

## Management Discussion and Analysis of

### TMH Telecom Public Company Limited for the Year ended 31<sup>st</sup> March,2024

The following Management Discussion and Analysis (“MD&A”) is based on the financial Statements of TMH Telecom Public Company Limited for the year ended on 31<sup>st</sup> March 2024, FY 2023-24 and should be read in conjunction with those Financial Statements.

All currency amounts in the MD&A are expressed in Myanmar Kyats unless otherwise specified.

#### Results Summary

##### Summary of Income Statement (All amount in MMK’000)

	April '2023 to March'2024	April '2022 to March'2023	% change
Revenue	7,251,442	4,297,880	69%
Cost of Goods Sold	(5,137,399)	(2,281,601)	125%
<b>Gross Profit</b>	<b>2,114,043</b>	<b>2,016,279</b>	<b>5%</b>
Other Income	320,727	362,020	-11%
Expenses	(2,306,196)	(2,284,203)	1%
Share of profit of Associates and JVs	76,815	92,029	-17%
<b>Profit before Tax</b>	<b>205,389</b>	<b>186,125</b>	<b>10%</b>
Tax Expense	(21,858)	(15,996)	37%
<b>Net Profit after Tax</b>	<b>183,531</b>	<b>170,129</b>	<b>8%</b>
<b>Other Comprehensive Income for the Year</b>	-	-	
Fair value adjustment of Investments	9,240	(1,155)	
<b>Total Comprehensive Income for the Year</b>	<b>192,771</b>	<b>168,974</b>	<b>14%</b>
<b>Earning Per Share (Basic EPS)</b>	<b>14</b>	<b>13</b>	<b>8%</b>

The company's revenue for the fiscal year ended on March 31, 2024, was 7.25 billion Kyats, which represents 69% increase compared to the previous fiscal year (2022-23) ending on March 31, 2023.

As the revenue increased, the cost of goods sold also increased by 125% in this fiscal year, from MMK 2.28 billion in FY 2022-23 to MMK 5.14 billion in FY 2023-24, due to increasing of the raw material cost and exchange rate.

The company's gross profit was 2.02 billion Kyats in the previous fiscal year (2022-2023) and has increased to 2.11 billion Kyats in the current fiscal year. Regarding to other mobile projects, the company's other income for this fiscal year was MMK 0.32 billion.

According to the Myanmar GT broadband company's unaudited financial statement, the share of profit of Associates was MMK 0.08 billion in FY 2023-24.

Compared to the net profit earned 0.17 billion Kyats in the previous fiscal year, the net profit for the current fiscal year (2023-2024) has increased to 0.18 billion Kyats.

In determining the value of investments, the company has re-evaluated the shares purchased from First Myanmar Investment Co., Ltd (FMI) according to Myanmar Accounting Standards. The re-evaluation is based on the market price of the shares as reflected in the stock market at the time of the financial year-end on 31<sup>st</sup> March 2024.

Earnings per share in this fiscal year (2023-24) has increased from 13 kyats to 14 kyats compared to the previous fiscal year (2022-23).

**Summary of Balance Sheet (All amount in MMK'000)**

	March 31,2024 Ks'000	March 31,2023 Ks'000	% Change
<b>Assets</b>			
Non-Current Assets	2,570,580	2,452,576	5%
Current Assets	12,810,946	14,514,090	-12%
<b>Total Assets</b>	<b>15,381,526</b>	<b>16,966,666</b>	-9%
<b>Equity &amp; Liabilities</b>			
Equity	14,121,775	13,914,409	1%
Current Liabilities	1,259,752	3,052,258	-59%
<b>Total Equity &amp; Liabilities</b>	<b>15,381,526</b>	<b>16,966,666</b>	-9%

The company's current assets was amounted to MMK 12.81 billion in this fiscal year (2023-24), which is a decrease of 12% compared to the previous fiscal year (2022-23). This decline is due to the decrease in the advance payment paid to the subcontractors, which amounts are recognized as project expenses after the completion of projects and due process. The non-current assets increased by 5% in FY 2023-24, this was mainly due to the share of profit of the associate company.

The company's current liabilities decreased from MMK 3.05 billion in FY (2022-23) to MMK 1.26 billion in FY (2023-24). This decrease is due to the advance payments received from customers being recorded as revenue upon the completion of the projects and due process.

### Review and Going Forward

The management of the company would like to report that according to the results of this fiscal year (2023-2024), the revenue increased 69%, and the net profit also increased 8% compared to the previous fiscal year (2022-2023).

This is the result that the management of the company try to explore new market opportunities, mitigated the risks across the company and working closely with the operation team members.

In the future, the management team will keep monitoring the business environment and try to achieve more opportunities to get better outcomes in coming fiscal year.

By Order of the Board,

Thiha Lwin

Managing Director

28<sup>th</sup> June, 2024.