



No. Demco AC002/2019

May 14, 2019

Subject : The company's operating result for the 1<sup>st</sup> quarter of year 2019

To : The president,  
The Stock Exchange of Thailand.

Demco Public Company Limited would like to inform you herewith the company result for the 1<sup>st</sup> quarter of year 2019 according to the company's consolidated financial statement ended March 31, 2019. The conclusions are as follow;

**Operating performance :**

1. Revenue : The total revenue of the 1<sup>st</sup> quarter of year 2019 was Baht 705.89 million representing a decrease 45.04% comparing to the total revenue of Baht 1,284.33 million of the same period of last year.

The revenue from service business of the 1<sup>st</sup> quarter of year 2019 Baht 634.83 million was decreased of Baht 326.65 million or 33.97% from the revenue from services business of Baht 961.48 million of 1<sup>st</sup> quarter of year 2018. The significant decreasing came from the reduction of the revenue from construction works of substation, communication system works due to the most work delivered.

The revenue from sale business of the 1<sup>st</sup> quarter of year 2019 Baht 57.10 million was decreased of Baht 246.63 million or 81.20% from the revenue from sale business of Baht 303.73 million of 1<sup>st</sup> quarter of year 2018. The revenue was decreased from the revenue of sold electrical equipment and the revenue from the sold telecommunication towers because the communication system 4G is coming to the end of the investment period.

2. Gross profit : The total gross profit of the 1<sup>st</sup> quarter of year 2019 was Baht 123.29 million representing an decreased of Baht 29.68 million or 19.40% of the total gross profit of Baht 152.98 million of 1<sup>st</sup> quarter of year 2018 consistent with lower revenue. The total gross profit rate was increased from 12.09% to 17.82% as follow:

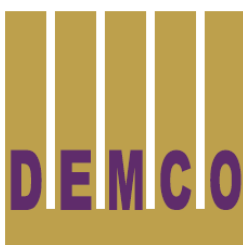
The gross profit from service business of the 1<sup>st</sup> quarter of year 2019, the Company has gross profit from service income of Baht 111.41 million or 17.55% decreased from the same period of last year of Baht 20.10 million or 15.29% decreasing

The gross profit from sale business of 1<sup>st</sup> quarter of year 2019, the Company has a loss from sale income of Baht 11.88 million or 20.81% decreasing from the same period of last year of profit Baht 21.46 million The gross profit from sale business rate was increased from 7.07% to 20.81% because of the profit from cutting and drilling steel frame work.

3. Sales and administrative expenses : Sales and administrative expenses of the 1<sup>st</sup> quarter of year 2019 was Baht 97.83 million increased of Baht 7.72million comparing to the 1<sup>st</sup> quarter of year 2018 which be Baht 90.12 million or 8.56%.

Sales and administrative expenses (Normal entry) was Baht 79.24 million which decreased 3.28% comparing to the sales and administrative expenses (normal entry) of Baht 81.93 million of 1<sup>st</sup> quarter of year 2018.

Sales and administrative expenses (Special entry) was Baht 18.59 million result from compensation for loss of production cost which increased comparing to the compensation of Baht 8.19 million of 1<sup>st</sup> quarter of year 2018.



Details of the costs involving to the WTGs foundation improvement for Huay Bong 2&3 Wind Farm as at March 31, 2019 were as shown in the table.

Description	Estimated total improvement cost (as of year 2018)	Estimate and cost for accounting recorded in 1st quarter of 2019	Estimated total improvement cost (as of 1st quarter of year 2019)	Aggregate actual cost ended as of March 31, 2019	Estimated Improvement cost (For remaining works) As at March 31, 2019
Improvement cost	681.69	-	681.69	514.64	167.05
Re-design cost, advisor cost, insurance, etc.	111.08	-	111.08	92.59	18.49
Sub-total cost	792.77	-	792.77	607.23	185.54
Compensation for Loss of production cost	788.91	18.59	807.50	807.50	-
Total cost	1,581.68	18.59	1,600.27	1,414.73	185.54
Deduct owners' compensation	(30.00)	-	(30.00)	-	(30.00)
Net cost	1,551.68	18.59	1,570.27	1,414.73	155.54

4. Net profit : the net profit of the 1<sup>st</sup> quarter of year 2019 is Baht 51.66 million representing an decreased of 33.61% of the net profit of 1<sup>st</sup> quarter of year 2019 of Baht 77.80 million mainly due to the decrease in revenue and increased from administrative expenses(Special entry). The Net profit rate was increased from 6.06% to 7.32%

5. The projects still being under construction (not yet delivered to the owner) at May 14, 2019 are as follows;

	Quantity (Projects)	Amount (Million Baht)
Power Electrical Engineering System	65	2,112.40
Telecommunication & Signaling	3	133.36
Renewable Energy Project	2	86.75
<b>Total</b>	<b>70</b>	<b>2,332.51</b>

#### Consolidated Financial Position information

Current assets as at 31<sup>st</sup> March, 2019 was Baht 2,117.18 million increase amount of Baht 91.39 million or 4.51% from current assets amount of Baht 2,025.79 million as at 31<sup>st</sup> December 2018. The increase from recorded trade and other receivables of amount Baht 101.36 million and inventories Baht 26.10 million.

Non-current assets as at 31<sup>st</sup> March, 2019 was Baht 3,916.90 million increase slightly amount Baht 35.81 million or 0.92% compared to non-current assets as at 31<sup>st</sup> December 2018

Current liabilities as at 31<sup>st</sup> March, 2019 was Baht 2,412.91 million increase of Baht 142.35 million or 6.27% from current liabilities amount of Baht 2,270.56 million as at 31<sup>st</sup> December 2018, the increase from recorded account payables and other payables amount Baht 129.46 million.

Non-current liabilities as at 31<sup>st</sup> March, 2019 was Baht 397.71 million decreased slightly amount Baht 47.82 million or 10.73% from non-current liabilities amount of Baht 445.53 million as at 31<sup>st</sup> December 2018.

**Shareholders' equity** as at 31<sup>st</sup> March, 2019 was Baht 3,223.45 million increased amount of Baht 48.53 million from Performance Operation results of 1<sup>st</sup> quarter of year 2019.

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