service portfolio — spanning terrestrial and submarine fiber optic networks, internet services, managed security, cloud, and data center solutions — positions the company well to capture growth opportunities and effectively navigate the challenges of Thailand's dynamic telecommunications landscape through the rest of 2025.

Sustainability Performance Q1/2025

Symphony Communication Public Company Limited is committed to sustainable business operations, considering economic, social, and environmental impacts through ESG (Environmental, Social, Governance) principles. Our strategy focuses on long-term value creation for all stakeholders, ensuring continuous development aligned with the United Nations Sustainable Development Goals (SDGs) and established projects in various areas as follows:

Environmental Initiatives



We focus on waste and hazardous waste management, as well as the use

renewable energy (Waste & Energy Consumption Management). The goal is to establish sustainable waste reduction processes and promote awareness of clean energy within the organization

Social Initiatives



We emphasize developing the skills and capabilities of employees and communities (People & Social Development). The objective is to promote skill development and community engagement through CSR projects and activities that generate positive social outcomes

Economic and Governance Initiatives



We committed to creating value-driven relationships with stakeholders through

collaborative initiatives (**Stakeholder Synergize**). It emphasizes transparency and adherence to business ethics to foster trust and cooperation between the organization and stakeholders, thereby ensuring sustainable partnerships.

The progress in sustainability operations and key highlights are as follows.

Key Focus Area	Target / Goal	Progress in Q1/2025
Energy Management & Carbon Emission Reduction		
Renewable Energy Expansion	Expand "Solar Cell Small Site" to multiple offices	Monitor the results of the pilot project and prepare for additional installations to expand the use of renewable energy
GHG Emissions Reduction	Full Scope 1 & 2 GHG coverage across all offices	Expanded data collection to additional branches to meet the target
Human resource development, including community and social development		
Employee Skills Development Training	At least 80% participation in annual training programs	Aligned with target

Corporate Governance and Cybersecurity Management		
Enhanced Risk Management Awareness	Company-wide “Let’s Talk About Risk” and “Roundtable Discussion” activities	Workshops held across departments
Cybersecurity Enhancement	Company-wide “ISO Awareness” Training	Aligned with target

Key Highlights

- ✓ Achieved expansion of renewable energy pilot projects.
- ✓ Increased employee training participation vs. Q1/2024
- ✓ Strengthen the corporate governance and management of cyber and information security to meet international standards.

The company remains dedicated to increasing renewable energy adoption, broadening CSR outreach, and driving innovative, long-term sustainability solutions.