

Analysis of Business Performance for the Year 2016

Financial Performance (extracted from the Company's financial statement)

In 2016, CAT Telecom Public Company Limited (CAT) generated revenue totalling Baht 56,177 million and net profit totalling Baht 2,347 million. The significant items for 2016 were as follows:

Revenues

The company's total revenue for the year 2016 was Baht 56,177 million. It increased by 2.27% from the prior year resulted from the following factors:

Service Income

Service income for the year 2016 was Baht 37,833 million. It decreased by 5.64% from the prior year as a result of decrease of wireless communication business and telephone business.

Other Income

Other income was Baht 8,039 million. It increased by 329.87% from the prior year due to interest of HSPA wholesale from Realmove.

Amortisation of deferred income from concession agreements

Amortisation of deferred income from concession agreements for the year 2016 was Baht 6,138 million. It decreased by 27.57% from the prior year.

Revenue sharing from concession agreements

Revenue sharing from concession agreements for the year 2016 was Baht 4,133 million. It decreased by 6.37% from the prior year.

Cost of Service

Total cost of services was Baht 35,651 million. It increased by 1.11% from the prior year. This was mainly due to increase of expenses of high speed circuit, interconnection charge, salary/compensation, repair and maintenance costs.

Depreciation of assets under concession agreements

The depreciation of assets under concession agreements was Baht 6,138 million. It decreased 11.84% from the prior year.

Selling expense

The selling expenses were Baht 1,844 million. It decreased 8.72 % from the prior year.

Administrative expenses

The administrative expenses were Baht 2,869 million. It decreased 28.23% from the prior year.

Loss on impairment of assets

In 2016, there was no loss on impairment of assets. It had been Baht 1,489 million in the prior year. It decreased 100%.

Remittance to NBTC under section 84 of the Act on organisation to assign radio frequency

Remittance to NBTC under section 84 was Baht 569 million. It decreased by 68.01% from the prior year.

Other expenses

Other expenses were Baht 6,684 million. It increased 20,897.29% from the prior year. This was mainly due to recognized fines and indemnity.

Income Tax

Total income tax was Baht 4 million. It decreased by 97.92% from the prior year.

Net Profit

The company generated net profit for the year totalling Baht 2,347 million. It decreased by 25.26% from the prior year because the increase of revenues was less than the increase of expenses. As a result, profit before income tax decreased by Baht 793.25 million.



Statement of Financial Position and Significant Financial Information

As at 31 December 2016, total assets was presented at Baht 163,777 million. They increased by Baht 11,804 million or 7.77% from the end of 2015 due to the following factors:

- Cash and cash equivalents increased from Baht 3,450 million to Baht 4,119 million. This mainly resulted from the increase in fixed deposits.
- Short-term investments decreased from Baht 52,169 million to Baht 50,773 million. This mainly resulted from the decrease in fixed deposit with maturities of 6 to 12 months.
- Trade and other receivables increased from Baht 31,611 million to Baht 33,637 million. This mainly resulted from the increase from other receivables-rental of residence building.
- Long-Term Trade receivables increased Baht 6,324 million. This was mainly due to receipt of unpaid 3G Roaming charge for 2013-2015 from True Move H Universal Communication Limited, by allowing the company to use domestic mobile roaming service on 2100 MHz and 1800 MHz bands worth Baht 6,456 million until 31 August 2025.
- Property, plant and equipment decreased from Baht 32,145 million to Baht 30,597 million. This mainly resulted from the depreciation expense for the year.
- Assets under concession agreements increased from Baht 10,041 million to Baht 11,502 million. This mainly resulted from asset transfer and the depreciation recognized for the year.

Sources of Funds

As at 31 December 2016, the Company presented total equity at Baht 34,750 million. It increased by Baht 1,086 million or 3.22% from the end of 2015. For the year 2016, the Company generated a net profit Baht 2,347 million and paid dividends totalling Baht 793 million.

As at 31 December 2016, the Company presented total liabilities at Baht 118,309 million. They increased by Baht 10,718 million or 9.06% from the end of 2015 due to the following factors:

- Trade and other payables increased from Baht 5,081 million to Baht 10,355 million. This mainly increased from Trade payables - domestic.
- Accrued expenses increased from Baht 54,992 million to Baht 58,808 million. This mainly resulted from increased of access charge and expenses relating to wholesale service on mobile network through HSPA network.
- Current portion of deferred income increased from Baht 4,582 million to Baht 7,345 million. This mainly increased from assets transferred under concession agreement.