

## Management Discussion and Analysis for the Second Quarter of Year 2016

### Business Overview

Business overview of One to One Contacts Public Company Limited and its subsidiaries (“the Group”) for the second quarter of year 2016 compared to the same period of prior year and compared to the prior quarter are as follows;

For the second quarter in 2016, the Group reported total revenues from sales and services at THB 242.2 million, increased by THB 10.5 million or 4.6% when compared to the same period of prior year and increased by THB 36.1 million or 17.6% when compared to the prior quarter. It mainly increased from the revenue of Turnkey Total Solutions.

The Group reported net profit for this quarter at THB 20.3 million, slightly increased by THB 1.7 million or 9.1% when compared to the same period of prior year and increased by THB 2.7 million or 15.4% when compared to the prior quarter. It resulted from the continuous growth of revenue and the increasing of gross profit margin. Net profit to total revenue was at 8.4% which little increased from the same period of prior year and closed to the prior quarter.

### Revenues

The structure of revenues from sales and services for the three month period ended 30 June 2016 and 2015 are as follows;

*Unit: THB million*

	2/2016	2/2015	% Change	1/2016	% Change
<b>1. Revenue from sales</b>	<b>31.8</b>	<b>20.0</b>	<b>58.9%</b>	<b>4.6</b>	<b>592.2%</b>
1.1 Turnkey Total Solutions	31.8	20.0	58.9%	4.6	592.2%
<b>2. Revenue from services</b>	<b>210.4</b>	<b>211.7</b>	<b>-0.6%</b>	<b>201.5</b>	<b>4.4%</b>
2.1 Fully Outsourced Contact Center Management Service	160.7	158.0	1.7%	153.6	4.7%
2.2 Outsourced Contact Center Facility	22.0	32.6	-32.3%	24.1	-8.6%
2.3 Outsourced Customer Service Representative	19.7	15.7	25.2%	18.1	8.7%
2.4 Maintenance Service	8.0	5.4	49.0%	5.7	39.7%
<b>Total revenues from sales and services</b>	<b>242.2</b>	<b>231.7</b>	<b>4.6%</b>	<b>206.1</b>	<b>17.6%</b>

#### 1. Revenue from sales

**1.1 Turnkey Total Solutions** generated revenue of THB 31.8 million in this quarter, increased by THB 11.8 million or 58.9% when compared to the same period of prior year and increased by THB 27.2 million or 592.2% when compared to the prior quarter. It was due to the increasing of number of projects both of Government and State Enterprise sector and Private sector.

## 2. Revenue from services

Revenue from services for this quarter was totally at THB 210.4 million, slightly decreased by THB 1.3 million or 0.6% when compared to the same period of prior year and increased by THB 8.9 million or 4.4% when compared to prior quarter. The details are as follows;

- 2.1 Revenue from Fully Outsourced Contact Center Management Service** for this quarter was THB 160.7 million, increased by THB 2.7 million or 1.7% when compared to the same period of prior year. It was resulted from the increasing in number of new customers and the continuously rendering of service to the existing customer which conform to the expanding of customer's business. The increasing revenues mainly come from the Private sector like Insurance and Retail business, etc. Also, the revenue was increased by THB 7.1 million or 4.7% when compared to the prior quarter which mainly from the expansion of service rendering to the existing customer especially for Private sector like Energy, Airlines and Property business, etc.
- 2.2 Revenue from Contact Center Facility Outsourced** for this quarter was THB 22.0 million, decreased by THB 10.6 million or 32.3% when compared to the same period of prior year. It was mainly decreased from the Government and State Enterprise sector. Also, the revenue was decreased by THB 2.1 million or 8.6% when compared to the prior quarter which mainly decreased from Insurance sector.
- 2.3 Revenue from Customer Service Representative Outsourced** for this quarter was THB 19.7 million, increased by THB 4.0 million or 25.2% when compared to the same period of prior year and slightly increased by THB 1.6 million or 8.7% when compared to the prior quarter. It mainly increased from the Government and State Enterprise sector.
- 2.4 Revenue from Maintenance Service** for this quarter was THB 8.0 million, increased by THB 2.6 million or 49.0% when compared to the same period of prior year and increased by THB 2.3 million or 39.7% when compared to the prior quarter. It also increased from the Government and State Enterprise sector.

### Gross Profit

For this quarter, gross profit margin of the Group was reported at 16.6%, slightly increased from 16.2% of the second quarter in year 2015 and from 15.9% of the prior quarter.

### Selling Expenses, Administrative Expenses, Other Expenses and Finance Costs

The Group has selling expenses, administrative expenses, other expenses and financial cost for this quarter totally at THB 16.7 million, slightly decreased by THB 0.2 million or 0.9% when compared to the same period of prior year and increased by THB 2.5 million or 17.2% when compared to the prior quarter. It mainly increased from employee benefit expenses and service fees.

## Net Profit

The Group reported net profit for this quarter at THB 20.3 million, slightly increased by THB 1.7 million or 9.1% when compared to the same period of prior year and increased by THB 2.7 million or 15.4% when compared to the prior quarter. It resulted from the continuous growth of revenue and the increasing of gross profit margin. Net profit to total revenue was at 8.4% which little increased from the same period of prior year and closed to the prior quarter.

## Financial Position

As at 30 June 2016, the Group reported total assets at THB 975.1 million, decreased by THB 43.5 million or 4.3% when compared to the end of the prior year. It was mainly from the decrease in trade and other receivables because of the debt collection. Besides, the equipments also decreased from the depreciation during the period.

Total liabilities were represented at THB 123.7 million, decreased by THB 56.1 million or 31.2% when compared to the end of the prior year. It decreased mainly from trade and other payables. Total shareholders' equity was reported at THB 851.4 million, increased by THB 12.6 million or 1.5% when compared to the end of the prior year.