

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

At BJC/SET 2564-010

15 November 2021

Subject: Explanation of 3Q2021 Operating Results

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 3Q2021 Operating Results as compared with those in 3Q2020 as follows.

### 3Q2021 Business Overview

During the 3Q2021, the global economic conditions has improved as many business and economic activities were resuming, this has led the rising commodity prices such as oil, coal, natural gas etc.

In line with the global's economic recovery and positive momentum in the energy markets, BJCHI continues receiving new bids from many clients in several industries such oil and gas, petrochemical, power plant, mining, green energy and infrastructure projects from both existing and prospect clients.

Total bidding value for the Company as of 3Q2021 was over 36,000 million, spreading into a wide range of industries as explained above.

The Company strongly believes that there should be more project opportunities for BJCHI in the near future.

As earlier mentioned, with the global economic recovery following economic stimulus packages and lockdowns relaxation from pandemic, these have sent the positive sentiment to commodity markets.

Prices of key Commodity products like crude oil and natural gas continued rising from end of 2020 mainly from continuous recovery in demand thanks to economic reopening and supply tightness due to investment slowdown and lack of exploration activities during the industry downturn previously.



Green Energy is another mega trend that has shown the impressive growth for several years ago. With rising concerns to the environment, much of capital expenditures have been allocated for this fastest-growing energy source while BJCHI has actively been invited to project bids relating to Green Energy projects.

In 2021, annual global energy investment is set to rise to USD 1.9 trillion, rebounding nearly 10% from the previous year and bringing the total volume of investment back towards pre-crisis levels.

Among the spreading of COVID-19 disease, the company successfully delivered Koodaideri's mining project to Australian client, proving that BJCHI has the outstanding capabilities to execute large-scale projects under the abnormal situation. We strongly believe there should be potential opportunities to work with the client again in the future.

## **Revenue**

### Contracted Revenue

In 3Q2021, Contracted Revenue (excluding other revenue) was 239.8 million baht. Contracted Revenue decreased by 42.6%, comparing with that of the same period of last year at 417.6 million baht due mainly to the slowdown of project.

### Other Revenue

In 3Q2021, other revenue (excluding FX gain) was 5.1 million baht, as compared to that in 3Q2020 at 8.1 million baht due to the decrease in service income.

## **Expenses**

### Contracted Costs

Contracted Costs in 3Q2021 was 173.5 million baht, representing by 72.4% of Contracted as compared to that in 3Q2020 at 127.6% of Contracted Revenue. The decreased Contracted Cost to revenue in this quarter was due mainly to the absence of potential cost from a suspended project as well as rising productivity from some exiting projects.

### Selling, General and Administrative expenses (SG&A)

Selling, General and Administrative expenses (SG&A) in 3Q2021 was 30.3 million baht, comparing with that in 3Q2020 at 38.8 million baht due mainly to the ongoing effort in efficient cost control.

## **Foreign Exchange (FX) Impact**

In 3Q2021, the company recognized FX gain by 92.1 million baht, as compared with 3Q2020 FX gain at 48.0 million baht due to the ongoing depreciation of THB against US dollar in 3Q2021.

## **Gross Profit and Net Profit**

In 3Q2021, Gross Profit was 66.3 million baht, equivalent to 27.6% in Gross Profit Margin as compared to negative Gross Profit at 115.1 million baht, equivalent to negatively 27.6% in 3Q2020. The improvement in Gross Profit Margin resulted from the absence of potential cost from a suspended project as well as rising productivity from some exiting projects.

Net Profit in 3Q2021 was 131.3 million baht as compared with that negative number in 3Q2020 at 119.0 million baht. Net Profit Margin improved from the negative number at 25.1% in 3Q2020 to the positive number at 39.0% in 3Q2021, as a result of reasons discussed 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