



No. Demco AC004/2022

November 11, 2022

Subject : The company's operating result for the quarter 3/2022

To : The president,
The Stock Exchange of Thailand.

Demco Public Company Limited would like to inform you herewith the company result for the quarter 3/2022 according to the company's consolidated financial statements for the nine-month period September 30, 2022. The conclusions are as follow;

Operating Performance:

1. Revenues: The total revenues of the quarter 3/2022 was Baht 515.20 million representing a decrease 39.91% comparing with the total revenues of Baht 857.41 million of quarter 3/2021.

In the nine-month period of 2022 was Baht 1,320.85 million represent a decrease 39.73% comparing with the total revenues of Baht 2,191.47 million of the nine-month period of 2021.

The revenues from service business of the quarter 3/2022 number of Baht 450.06 million was decreased of Baht 252.02 million or 35.90% of the service business revenues of Baht 702.08 million of the quarter 3/2021. The significant came from decreasing in Substation construction works and increasing in Civil Construction and Distribution works.

In the nine-month period of 2022 was Baht 1,105.90 million was decreased of Baht 790.24 million or 41.68% from the service business revenues of Baht 1,896.14 million of the nine-month period of 2021. The significant decrease came from the revenues of Substation construction, Underground work and increasing in Transmission line, Civil construction, Distribution and Renewable energy works.

The revenues from sale business of the quarter 3/2022 number of Baht 54.93 million decrease by 18.49% or Baht 12.46 million of from the revenues of Baht 67.39 million of the quarter 3/2021. The revenue decreased from the selling amount of Steel Structure Tower.

In the nine-month period of 2022 is Baht 191.65 million, increases by 0.19% or Baht 0.37 million from the revenues of Baht 191.28 million of the nine-month period of 2021. The revenue increased from the selling of Steel Structure Tower.

2. Gross profit: The total gross profit of the quarter 3/2022 is Baht 32.19 million increasing of Baht 15.27 million of the total gross profit of Baht 16.92 million of the quarter 3/2021.

In the nine-month period of 2022 was Baht 42.27 million representing a decrease of Baht 122.87 million or 74.40% of the total gross profit of Baht 165.14 million of the nine-month period of 2021.

The gross profit from service business of the quarter 3/2022, the Company had gross profit from service income of Baht 30.29 million or 6.73% that increased of Baht 10.42 million from quarter 3/2021 of Baht 19.87 million or 2.82%

In the nine-month period of 2022, the Company had gross profit from service income of Baht 31.20 million decreasing of Baht 139.07 million of the nine-month period of 2021 of Baht 170.27 million due to decreasing in revenue whereas increasing in 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 3/2022, the company had gross profit from sale income of Baht 1.90 million or gross profit margin 3.46% that increased Baht 4.85 million from quarter 3/2021 of gross loss Baht 2.95 million or gross profit margin -4.38%

In the nine-month period of 2022, the Company had gross profit from sales income of Baht 11.07 million or gross profit margin 5.78% increasing of Baht 16.20 million of gross loss of the nine-month period of 2021 of Baht 5.13 million or gross profit margin -2.68%.

3. Selling and administrative expenses: Selling and administrative expenses of the quarter 3/2022 was Baht 82.26 million that decreased of Baht 26.86 million or 24.62 % comparing with the quarter 3/2021 which was Baht 109.12 million.

In the nine-month period of 2022 was Baht 237.19 million decreased of Baht 35.80 million or 13.11% comparing with the nine-month period of 2021 which was Baht 272.99 million. The decreasing was 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 3/2022, the Company had net loss was Baht 48.26 million, Net loss increase of Baht 71.59 million that comparing with the net profit of Baht 23.33 million of the quarter 3/2021. The significant increases were from loss of operation results in quarter 3/2022 decreasing of Baht 35.59 million, share of profit of associates and investment in joint ventures decreasing of Baht 16.33 million and income tax expenses increasing of Baht 19.90 million.

In the nine-month period of 2022, the Company's net loss is Baht 152.19 million representing a decrease 182.88 million comparing with net profit of Baht 30.69 million of the nine-month period of 2021. The significant decreases were from loss of operation results in nine-month period Baht 167.82 million, share of profit of associates and investment in joint ventures decreasing of Baht 22.68 million and income tax expenses decreasing of Baht 6.57 million.

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

	Quantity (Projects)	Amount (Million Baht)
Power Electrical Engineering System	79	2,652
Telecommunication & Signaling	11	43
Renewable Energy Project	3	91
Total	93	2,786

Consolidated Financial Position information

Current assets as at September 30, 2022 was Baht 1,663.07 million which increased of Baht 6.80 million or 0.41% 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 Bah 20.02 million, increasing in inventory Baht 62.54 million and decreasing in current contract assets Baht 71.32 million.

Non-current assets as at September 30, 2022 was Baht 5,304.99 million which increased of Baht 12.56 million or 0.24% 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 36.24 million, restricted deposits at financial institutions decreased in Baht 25.00 million, and other non-current assets decreased in Baht 18.13 million.

Current liabilities as at September 30, 2022 was Baht 2,368.71 million which increased of Baht 147.18 million or 6.63% 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 221.13 million, current contract liabilities (Deposit received from customer and advance received) increasing of Baht 87.25 million, trade and other current payables decreasing of Baht 43.16 million, current portion of long-term loans decreasing of Baht 116.98 million.

Non-current liabilities as at September 30, 2022 was Baht 407.25 million which increased amount of Baht 25.35 million or 6.64% from non-current liabilities amount of Baht 381.90 million as at December 31, 2021, the mainly from increasing in Deferred tax liabilities Baht 22.51 million, non-current provisions for employee benefits Baht 9.43 million and decreasing in loan-term loan Baht 7.30 million.

Shareholders' equity as at September 30, 2022 was Baht 4,192.09 million, which decreased amount of Baht 153.18 million or 3.53% 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 nine-month period 2022.

Please be informed accordingly,

Yours sincerely,

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MR.Surabot Visutimatakul
Acting Executive Vice President
(Accounting, Finance and Budget Division)