



At SR-E2564/002

18th February, 2021

Subject : Management Discussion and Analysis (MD&A) for the year ended 31 December 2020.

To : President of the Stock Exchange of Thailand

Siamraj Public Company Limited (“The Company”) would like to clarify the operating results for the year ended 31 December 2020 which the details are as follows;

Table of key financial results

(Units: Million Baht)	Q4	Q4	%	2020	2019	%
	2020	2019	Inc.(Dec.)			YOY
Revenues from construction & sales and services	391.73	718.43	(45.47%)	1,727.57	1,699.94	1.63%
Other incomes	(3.26)	(1.01)	(222.77%)	5.87	3.64	61.26%
Total revenues	388.47	717.42	(45.85%)	1,733.44	1,703.58	1.75%
Cost of construction & cost of sales and services	(337.82)	(647.71)	(47.84%)	(1,692.68)	(1,476.44)	14.65%
Operating expenses	(46.00)	(53.54)	(14.08%)	(174.31)	(205.91)	(15.35%)
Total cost and operating expenses	(383.82)	(701.25)	(45.27%)	(1,866.99)	(1,682.35)	10.98%
Profit(Loss) for the periods	8.32	15.79	(47.31%)	(129.68)	20.38	(736.31%)

For Fourth quarter of 2020 compared with Fourth quarter of 2019

In the fourth quarter of 2020 (Q4/2020), the Company had net profit of Baht 8.32 million, decreased by Baht 7.47 million or 47.31% compared with the fourth quarter of 2019 (Q4/2019) mainly due to ;

Main Revenues

Company’s revenue in the fourth quarter (Q4/2020) was Baht 391.73 million, decreased from fourth quarter (Q4/2019) by Baht 326.70 million or 45.47%. The significant decrease in revenue came from;

- (1) The numbers of outstanding construction project on hand and their value were significantly less than those of the same period of last year.
- (2) The outbreak of Coronavirus Disease 2019 (“COVID-19”) in early 2020 has negative effects on operating results of the rental area of car park business and NGV service station included in the alternative energy segment. Including investment in various projects has been postponed.

Other incomes

Other incomes in 2020 was Baht -3.26 million, decreased from fourth quarter (Q4/2019) by Baht 2.25 million or 222.77% due to the decreased from impairment investments in associates by Baht 5.77 million.



Cost and Operation expenses

The Company had cost and operating expenses of Baht 383.82 million, decreased of Baht 317.43 million or 45.27% from the fourth quarter of 2019 (Q4/2019), due to a consequence from decreasing in variable costs and revenues.

Year 2020 compared with Year 2019

The Company's net loss in 2020 was Baht 129.68 million, decreased by Baht 150.06 million or 736.31% from 2019 mainly caused by;

Main revenues

The Company generated main revenue of Baht 1,727.57 million, increased by Baht 27.63 million or 1.63% from the previous year. The reason of increased main income significantly was from a gain of sale volume of the engineered pumps & system business unit since the last ended year which that period was the coronavirus 2019 outbreak lightly, so there were increased of product ordered.

Other incomes

The Company reported other incomes of Baht 5.87 million, increased by Baht 2.23 million or 61.26% from the financial instruments for hedging by doing the futures contract.

Cost and Operation expenses

The Company costs and operation expenses of Baht 1,866.99 million, increasing by Baht 184.64 million or 10.98% from the fourth quarter of 2019 (Q4/2019), as a consequence from increasing in variable costs and revenues.

- 1) The Metering and Pipeline Transmission Business Unit had increased costs of construction projects because of the delayed project construction from the plan, moreover importing delayed during the COVID-19 outbreak. As a result, there is more cost estimation for construction projects to expedite the work to be completed to meet the schedule
- 2) The change is a result of the increase in variable cost which move in response to the increase of revenues mainly from the Alternative Energy Business Unit.
- 3) The Company considers the impairment on devalue of inventories in the Alternative Energy Business Unit of Baht 71.37 million which it is on process of claiming with supplier following the contract and adjust net present value .

Sincerely Yours.

(Mrs. Udomporn Jiranapakulwat)
Chief Finance Officer and Accounting