

February 28, 2020

SET-20-AC-001

Dear The President
The Stock Exchange of Thailand

Subject : Clarification of Result's Operation for the year ended 31 December 2019

According to the resolution of BKD's Board 1/2020 on February 28, 2020 has been approved the financial statements for year ended 31 December 2019. The Company net profit of 85.66 million baht which decrease 84.76 million baht or (49.74%) by compared with the net profit at 170.42 million baht same period at last year.

The changing over than 20% from the main causes as follows:

Summary of important financial information

	December 31, 2019	December 31, 2018	Additional changes (reduction)	
			amount	percent
Revenues from sale	4.57	2.60	1.97	75.77
Revenues from service	743.70	1,159.94	(416.24)	(35.88)
Total revenues⁽¹⁾	748.27	1,162.54	(414.27)	35.64
Cost of sales	3.13	1.63	1.50	92.02
Cost of service	525.91	880.54	(354.63)	(40.27)
Total cost of sales⁽²⁾	529.04	882.17	(353.13)	(40.03)
Interest income	1.33	1.01	0.32	31.68
Gain on sale of investment	2.26	2.77	(0.51)	(18.41)
Other income	7.00	4.69	2.31	49.25
Total other income⁽³⁾	10.59	8.47	2.12	25.03
Administrative expenses	75.51	76.74	(1.23)	1.59
Bad debt and doubtful accounts (reversal)	16.17	(2.27)	18.44	(812.33)
Total expenses⁽⁴⁾	91.68	74.47	17.21	23.13
Share of loss on investments in joint ventures ⁽⁵⁾	(30.78)	(1.48)	29.30	1,979.73
Tax expense	(21.61)	(42.39)	(20.78)	(49.02)
Profit Owners of the Company	85.66	170.42	(84.76)	(49.74)

1. Revenues from service and Revenues from sale in the amount of 748.27 million baht, The revenues from service 743.70 million baht, compared to 1,159.94 million baht in the year 2018 which decrease of 416.24 million baht or (35.88%) because in the year 2019, the company has plans to development the internal organization. To support the continuous growth rate in the future by focusing on the allocation of capital to improve factories and machineries instead of revenue growth and the revenue from sales is 4.57 million baht compared to the year 2018, 2.60 million baht, an increase of 1.97 or 75.77% due to this period the company had revenue from export 2.04 million baht.
2. Cost of service and cost of sales in the amount of 529.04 million baht, which is the service cost of 525.91 million baht compared with the year 2018, 880.54 million baht, decrease 354.63 million baht or (40.27%) because in the year 2019, the project department has managed the project with more tightness and the cost control methods had been improved. The company has the cost of sales in the amount 3.13 million baht, compared to the previous year 1.63 million baht, an increase of 1.50 million baht or 92.02% due to the cost of export amount 1.67 million baht.
3. Other income in the amount of 10.59 million baht compared with the year 2018, 8.47 million baht increase 2.12 million baht or 25.03% from the interest income 1.33 million baht of bills of exchange, the interest from fixed deposits, gain&(loss) from the current investments acquisition 2.26 million baht and other income 7.00 million baht.
4. Expenses in the amount of 91.68 million baht compared with the year 2018, 74.47 million baht increase 17.21 million baht or 23.13% from the administrative expenses 75.51 million baht, which decrease of 1.23 million baht compared to the year 2018, the company had the financial advisor fee of the production and distribution of tap water in some parts of Phuket and some areas of Phang Nga Province project. and bad debt and doubtful accounts amount 16.17 million baht, increased by 18.44 million baht according to the policy on allowance for doubtful accounts.
5. Share of loss on investments in joint ventures (30.78) million baht, which increase of 29.30 million baht or 1,979.73% compared to the year 2018 amount (1.48) million baht caused by investment in the distribution of tap water in some parts of Phuket and some areas of Phang Nga Province project. Which is in the initial phase of investment in the property and is not yet full at capacity.

Please be informed accordingly.

Miss Kanoknart Ratanasuwanachart
Board of Director
Authorized Persons to Disclose Information