

No. Demco 012/2024

May 15, 2024

Subject : The company's operating result for the quarter 1/2024

To : The president,  
The Stock Exchange of Thailand.

Demco Public Company Limited would like to inform you herewith the company financial result for the quarter 1/2024 according to the company's consolidated financial statements for the three-month period March 31, 2024. The analysis below provides a comprehensive overview of the company's performance, along with insights into the factors influencing these results as follow;

### **Operating Performance:**

#### **1. Revenues:**

The total revenues of the quarter 1/2024 was Baht 524.41 million increasing of Baht 91.35 million or 21.09% compared to Baht 433.06 million of the quarter 1/2023 This upward trend in revenues is indicative of the company's sales and services business and dividend income.

##### **1.1 The construction service business revenues**

In quarter 1/2024, total service revenues of Baht 367.93 million, signifying a drop of Baht 19.39 million or 5.01% from the same period in 2023 amounting to Baht 387.32 million with a decrease in Substation works, Civil Construction and Renewable Energy.

##### **1.2 The sale and service business revenues**

In quarter 1/2024, revenues from the sale business totaled Baht 122.84 million, reflecting a remarkable increase of Baht 92.12 million or 299.87% compared to Quarter 1/2023 amounting to Baht 30.72 million. The surge in revenues primarily from increased sales of woodchip fuel.

##### **1.3 The other income**

In quarter 1/2024, other income was Baht 33.65 million, rose by Baht 18.63 million or 124.03% from the comparing period of other income of Baht 15.02 million in 2023 which can be primarily attributed to dividend income from investment in renewable energy businesses.

#### **2. Gross loss:**

In Quarter 1/2024, the total gross profit to Baht 15.26 million, an increase of Baht 16.40 million compared to the gross loss of Baht 1.14 million reported in Quarter 1/2023.

##### **2.1 The gross profit of construction service business:**

In quarter 1/2024, reported a gross profit of Baht 16.42 million, equivalent to 4.46% of revenue with a slight increase of Baht 1.15 million from the same period in 2023 gross profit of Baht 15.27 million, which accounted for 3.94% of revenues. The

increase can be attributed to distribution work and underground work, partially offsetting the decrease in transmission line and civil construction.

**2.2 The gross profit and loss of sale and service business:**

In quarter 1/2024, a gross loss of Baht 1.16 million, equivalent to -0.94% of revenues. This demonstrates a decrease of Baht 15.25 million compared to the Quarter 1/2023 gross loss of Baht 16.41 million, accounting for -53.42% of revenues. The gross loss primary driver from allowance for diminution in value of inventories according to Thailand Accounting Standard, offsetting the increase of gross profit from selling of wood chip fuel to biomass power plant.

**3. Selling and administrative expenses**

In quarter 1/2024, selling and administrative expenses totaled Baht 72.39 million, reflecting an increase of Baht 8.83 million or 13.89% compared to the same period in 2023, which recorded expenses of Baht 63.56 million.

**4. Net loss:**

In quarter 1/2024, reporting a net loss of Baht 35.51 million. This represents a loss increase of Baht 9.97 million when compared with the net loss of Baht 25.54 million reported in the comparing period 2023 which can be primarily attributed to share profit(loss) from associates-Aeolus Power Co., Ltd.

**5. The projects still being under construction (not yet delivered to the owner)**

May 14, 2024 are as follows;

	Quantity (Projects)	Amount (Million Baht)
Power Electrical Engineering System	77	2,455
Telecommunication & Signaling	24	211
Renewable Energy Project	3	15
<b>Total</b>	<b>104</b>	<b>2,681</b>

## **Consolidated Financial Position information**

### **Current assets**

The total current assets as of March 31, 2024, amounted to Baht 2,033.32 million, reflecting an increase of Baht 90.60 million or 4.66% compared to December 31, 2023 (Baht 1,942.72 million). An increase accounted for Inventory amounted Baht 180 million in the raw materials and equipment to prepare, install, and deliver to the customer. However, the decrease in trade and other current receivables Baht 46 million and other current assets Baht 43 million lead to a significant impact on the reduction in current assets partially offset the overall increase.

### **Non-current assets**

The non-current assets as of March 31, 2024, stood at Baht 4,572.54 million, presenting an increase of Baht 96.06 million or 2.15% compared to December 31, 2023 (Baht 4,476.48 million). The increase was primarily driven by a measure of the value of investments in Khao Kor Wind Power Co., Ltd. amounted Baht 29 million and other non-current assets.

### **Current liabilities**

The total current liabilities as of March 31, 2024, were Baht 2,634.59 million, indicating an increase of Baht 196.30 million or 8.05% compared to December 31, 2023 (Baht 2,438.29 million). A significant increase of Baht 99.33 million in Bank overdrafts and Short-term loans and Baht 92.16 million in trade and other current payables contributed to the surge in current liabilities.

### **Non-current liabilities**

The non-current liabilities as of March 31, 2024, totaled Baht 395.07 million, presenting an increase of Baht 1.79 million or 0.46% compared to December 31, 2023 (Baht 393.28 million).

### **Shareholders' equity**

Shareholders' equity as of March 31, 2024, amounted to Baht 3,576.21 million, indicating a decrease of Baht 11.41 million or 0.32% compared to December 31, 2023 (Baht 3,587.62 million). This decline is primarily attributed to a measure of the value of investments in associates and share loss from associates.

Please be informed accordingly,

Yours sincerely,

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MR. Paitoon Gumchai



DEMCO Public Company Limited

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(Acting Chief Financial Officer)