

Management Discussion and Analysis (MD&A) and operating result of the fourth quarter and the year of 2019

Turnover

Revenue

In the fourth quarter and the year of 2019, the revenue of the Company was 1,184 million baht and 3,729 million baht, respectively. When comparing, it increased 101 million baht or 9.3% and increased 338 million baht or 10% from the same period of the previous year, respectively. Since the year 2019, the Company had delivered projects and made more revenue from selling and service from the year 2018.

Cost of Sales and services

In the fourth quarter and the year of 2019, the cost of sales and services of the Company was 861 million baht and 2,894 million baht, respectively. When comparing, it decreased 10 million baht or 1.2% and increased 169 million baht or 6.2% from the same period of the previous year, respectively. Since in the year of 2019, the company had delivered more projects from the year of 2018.

Sales and administrative expenses

In the fourth quarter and the year of 2019, the sales and administrative expenses of the company was 181 million baht and 557 million baht, respectively. When comparing, it reduced 247 million baht or 57.7% and 249 million baht or 30.9% from the same period of the previous year, respectively. Since in the fourth quarter of the year 2019, the Company had the cost of non-recurring item that was not the direct cost from the main operation of the Company; estimated impairment of investment in Subsidiary Companies and Associate Companies in the amount of 202 million baht, loss from the sale of investments in subsidiaries in the amount of 61 million baht, reserving for long-term employee benefits in compliance with the Labor Protection Act in the amount of 20 million baht. The cost from items that are not expenses incurred from the main business operation of that business did not affect the cash flow of the Company.

Corporate Income Tax

In the fourth quarter and the year of 2019, the corporate income tax of the company was 18.8 million baht and 53.1 million baht, respectively, increasing 25.9 million baht or 363.3% and 34.7 million baht or 188.9%, from the same period of the previous year respectively, because of increasing profit and defer tax.

Comprehensive income for the period

In the fourth quarter and the year of 2019, the comprehensive income for the period of the company was 113.7 million baht and 214.7 million baht, respectively, increasing 321.8 million baht and 378.6 million baht. For the year 2019 of the operation of the main business, the Company made more revenue from the previous year and was able to make profit. The loss that happened to the Company in the year of 2019 was from the cost of non-recurring item that was not the direct cost from the main operation of the Company; estimated impairment of investment in Subsidiary Company and Associated Companies in the amount of 202 million baht, loss from the sale of investments in subsidiaries in the total amount of 61 million baht, reserving for long-term employee benefits in accordance with the Labor Protection Act in the amount of 20 million baht. The cost from items that are not expenses incurred from the main business operation of that business did not affect the cash flow of the Company.

Financial Status

Assets

As of December 31st, 2019, the total assets amounted to 3,670 million baht, increasing 340 million baht or 10.2% from the previous year. As a result of the increasing of 340 million baht, it came from the related items; decreasing total cash, cash equivalents and temporary investments in the amount of 140.8 million baht, increasing account receivables and other receivables in which most receivables were not yet due in the aggregate amount of 341.3 million baht, decreasing related business receivables in the total amount of 18.1 million baht, decreasing in unbilled income in the amount of 97.3 million baht, reducing job costs during installation in the amount of 228.1 million baht in accordance with the work procedures. Also, non-current assets were increased in the amount of 76.5 million baht from the related items; increasing net device in the amount of 10.2 million baht, increasing intangible assets in the amount of 4 million baht, increasing funds in associated companies in the amount of 47.2 million baht due to the increasing investment in business that have the opportunity to increase profits.

Debts

As of December 31st, 2019, the total debts amounted to 1,813 million baht, increasing 214 million baht or 13.4% from the previous year. It came from the related items; decreasing trade account payable and other payables in the amount of 74 million baht, increasing accrued expenses in the amount of 31 million baht, increasing received income in the amount of 99 million baht in advance, and increasing unbilled costs in the amount of 13 million baht.

Shareholders' Equity

As of December 31st, 2019, the shareholders' equity amounted to 1,832 million baht, increasing 126 million baht or 7.3% from the previous year. It came from the company had total comprehensive loss for the year of 2019 in the amount of 215 million baht and in the second quarter of 2019, the company paid dividend from operating results for the year of 2018 to shareholders in the amount of 88.3 million baht.

Financial Ration

The necessary ratios are illustrated below;

Ratio	As of December 31 st , 2019	As of December 31 st , 2018
Ratio of Liquidity (Times)	1.90	1.90
Ratio of Debts to Shareholders' equity (Times)	0.98	0.92
Ratio of Gross Profit (%)	21.5	18.4
Ratio of Net Profit (%)	6.1	(4.9)
Ratio of Book Value per Share (Baht)	4.2	3.9

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