

# TRITON

No TRITN-SET 003/2022

February 28, 2022

Subject: Management Discussion and Analysis for the year end of 2021

To: President

The Stock Exchange of Thailand

## Highlights

- FY2021, Rail and train BU be awarded for 3 majors projects, totaling amount of 457.04 million baht.
- FY2021, warrant holders intended to exercise warrant "TRITN-W3". Total ordinary shares given from exercising were 1,479.60 million shares, totaling amount of 369.80 million baht.
- The company and subsidiaries had set an allowance for impairment loss of assets of a subsidiary of Baht 116.46 million since there was an in indicator of assets impairment.
- FY2021, the company purchased capital increase in newly issued ordinary shares in Fuel Pipeline Transportation Company Limited of 10 million shares or 1.32 % of paid-up ordinary shares.

## For 12 months period ended December 31, 2021

Consolidated Profit & Loss of Triton Holding Public Company Limited

Unit: Million Baht

	FY2021	FY2020	Change	
			million baht	△ %
Total revenues	685.32	1,418.18	(732.86)	(51.68)
Total expenses	1,134.83	1,369.27	(234.45)	(17.12)
Share of gain (loss) of associate accounted for	(20.69)	(8.37)	(12.31)	147.03
Net Profit	(470.20)	40.53	(510.73)	(1,260.19)
Net Profit (loss) - The Company	(400.72)	35.74	(436.45)	(1,221.20)
Net profit margin	-68.61%	2.86%		
Net profit margin - company	-58.47%	2.52%		

- For 12-month period, the company reported total revenue of 685.32 million baht in FY2021, a decrease of 51.68% compared to the same period last year. The company generated net loss of (470.20) million baht and net loss - the company of (400.72) million baht, comparing to net profit—the company of 35.74 million baht in the same accounting period of 2020. This was attributed to the facts that the company and subsidiaries had set an allowance for impairment loss of assets of a subsidiary of (116.46) million baht since there was an in indicator of assets impairment. Secondly, there were Impairment loss determined in accordance with TFRS 9 and adjustment of revenue in a subsidiary of (82.49) million baht. Thirdly, the

# TRITON

power plant business loss of (38.99) million baht from flooding situation during rainy season and plan shut down period to maintenance generators and bio-scrubbers during 3Q21-4Q21 for the 3MW-power plant. Lastly, the operation loss (232.25) million baht which cause by the fact that, from time to time throughout the year, some construction projects/sites were under challenging environment from COVID-19 pandemic.

## For 3 months period ended December 31, 2021

- For 3-month period, the company reported total revenue of 80.39 million baht in 4Q21, comparing to total revenue of 156.01 million baht in the same period last year. The company generated a net loss - the company of (293.31) million baht, comparing to net loss—the company of (24.68) million baht in the same accounting period of 2020. This was attributable to impairment loss of assets, impairment loss determined in accordance with TFRS 9 and adjustment of revenue in a subsidiary, loss from power plant business, and loss from construction operation which had challenged from COVID-19 pandemic.

## 1. Construction Business

Unit : Million Baht

Construction	FY2021	FY2020	Change	
			million baht	△ %
Revenues	537.14	1,333.43	(796.28)	(59.72)
Expenses	713.72	1,134.59	(420.87)	(37.09)
Gross profit	(176.58)	198.84	(375.42)	(188.81)
Idle cost on a particular contract	24.94	24.89	0.05	0.19
Finance cost	6.85	3.80	3.05	80.45
Gross profit margin	-32.87%	14.91%		

- For 12-month period, Construction business has generated revenues of 537.14 million baht, comparing to revenues of 1,333.43 in the same period last year, or a decrease of 59.72%. Construction business generated negative gross profit of (176.58) million baht, comparing to gross profit 198.84 million baht in the same period last year. In FY2021, several construction projects of the group had challenged from COVID-19 pandemic situation. Moreover, gross profit was also impacted from decreasing in value of construction projects of a subsidiary of 36.00 million baht.
- For 3-month period, Construction business has generated revenues of 60.25 million baht, comparing to revenues of 133.60 mb a decrease 54.90% compared to the same accounting period of 2020. Construction business generated gross loss of (113.66) million baht, comparing to gross profit 34.33 million baht in the same period last year. Mainly because, several construction projects of the group had challenged from COVID-19 pandemic situation.

# TRITON

- As of the issuance of this report, the company back log is approximately 2.76 billion baht.

O&G + Civil	FY2021	FY2020	Change	
			million baht	△ %
Revenues	424.38	1,210.93	(786.56)	(64.95)
Expenses	557.46	1,033.50	(476.04)	(46.06)
Gross Profit	(133.09)	177.43	(310.52)	(175.01)
Idle cost on a particular contract	24.94	24.89	0.05	0.19
Finance cost	2.09	2.17	(0.08)	(3.81)
Gross profit margin	-31.36%	14.65%		

Oil and gas infrastructure construction generated revenue of 424.38 million baht in FY2021. At the end of fourth quarter, the company had recognized revenue amounting to 92.89% of the total project value.

- Oil and gas infrastructure construction to northern area Project (98.21% progress)
- Underground Piping Construction and Electrical Conduit Installation Project (100% progress)
- Pipe Jacking Construction under highway Pak Kret-Chaeng Watthana (22.46% progress)
- Oil and gas infrastructure construction to North-east area Project (99.01% progress)
- Oil and gas infrastructure construction in Bangkok Canal (5.00% progress)
- New oil and gas infrastructure construction in Bangkok (0.00% progress)
- New oil and gas infrastructure construction on Rama III road (0.00% progress)

Civil engineering construction generated revenue of 26.69 million baht in FY2021. The construction works consist of the several civil projects in the southern part of Thailand. The company had recognized revenue from Civil projects amounting to 96.27% of the total project value.

- Group of civil projects in the Southern part of Thailand (99.42% progress)
- Civil project with Four season Hotel, Bangkok (29.62% progress)
- Civil project with Sathorn One, Bangkok (15.43% progress)

# TRITON

Rail & Train	FY2021	FY2020	Change	
			million baht	△ %
Revenues	112.77	122.49	(9.73)	(7.94)
Expenses	156.26	101.09	55.17	54.57
Gross profit	(43.50)	21.40	(64.90)	(303.24)
Finance cost	4.76	1.62	3.14	193.27
Gross profit margin	-38.57%	17.47%		

Train and Railway systems and construction generated revenue of 112.77 million baht in FY2021. The construction works mainly consist of the double track railway construction and other railway related construction project. The company had recognized revenue from Rail & Train construction project amounting to 50.87% of the total project value.

## 2. Power Business

On February 17, 2020, Triton Power Co., Ltd., a subsidiary of the company, acquired 75% of ordinary shares of Aukkrarawat Renewable Energy Power Plant Company Limited (AKP). The power plant is under Power Purchase Agreement (PPA) with Provincial Electricity Authority (PEA) of 4.9 megawatts. For 12-month period, Power business generated revenues of 84.07 million baht, increase by 39.82 million baht or increase 89.97%. In this year, the power plant operations were challenged with flood situation during rainy season. Moreover, the Nongree power plant undertake plan shut down to process maintenance on three generators and bio scrubber units during the third and fourth quarters. So, the power plant business generated negative gross-profit of (23.93) million baht. After the maintenance process, both power plants are expected to run effectively in the FY2022.

Power	FY2021	FY2020	Change	
			million baht	△ %
Revenues	84.07	44.25	39.82	89.97
Expenses	108.00	42.73	65.27	152.76
Gross profit	(23.93)	1.53	(25.45)	(1,667.13)
Finance cost	11.11	3.26	7.85	241.17
Gross profit	-28.46%	3.45%		

## 3. Other Revenues

	FY2021	FY2020	Change	
			million baht	△ %
Other income	49.63	37.25	12.37	33.21

For 12-month period, other revenues were 49.63 million baht, significantly increased by 33.21% or by 12.37 million baht from the same period last year mainly from Revenue from sales of supplies, machinery rental and Gain from sale of investment in equity instruments.

# TRITON

## 4. Financial Position and Statement of Cash Flows

Unit : million baht

Balance sheet	As of Dec 31,2021	As of Dec 31, 2020	Δ %
Total Assets	2,653.03	2,717.08	-2.36%
Total Liabilities	1,003.60	969.89	3.48%
Total Equities	1,649.43	1,747.19	-5.60%

Cash Flow (Million Baht)	For 12 months period end December 31, 2021
Cash Flow from Operation	-116.19
Cash Flow from Investment	-433.26
Cash Flow from Financing	557.18
Net Change in Cash	7.73
Ending Cash & restricted cash	474.61

Financial Ratios	Dec-21	Dec-20	Δ %
ROE	-24.61%	2.14%	-1250%
ROA	-15.10%	1.32%	-1247.96%
Net Profit margin - The company	-69.14%	8.32%	-931%
	Dec-21	Dec-20	
D/E (time)	0.62	0.58	
Current ratio (time)	1.45	1.35	

The company reported lower profitability ratios than the same period last year, primarily due to decreasing in revenue. As of December 31, 2021, Return on Equity was (24.61%) which decreased from 2.14% in the same period last year. Return on Asset was downed to (15.10%) which decreased from 1.32% in the same period last year. The company's net profit margin was (69.14%) which decreased from 8.32% in the same period last year. This was attributable to impairments in the period, flooding impact, and challenging environment from COVID-19 pandemic. Anyway, at the end of 4Q21, the company balance sheet was in strong position with Net Debt / Equity of 0.62x. Cash and cash equivalents were in solid position of 474.61 million baht.

## 5. Impact of COVID 19 situation

The widespread of the COVID-19 pandemic situations have severely affected the global economy in almost all industrial groups. Fortunately, the pandemic situations have not severely affected our business. According to the company, such situation has not adversely impacted construction projects. Nevertheless, the Group and the Company's management will continue to monitor the ongoing development and regularly assess the financial impact in respect of valuation of assets, provisions, and contingent liabilities.

Faithfully yours

Worapong Woottipruk

CFO