



# ALT Telecom Public Company Limited

Management Discussion and Analysis for the financial statement as at June 30, 2024

## EXECUTIVE SUMMARY

The performance of ALT Telecom Public Company Limited ("ALT" or the "Company") as presented in consolidated financial statement as at June 30, 2024 summarized as follows;

Income Statement	6M/2024		6M/2023		Million THB	
					Up (Down)	
<b>Revenues</b>						
Sales	100.80	16.2%	154.19	23.4%	(53.39)	-34.6%
Services- construction	221.16	35.6%	174.05	26.4%	47.11	27.1%
Services - network	299.86	48.2%	331.62	50.3%	(31.75)	-9.6%
<b>Total revenues</b>	<b>621.82</b>	<b>100.0%</b>	<b>659.86</b>	<b>100.0%</b>	<b>(38.04)</b>	<b>-5.8%</b>
<b>Cost</b>						
Cost of sales	(88.21)	-87.5%	(124.88)	-81.0%	(36.68)	-29.4%
Cost of services - construction	(165.32)	-74.8%	(167.61)	-96.3%	(2.29)	-1.4%
Cost of service - network	(245.98)	-82.0%	(262.96)	-79.3%	(16.97)	-6.5%
<b>Total cost</b>	<b>(499.51)</b>	<b>-80.3%</b>	<b>(555.45)</b>	<b>-84.2%</b>	<b>(55.94)</b>	<b>-10.1%</b>
<b>Gross (loss) profit</b>						
Sales	12.59	12.5%	29.31	19.0%	(16.71)	-57.0%
Services- construction	55.83	25.2%	6.44	3.7%	49.39	767.0%
Services - network	53.88	18.0%	68.66	20.7%	(14.78)	-21.5%
<b>Gross (loss) profit</b>	<b>122.31</b>	<b>19.7%</b>	<b>104.41</b>	<b>15.8%</b>	<b>17.90</b>	<b>17.1%</b>
Other income	6.41	1.0%	12.48	1.9%	(6.07)	-48.7%
Selling expenses	(41.01)	-6.6%	(40.33)	-6.1%	0.68	1.7%
Administrative expenses	(62.47)	-10.0%	(62.26)	-9.4%	0.22	0.3%
Reversal (recognition) of expected credit	(0.53)	-0.1%	6.91	1.0%	7.44	107.7%
Loss from exchange rate	5.38	0.9%	5.68	0.9%	(0.30)	-5.2%
Share of gain of associate & JV	1.82	0.3%	1.05	0.2%	0.77	73.3%
Finance costs	(15.49)	-2.5%	(13.00)	-2.0%	2.49	19.2%
<b>Profit (loss) before income tax</b>	<b>16.42</b>	<b>2.6%</b>	<b>14.94</b>	<b>2.3%</b>	<b>1.48</b>	<b>9.9%</b>
Income tax	(7.03)	-1.1%	(13.94)	-2.1%	(6.90)	-49.5%
<b>Profit (loss) for the period</b>	<b>9.39</b>	<b>1.5%</b>	<b>1.01</b>	<b>0.2%</b>	<b>8.38</b>	<b>831.1%</b>

Revenue and profit for 6 months period of 2024 compared to the same period of 2023

- Total revenue decreased by 5.8% from THB 659.86 million to THB 621.82 million.
- Revenue from product sales decreased by 34.6% from THB 154.19 million to THB 100.80 million because in the 6-month period of 2023 the Company had income from selling and delivering electricity generation projects from Solar Cell Systems to customers.
- Revenue from construction services increased by THB 47.11 million or 27.1% from THB 174.05 million to THB 221.16 million. The increased income came from maintenance service on optical fiber network project that already delivered to customers, including income from power purchase agreement from solar cells (Solar PPA).
- Network service income decreased 9.6% from THB 331.62 million to THB 299.86 million due to 6-month period of 2023 there are short-term service orders short-term service orders from customers to replace their damaged subsea network.
- Although overall the Company's income has decreased but the total gross profit margin still increased by 17.1% or THB 17.90 million from THB 104.41 million to THB 122.31 million, as a result of revenue from gross profit margin of construction services increased from 3.7% to 25.2% according to the nature of their activities.



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- Finance costs increased from THB 13.00 million to THB 15.49 million. The main cause was an increase of interest rates.
- The Company had net profit for the 6-month period of 2024 in the amount of THB 9.39 million, which increased from THB 1.01 million in the same period of last year.
- At the end of the 2<sup>nd</sup> quarter of 2024, the Company had work on hand (Backlog) amounting to THB 4,190 million.

### Revenue and profit for 2Q/2024 compared to 2Q/2023

- Total revenue decreased by 25.3% from THB 395.78 million to THB 295.68 million.
- Gross profit slightly changed from THB 57.17 million to THB 57.01 million.
- Net profit decreased from THB 16.07 million to THB 5.20 million

	Million THB			
Financial Position	30-Jun-24	31-Dec-23	Up (Down)	%
<b>Assets</b>				
Current assets	1,109.01	1,140.09	(31.08)	-2.7%
Non-current assets	2,630.51	2,490.32	140.20	5.6%
<b>Total assets</b>	<b>3,739.53</b>	<b>3,630.41</b>	<b>109.12</b>	<b>3.0%</b>
<b>Liabilities &amp; equity</b>				
Current liabilities	944.41	1,236.89	(292.48)	-23.6%
Non-current liabilities	1,174.18	780.98	393.20	50.3%
<b>Total liabilities</b>	<b>2,118.59</b>	<b>2,017.88</b>	<b>100.72</b>	<b>5.0%</b>
<b>Equity</b>				
Paid-up capital	566.11	566.11	-	0.0%
Share premium	1,341.06	1,341.06	-	0.0%
Other component	32.81	33.80	(0.99)	-2.9%
Retained earning				
Legal reserve	62.50	62.50	-	0.0%
Unappropriated	(381.75)	(391.16)	9.41	-2.4%
Non-controlling interests	0.19	0.21	(0.02)	-9.4%
<b>Total equity</b>	<b>1,620.93</b>	<b>1,612.53</b>	<b>8.40</b>	<b>0.5%</b>
<b>Total liabilities &amp; equity</b>	<b>3,739.53</b>	<b>3,630.41</b>	<b>109.12</b>	<b>3.0%</b>
	<b>30-Jun-24</b>	<b>31-Dec-23</b>		
Debt to equity	1.31	1.25		
Net interest bearing debt to Equity	0.07	0.22		
Current Ratio	1.17	0.92		

- Total assets increased by THB 109.12 million, the main increases of assets consisted of cash THB 96.97 million, loans to related parties THB 27.90 million, fiber optic cable network THB 159.97 million, property plant and equipment including investment property THB 9.78 million. The main items of assets that decreased consisted of trade receivables and contract receivables of THB 128.14 million, inventories of THB 60.90 million.
- Total liabilities increased by THB 100.72 million. The main items of increased liabilities were: advances received from customers THB 321.62 million. The main items of liabilities that decreased were bank loans of THB 157.06 million, trade creditors of THB 39.17 million, and lease liabilities of THB 24.38 million.



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Cash Flow	Million THB	
	6M/2024	6M/2023
Net cash generated from operation	468.17	3.33
Net cash generated from investment	(191.00)	(301.01)
Net cash generated from finance	(180.20)	204.13
<b>Net cash flow</b>	<b>96.97</b>	<b>(93.55)</b>
Beginning cash	137.01	315.91
Ending cash	233.99	222.36

The Company has net cash from operations of THB 468.17 million, with the main items coming from cash received in advance from customers under long-term service contracts. The cash received was allocated to repay bank debt and project investment in a nearly equal portion, at the end of the second quarter of 2024, the company had cash on hand of THB 233.99 million.

## Contact Investor Relations

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