



No. Demco AC003/2022

August 11, 2022

Subject : The company's operating result for the quarter 2/2022

To : The president,
The Stock Exchange of Thailand.

Demco Public Company Limited would like to inform you herewith the company result for the quarter 2/2022 according to the company's consolidated financial statements for the six-month period June 30, 2022. The conclusions are as follow;

Operating Performance :

1. Revenues: The total revenues of the quarter 2/2022 was Baht 419.58 million representing a decrease 38.47% comparing with the total revenues of Baht 681.87 million of quarter 2/2021.

In the six-month period of 2022 was Baht 805.66 million represent a decrease 39.61% comparing with the total revenues of Baht 1,334.06 million of the six-month period of 2021.

The revenues from service business of the quarter 2/2022 amount of Baht 333.18 million was decreased of Baht 272.37 million or 44.98% from the service business revenues of Baht 605.55 million of the quarter 2/2021. The significant came from decreasing in Substation construction works and increasing in Transmission line works, Renewable Energy works.

In the six-month period of 2022 was Baht 655.85 million was decreased of Baht 538.22 million or 45.07% from the service business revenues of Baht 1,194.07 million of the six-month period of 2021. The significant decreasing came from the revenues of Substation construction works, Underground works and increasing of Transmission line work, Renewable Energy work and Other EPC work.

The revenues from sale business of the quarter 2/2022 amount of Baht 77.46 million was increased of Baht 11.35 million or 17.17% from the revenues of Baht 66.11 million of the quarter 2/2021. The revenue was increased from the selling of Steel Structure Tower.

In the six-month period of 2022 was Baht 136.72 million was increased Baht 12.82 million or 10.35% from the revenues of Baht 123.90 million of the six-month period of 2021. The revenue was increased from the selling of Steel Structure Tower.

2. Gross profit: The total gross profit of the quarter 2/2022 was Baht 15.75 million decreasing of Baht 45.70 million of the total gross profit of Baht 61.45 million of the quarter 2/2021.

In the six-month period of 2022 was Baht 10.07 million representing a decrease of Baht 138.17 million or 93.21% of the total gross profit of Baht 148.24 million of the six-month period of 2021.

The gross profit from service business of the quarter 2/2022, the Company had gross profit from service income of Baht 11.73 million or 3.52% that decreased of Baht 54.79 million from quarter 2/2021 of Baht 66.52 million or 10.98%

In the six-month period of 2022, the Company had gross profit from service income of Baht 0.91 million decreasing of Baht 149.50 million of the six-month period of 2021 of Baht 150.41 million due to higher material costs and the reclassification of letter of guarantee fee from selling and administrative expenses to be cost of service.

The gross profit/ loss from sale business of the quarter 2/2022, the company had gross profit from sale income of Baht 4.02 million or 5.19% that increased Baht 9.09 million from quarter 2/2021 of gross loss Baht 5.07 million or 7.67%

In the six-month period of 2022, the Company had gross profit from sales income of Baht 9.16 million or 6.70% increasing of Baht 11.33 million of gross loss of the six-month period of 2021 of Baht 2.17 million or 1.75%.

3. Selling and administrative expenses: Selling and administrative expenses of the quarter 2/2022 was Baht 84.79 million that decreased of Baht 3.41 million or 3.87 % comparing with the quarter 2/2021 which was Baht 88.20 million.

In the six-month period of 2022 was Baht 154.95 million decreased of Baht 8.92 million or 5.44% comparing with the six-month period of 2021 which was Baht 163.87 million. The decreasing came from letter of guarantee fee due to the completion of the Wind turbine foundation project at Huay Bong and the reclassification of letter of guarantee fee from selling and administrative expenses to be cost of service.

4. Net Profit/Loss: the quarter 2/2022, the Company had net loss was Baht 36.93 million, Net loss increased of Baht 2.74 million that comparing with the net loss of Baht 34.19 million of the quarter 2/2021. The significant came from loss of operation results in quarter 2/2022 decreasing of Baht 43.57 million, share of profit of associates and investment in joint ventures increasing of Baht 16.61 million and income tax expenses decreasing of Baht 23.85 million.

In the six-month period of 2022, the Company's net loss is Baht 103.94 million representing a decreased 111.30 million comparing with net profit of Baht 7.36 million of the six-month period of 2021. The significant came from loss of operation results in 1H/2022 increasing of Baht 132.23 million, share of profit of associates and investment in joint ventures decreasing of Baht 6.35 million and income tax expenses decreasing of Baht 26.47 million.

5. The projects still being under construction (not yet delivered to the owner) at August 11, 2022 are as follows;

	Quantity (Projects)	Amount (Million Baht)
Power Electrical Engineering System	79	2,860.86
Telecommunication & Signaling	13	978.02
Renewable Energy Project	3	105.54
Total	95	3,944.42

Consolidated Financial Position information

Current assets as at June 30, 2022 was Baht 1,707.52 million which increased of Baht 51.25 million or 3.09% comparing with current assets as at December 31, 2021 was Baht 1,656.27 million. The mainly from increasing in trade and other current receivables Baht 122.41 million, increasing in cash and cash equivalents Baht 76.35 million and decreasing in Current contract assets Baht 146.73 million.

Non-current assets as at June 30, 2022 was Baht 5,273.21 million which decreased of Baht 19.22 million or 0.36% comparing with non-current assets as at December 31, 2021 was Baht 5,292.43 million, the mainly increased from other non-current financial assets due to increasing in fair value Baht 21.88 million, property, plant and equipment increased in Baht 27.92 million, restricted deposits at financial institutions decreased in Baht 25.00 million, Investments in associates decreased in Baht 14.69 million and other non-current assets decreased in Baht 28.46 million.

Current liabilities as at June 30, 2022 was Baht 2,346.69 million which increased of Baht 125.16 million or 5.63 from current liabilities amount of Baht 2,221.53 million as at December 31, 2021, The significant came from bank overdrafts and short-term loans from financial institutions increasing of Baht 174.12 million, current contract liabilities (Deposit received from customer and advance received) increasing of Baht 123.39 million, trade and other current payables decreasing of Baht 95.42 million, current portion of long-term loans decreasing of Baht 79.39 million.

Non-current liabilities as at June 30, 2022 was Baht 394.43 million which increased amount of Baht 12.53 million or 3.28% from non-current liabilities amount of Baht 381.90 million as at December 31, 2021, the mainly from increasing in Deferred tax liabilities Baht 6.69 million and non-current provisions for employee benefits Baht 7.07 million.

Shareholders' equity as at June 30, 2022 was Baht 4,239.61 million, which decreased amount of Baht 105.66 million or 2.43% from shareholder's equity amount of Baht 4,345.27 million as at December 31, 2021. The mainly from decreasing in operating results of the 1H/2022.

Please be informed accordingly,

Yours sincerely,

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Miss Sawittree Phuengrasamee
Executive Vice President
(Accounting, Finance and Budget Division)