



No. Demco AC004/2018 (corrective clause)  
AUGUST 14, 2018

Subject : The company's operating result of the 2<sup>nd</sup> quarter of year 2018.  
To : The president,  
The Stock Exchange of Thailand.

Demco Public Company Limited would like to inform you herewith the company result of the 2<sup>nd</sup> quarter of year 2018 according to the company's consolidated financial statement ended June 30, 2018. The conclusions are as follow;

1. Revenue: The total revenue of the 2<sup>nd</sup> quarter of year 2018 was Baht 1,175.44 million increased of Baht 228.24 million or 24.10% comparing to the total revenue of the same period of last year at Baht 947.21 million.

The revenue form service business for 2<sup>nd</sup> quarter of year 2018 was Baht 960.60 million increased of Baht 223.01 million or 30.24% comparing to services income of the 2<sup>nd</sup> quarter of year 2017 at Baht 737.59 million. The significant increase due to the increase of the revenue from construction works of EGAT'S transmission line and substations construction projects.

The revenue from sale business for 2<sup>nd</sup> quarter of year 2018 was Baht 209.20 million increased of Baht 108.34 million or 107.42% comparing to the revenue from sales business of 2<sup>nd</sup> quarter of year 2017 at Baht 100.86 million. The revenue was increased from sales increase of high voltage transmission line towers for EGAT and PEA Project.

2. Gross profit: The total gross profit of the 2<sup>nd</sup> quarter of year 2018 was Baht 136.38 million representing an increase of 45.05% from the total gross profit of 2<sup>nd</sup> quarter of year 2017 at Baht 94.02 million. The gross profit rate was increased from 10.06% to 11.66%. The profit detail was as follow;

The gross profit from service business of the 2<sup>nd</sup> quarter of year 2018, the Company has gross profit from service income of Baht 123.86 million or 12.89 % increasing from the same period of last year of 51.70 million or 71.65% because last year the Company got renewable energy construction projects that had lower profit rate.

The gross profit from sale business of the 2<sup>nd</sup> quarter of year 2018, the Company has gross profit from sale income of Baht 12.52 million or 5.99% decreasing from the same period of last year of 9.34 million or 42.73% because of the increasing of selling to Government sector.

3. Sales and administrative expenses: Sales and administrative expenses of the 2<sup>nd</sup> quarter of year 2018 at Baht 84.90 million increasing of Baht 0.23 million or 0.28% when comparing to the 2<sup>nd</sup> quarter of year 2017 which was Baht 84.66 million due to:

Sales and administrative expenses (Normal entry) was Baht 76.71 million which increasing 2.42% comparing to the 2<sup>nd</sup> quarter of year 2017 at Baht 74.89 million.

Sales and administrative expenses (Special entry) was Baht 8.19 million which decreased 16.18% comparing to the 2<sup>nd</sup> quarter of year 2017 at Baht 9.77 million.

Details of the costs involving to the WTGs foundation improvement for Huay Bong 2&3 Wind Farm as at June 30, 2018 are as shown in the table.

Description	Estimated total improvement cost (as of year 2017)	Estimate and cost for accounting recorded in Q1-Q2 2018	Estimated total improvement cost (until Q2 2018)	Aggregate actual cost ended as of June 30, 2018	Estimated Improvement cost (For remaining works) As at June 30, 2018
Improvement cost	645.35	-	645.35	490.36	154.99
Re-design cost, advisor cost, insurance, etc.	93.72	-	93.72	73.55	20.17
Sub-total cost	739.07	-	739.07	563.91	175.16
Compensation for Loss of production cost	756.32	16.38	772.70	772.70	-
Total cost	1,495.39	16.38	1,511.77	1,336.61	175.16
Deduct owners' compensation	(30.00)	-	(30.00)	-	(30.00)
Net cost	1,465.39	16.38	1,481.77	1,336.61	145.16

4. Net profit: the 2<sup>nd</sup> quarter of year 2018, the Company has net profit at Baht **50.51** million representing an increase of **128.91%** when comparing to the net profit of 2<sup>nd</sup> quarter of year 2017 at Baht **22.06** million. The major reason was due to the reduction of cost of sales and service. In the 2<sup>nd</sup> quarter of year 2018, the company recorded shared profit from the investment in associate company of amount Baht 25.41 million. The net profit rate was increased from 2.33% to profit of 4.30%.

Please be informed accordingly,

Yours sincerely,

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 Paitoon Gumchai  
 Director and The Company's Secretary  
 Authorized sign on behalf of the Company