

1Q 2023: Management Discussion and Analysis

1Q 2023 Highlights

In this quarter, Samart Corporation Public Company Limited or "SAMART" recorded the total revenues for the three-month period of THB 2,511 million, increased by 53% YoY with Net Loss attributable to equity holders of the Company was THB 26 million because the withholding tax of dividend from the overseas subsidiaries about THB 54 million which included in other expenses. Moreover, net profit(loss) attributable to equity holders of the Company was increased by 72% YOY.

SAMART's performance by business lines;

Samart Corporation PCL., divided its businesses into 3 lines of business

- 1) Digital Communications Business or "SDC"
- 2) Digital ICT Solution Business or "SAMTEL"
- 3) Utilities and Transportations Business

Digital Communications Business

(Samart Digital Pcl. or "SDC")

The business under the Digital group will focus on the full service of Digital Trunked Radio System (DTRS). The DTRS network covers the key areas nationwide including the national park areas which on the process of installation. Moreover, the company also offers the platform services to support various lifestyles in digital age and also the Digital Sport, which focuses on marketing in terms of sports completely. By the end of

1Q/2023, SDC had total backlog worth THB 2,513 million.

Digital ICT Solution Business

(Samart Telcoms Pcl. or "SAMTEL")

In this quarter, the new projects were signed with the total value of THB 382 million. By the end of 1Q/2023, SAMTEL had total backlog worth THB 5,914 million.

Utilities and Transportations Business

The Company was on the preparation of listing our subsidiary, Samart Aviation Solutions Public Company Limited (SAV), in the stock exchange of Thailand. SAV has the direct ownership in Cambodia Air Traffic Services Company Limited (CATS). CATS operates the countrywide air traffic business in Cambodia. The Company plans to IPO SAV and the process shall use for the business expansion in the future and add more value for the business lines. After the most countries ease the restrictions of COVID-19 and gradually opened the country in the previous year, which had a good effect on the air traffic business of CATS. In this quarter, the number of flights increased to 22,058 flights, increases from 10,866 flights or 97% YoY.

By the end of 1Q/2023, the Utilities and Transportations business had total backlog worth THB 9,490 million. Moreover, on 10 April 2023, the subsidiary under Utility and Transportation business,

TEDA, received the contract in order to construct the high voltage station 500/230/115kV in Banglamung 2, Project from EGAT, which is worth THB 2,387 million.

Financial Performance

Revenues

In 1Q/2023, the consolidated sales, contract works and services revenues of SAMART were THB 2,456 million (after elimination of related parties' transaction), increased by THB 853 million or 53% YoY which was from the following reasons in each business line;

Digital Communications Business

In 1Q/2023, Sales, contract works and services revenues from SDC were THB 695 million, increased by THB 412 million or 146% YoY and increases by THB 632 million or 1,001% QoQ. Mainly the company was recognized the revenue of trading DTRS equipment for The Ministry of Interior of the Kingdom of Thailand (MOI) Project by THB 642 million in this quarter.

Digital ICT Solution Business

The revenues from sales, contract works and services in 1Q/2023 were THB 902 million which slightly decreased by THB 47 million or decreased by 5% YoY.

Utilities and Transportations Business

The revenues from sales, contract works and services were THB 1,210 million, increased by THB 615 million or 103% YoY. The increasing of revenue mainly from the air traffic control in Cambodia and the revenue from project Improvement of Efficiency in Excise Tax Management for Domestic Beer with the Excise Department.

Cost of Sales, Contracts Works and Services

Cost of sales, contract works and services were THB 2,024 million, increased by 51% YOY. As, the cost of sales, contract works and services were mainly increased according to the growth on revenue.

Selling and Administrative Expenses

Selling and Administrative expenses were THB 301 million, which represented 12% of total revenues of the Company, increased by THB 30 million or 11% YoY.

Finance Cost

Finance cost was THB 139 million, increased by 14% YoY.

Net Profit (loss)

Net loss attributable to the equity holders of the Company was THB 26 million because the withholding tax of dividend from the overseas subsidiaries about THB 54 million which included in other expenses. However, net loss attributable to equity holders of the Company decreased by THB 67 million or improved by 72% YoY.

Financial Position

As of 31 March 2023, SAMART reported the total assets of THB 19,285 million, increased by 1% compared to the year-end of 2022.

The total liabilities were THB 15,353 million by the end of 1Q/2023, decreased by 1% compare to the end of 2022. The total shareholders' equity was reported THB 3,932 million.