

Key Events

On March 5, 2024, SkyTowers Infra, Inc., a subsidiary in the Philippines, entered into the Telecommunication Tower Purchase Agreement to sell 36 telecom tower stations under lease agreements with Globe Telecom, Inc., and 24 units of telecom towers in inventory in the Philippines to Alliance Towers Corporation for a total price of PHP 328,687,582, approximately THB 203,786,300 (excluding VAT 12%). The transaction is currently undergoing due diligence to prepare for the transfer and delivery of assets according to the agreement.

Statement of Income

According to the consolidated financial statements in the first quarter of 2024, **the Company had revenue from sales and services of 69.05 million Baht, an increase from the same quarter of the previous year by 17.46 million Baht, equivalent to 33.85%**. Of this, 42.62 million Baht or equivalent to 61.73% was from domestic businesses and 26.43 million Baht or equivalent to 38.27% was from telecommunications businesses in the Philippines.

The increased revenue is primarily driven by domestic businesses with a growth rate of up to 109.96%, particularly revenue from the high-voltage transmission tower and substation structure business. **The Company still has a remaining backlog of 174 million Baht**, which is expected to be fully recognized as revenue within this year. Meanwhile, revenue from the telecommunications business in the Philippines has slowed down by 15.53%.

In this quarter, Skytowers Infra Inc., a subsidiary in the Philippines, **had recognized the rental revenue from the leasing of 44 telecommunication tower stations**, resulting in an increase in rental revenue by 88.11%. Additionally, QROI Network Services Inc. (QNSI), another subsidiary in the Philippines, **had recognized the increasing service revenue from providing tower audit, operation and maintenance**, along with ongoing development of solar power installation business for telecommunication stations and general buildings in the Philippines, aimed at generating additional revenue streams beyond the existing business of installing and implementing mobile network equipment on telecommunication towers.

The Company had a gross profit of 2.47 million Baht, representing 3.58% of revenue from sales and services. **Excluding the cost of idle capacity and provision for slow-moving inventory, gross profit would increase to 11.56 million Baht, or 16.74% of revenue from sales and services**. However, the Company plans to expand revenue streams and increase production capacity utilization, along with reducing expenses, which is expected that the gross profit will gradually improve accordingly. Selling and administrative expenses in this quarter increased by 4.76 million Baht compared to the same quarter of the previous year, due to recognized losses from provision for onerous contracts and financial advisory expenses incurred in this quarter.

As a result, the Company had a net loss of 23.17 million Baht, which is a lower loss amounting to 3.27 million Baht or 12.37% compared to the previous year, which had a net loss of 26.43 million Baht.

Consolidated Income Statement

Operating Results <i>(unit: million Baht)</i>	For 3 months		increase (decrease)	
	Q1.24	Q1.23	million Baht	%
Revenue from electricity and telecom business	40.65	16.88	23.77	140.8%
Revenue from sales of industrial goods	1.97	3.42	-1.45	-42.3%
Revenue from overseas telecom business	26.43	31.29	-4.86	-15.5%
Total revenues from sales and services	69.05	51.59	17.46	33.9%
Cost of electricity and telecom business	47.53	25.15	22.38	89.0%
Cost of industrial goods sales	3.23	1.74	1.49	85.9%
Cost of overseas telecom business	15.82	27.60	-11.78	-42.7%
Total cost of sales and services	66.58	54.49	12.09	22.2%
Gross profit (loss)	2.47	-2.90	5.37	185.3%
Selling & administrative expenses	38.81	34.04	4.76	14.0%
Profit (loss) before other incomes and expenses	-36.34	-36.94	0.61	1.6%
Other incomes	2.49	3.98	-1.48	-37.3%
Gain (loss) on exchange rate	11.58	1.36	10.23	755%
Earnings before interest and tax (EBIT)	-22.26	-31.61	9.35	29.6%
Financial cost	0.82	1.25	-0.43	-34.6%
Income tax expenses	0.15	-3.05	3.20	104.9%
Net profit (loss) for the period	-23.22	-29.81	6.59	22.1%
Net profit (loss) attributable to the parent company	-23.17	-26.43	3.27	12.4%

Statement of Financial Position

The Company's financial position as of March 31, 2024, had changed compared to the end of last year as follows.

- **Total assets amounted to 1,207.47 million Baht**, increasing by 62.80 million Baht or 5.49%.
- **Total liabilities amounted to 341.98 million Baht**, increasing by 81.82 million Baht or 31.45%.
- **Total shareholders' equity amounted to 883.35 million Baht**, decreasing by 18.77 million Baht or 2.08%.

Based on the financial position above, **the Company has a healthy capital structure and low financial risk. The debt-to-equity ratio (D/E Ratio) is only 0.40 times, and the current ratio is 3.43 times.** This indicates that the Company has a strong financial position and sufficient liquidity and cash flow to support its business plan.

Faithfully Yours,

-- Chalothorn Leelamali --

(Mr. Chalothorn Leelamali)
 Company Secretary