



ALT Telecom Public Company Limited

Management Discussion and Analysis for Q1/2023 ended March 31, 2023

EXECUTIVE SUMMARY

The performance of ALT Telecom Public Company Limited (“ALT” or the “Company”) as shown in consolidated financial statement for Q1/2023 ended March 31, 2023 compared to same period of previous year are summarized as follows;

		Million THB					
Income Statement	Q1/2023		Q1/2022		Up (Down)		
Revenues							
Sales	29.21	11.1%	36.48	12.8%	(7.27)	-19.9%	
Services- construction	84.26	31.9%	145.54	50.9%	(61.27)	-42.1%	
Services - network	150.60	57.0%	104.10	36.4%	46.49	44.7%	
Total revenues	264.08	100.0%	286.12	100.0%	(22.05)	-7.7%	
Cost							
Cost of sales	(19.90)	-68.1%	(32.52)	-89.1%	(12.62)	-38.8%	
Cost of services - construction	(79.38)	-94.2%	(120.92)	-83.1%	(41.55)	-34.4%	
Cost of service - network	(117.56)	-78.1%	(94.94)	-91.2%	22.62	23.8%	
Total cost	(216.84)	-82.1%	(248.38)	-86.8%	(31.55)	-12.7%	
Gross (loss) profit							
Sales	9.31	31.9%	3.97	10.9%	5.35	134.8%	
Services- construction	4.89	5.8%	24.61	16.9%	(19.73)	-80.1%	
Services - network	33.04	21.9%	9.16	8.8%	23.88	260.6%	
Gross (loss) profit	47.24	17.9%	37.74	13.2%	9.50	25.2%	
Other income	5.91	2.2%	6.48	2.3%	(0.57)	-8.8%	
Selling expenses	(21.63)	-8.2%	(15.19)	-5.3%	6.44	42.4%	
Administrative expenses	(40.51)	-15.3%	(32.44)	-11.3%	8.07	24.9%	
Loss from exchange rate	(2.31)	-0.9%	0.89	0.3%	(3.19)	-360.1%	
Share of loss of associate	0.89	0.3%	(0.21)	-0.1%	1.10	522.2%	
Share of gain of JV	1.22	0.5%	(2.64)	-0.9%	3.86	146.4%	
Finance costs	(5.82)	-2.2%	(3.18)	-1.1%	2.64	82.9%	
Profit (loss) before income tax	(15.00)	-5.7%	(8.56)	-3.0%	(6.45)	-75.3%	
Income tax	(0.06)	0.0%	1.05	0.4%	1.11	105.7%	
Profit (loss) for the period	(15.06)	-5.7%	(7.50)	-2.6%	(7.56)	-100.7%	

- Total revenue decreased by 7.7% from THB 286.12 million in Q1/2022 to THB 264.08 million, while total gross profit increased by 25.2% from THB 37.74 million to THB 47.24 million.
- Network service is the recurring income and is the main portion at 57.0% of total revenue in Q1/2023. Its revenue grew 44.7% from THB 104.10 million in Q1/2022 to THB 150.60 million in Q1/2023. Its gross profit grew up 260.6% from THB 9.16 million in Q1/2022 to THB 33.04 million in Q1/2023.
- Selling and administrative expenses increased by THB 6.44 million and THB 8.07 million, respectively.
- Interest expenses increased from THB 3.18 million in Q1/2022 to THB 5.82 million in Q1/2023, in line with the increase in loan interest rates and bank loan balance.
- Operational results in Q1/2023 was a net loss of THB 15.06 million.
- As of March 31, 2023, the Company has a backlog of approximately THB 4,040 million.



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Financial Position	Million THB			
	31-Mar-23	31-Dec-22	Up (Down)	%
Assets				
Current assets	1,286.31	1,217.31	69.00	5.7%
Non-current assets	1,929.16	1,806.75	122.41	6.8%
Total assets	3,215.46	3,024.06	191.40	6.3%
Liabilities & equity				
Current liabilities	970.12	808.60	161.52	20.0%
Non-current liabilities	672.69	627.74	44.95	7.2%
Total liabilities	1,642.81	1,436.34	206.47	14.4%
Equity				
Paid-up capital	566.11	566.11	-	0.0%
Share premium	1,341.06	1,341.06	-	0.0%
Other component	33.71	33.71	-	0.0%
Retained earning				
Legal reserve	62.50	62.50	-	0.0%
Unappropriated	(430.95)	(415.89)	(15.06)	3.6%
Non-controlling interests	0.21	0.22	(0.01)	-4.5%
Total equity	1,572.66	1,587.72	(15.06)	-0.9%
Total liabilities & equity	3,215.46	3,024.06	191.40	6.3%
Debt to equity	1.04	0.90		
Current Ratio	1.33	1.51		

- The total assets of the Company increased by THB 191.40 million, the main items of assets that changed were trade and other receivables increased by THB 49.46 million, inventories increased by THB 67.25 million and optical fiber network equipment of THB 131.42 million.
- Total liabilities increased by THB 206.47 million, the main items that increased were bank loan THB 173.32 million and advance received from customers THB 41.28 million.
- Shareholders' equity decreased by THB 15.06 million caused by retained loss.

Cash Flow	Million THB	
	Q1/2023	Q1/2022
Net cash generated from operation	(100.60)	63.15
Net cash generated from investment	(141.81)	(92.77)
Net cash generated from finance	157.66	75.44
Net cash flow	(84.75)	45.81
Beginning cash	315.91	253.42
Ending cash	231.16	299.23

In Q1/2023, the Company had net cash flow used in operations of THB 100.60 million, cash used for investments of THB 141.81 million, and cash received from financing of THB 157.66 million. At the end of quarter 1/2023, the Company had cash on hand amounting to THB 231.16 million.

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Disclaimer

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