

Management Discussion and Analysis of TMH Telecom Public Company Limited
for the year ended 30th September 2023(HY 2023-2024)

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 30th September 2023, HY 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 September'2023	April '2022 to September'2022	% Change
Revenue	3,337,348	1,714,152	95%
Cost of Goods Sold	-2,278,742	-864,402	164%
Gross Profit	1,058,606	849,750	25%
Other Income	102,673	215,581	-52%
Expenses	-994,792	-1,169,241	-15%
Profit before Tax	166,487	-103,911	260%
Tax Expense	-28,303		
Net Profit after Tax	138,184	-103,911	233%
Other Comprehensive Income for the Year			
Fair value adjustment of Investments	10,395	17,325	-40%
Total Comprehensive Income for the Year	148,579	-86,586	272%

Revenue in HY 2023-24 which ended on 30th September 2023 was MMK 3.34 billion and it increased significantly which was 95% greater than compared to the previous fiscal year ended on 30th September,2022(HY 2022-23). As of increased in the revenue, the cost of goods sold has increased in this fiscal year from MMK (0.86) billion to MMK (2.28) billion respectively. And the total gross profit increased by 25% in HY 2023-24 which ended on 30th September 2023. Due to other mobile project, other income was decreased to MMK 0.10 billion in HY 2023-24. Although

the loss amount occurred MMK 0.10 billion in HY 2022-23, in HY 2023-24 the profit earned MMK 0.14 billion significantly.

Fair value adjustment of available-for-sale investments during this period was mainly due to the Company's investment in First Myanmar Investment Co., Ltd (FMI) which has quoted market price ended on 30th September 2023.

Summary of Balance Sheet (All amounts in MMK'000)

	April '2023 to September'2023	April '2022 to September'2022	% Change
Assets			
Non-Current Assets	2,427,164	2,417,763	0.39%
Current Assets	12,783,519	12,894,867	-0.86%
Total Assets	15,210,683	15,312,629	-0.67%
Equity & Liabilities			
Equity	14,064,478	13,582,290	3.55%
Current Liabilities	1,146,205	1,730,340	-33.76%
Total Equity & Liabilities	15,210,683	15,312,629	-0.67%

The current assets have decreased by 0.86% from MMK 12.89 billion to MMK 12.78 billion. The main reason was 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 39% in HY 2023-24, this was mainly due to the share of profit of the associate company.

The current liabilities have decreased from MMK 1.73 billion in HY 2022-23 to MMK 1.15 billion in HY (2023-24). The main reason is due to the decrease in the advance received from customers which amounts are recognized as revenue after the completion of projects and due process.

Review and Going Forward

As the management of the company, we would like to report that the company has achieved positive outcomes in this half year of the fiscal Year (2023-2024) and it became better comparing to the previous fiscal year.

The management team is also monitoring carefully all the business situation and risk in time to safeguard the benefits of all of our stakeholders.

By order of the board,

Thiha Lwin

Managing Director

29th December,2023.