

BJC Heavy Industries Public Company Limited
594 Moo 4, Makhamkoo, Nikompattana,
Rayong, 21180 Thailand
Tel. : +66 (0) 33 017 345-7
Fax. : +66 (0) 33 017 348
Registration No. : 0107556000302



บริษัท บีเจซี เอพรี อินดัสทรี จำกัด (มหาชน)
594 หมู่ 4 ต.มะขามคู่อ.นิคมพัฒนา
จ.ระยอง 21180 ประเทศไทย
โทรศัพท์ : +66 (0) 33 017 345-7
แฟกซ์ : +66 (0) 33 017 348
เลขทะเบียนนิติบุคคล : 0107556000302

-Translation-

Ref: No BJC/SET 2562/013

13 August 2019

Subject: Clarification on Significant Changes in Operating Results for 2Q2019

To: President
The Stock Exchange of Thailand

BJC Heavy Industries Public Company Limited (hereinafter referred to as "the Company") would like to clarify the changes in 2Q2019 Operating Results as compared with those in 2Q2018 as follows.

2Q2019 Business Overview

During 2Q2019, the Company had a gross profit of 151.4 million baht and a net profit of 12.3 million baht, which improved when compared to the same period of the previous year with a loss of performance. The main reason due to the Company has recognized of revenue from the UPGN Comperj Project and Santos Onshore Upstream Development Project which began to be fully operational this year. In addition, the Company has received additional work of Ophir project, as well, resulting in better performance in 2Q2019.

Revenue

Contracted Revenue

In 2Q2019, Contracted Revenue (excluding other revenue) was 772.8 million baht Contracted Revenue decreased by 77.7%, comparing with that of the same period of last year at 122.6 million baht because the revenue was increased due largely to the increased of project activities.

Other Revenue

In 2Q2019, other revenue (excluding FX gain) was 12.5 million baht, increasing from 7.2 million baht in 2Q2018 mainly caused by interest income from long term loan.



Expenses

Contracted Costs

Contracted Costs in 1Q2019 was 621.4 million baht, representing by 66.6 % of Contracted Revenue comparing with 2Q2018 Contracted Costs at 207.5 million baht, representing by 80.4 % of Contracted Revenue. the costs was increased due largely to the increased of project activities.

Selling, General and Administrative expenses (SG&A)

Selling, General and Administrative expenses (SG&A) in 2Q2019 was 72.5 million baht, increasing by 40.8% from 2Q2018 which was 42.9 million baht which in line with the increased of project activities.

Foreign Exchange (FX) Impact

In 2Q2019, the company recognized FX loss by 79.4 million baht as compared with 2Q2018 FX loss at 132.0 million baht. This was due to the anticipation of THB against US dollar after foreign capital fund flows entered into developing markets including Thailand.

Gross Profit and Net Profit

In 2Q2019, Gross Profit was 151.4 million baht, positively improving from 2Q2018 at negatively 85.0 million baht. At the same time, Net Profit in 2Q2019 was 12.3 million baht as compared with that in 2Q2018 at 1.8 million baht due largely to the increased of project activities as mentioned above.

Please be informed accordingly,

Best regards,
BJC Heavy Industries Public Company Limited

-Mr. Seung Woo Lee-

(Mr. Seung Woo Lee)
Director/Deputy Managing Director