

บริษัท เด็มโก้ จำกัด (มหาชน)

DEMCO PUBLIC COMPANY LIMITED

MARCH 30th, 2023

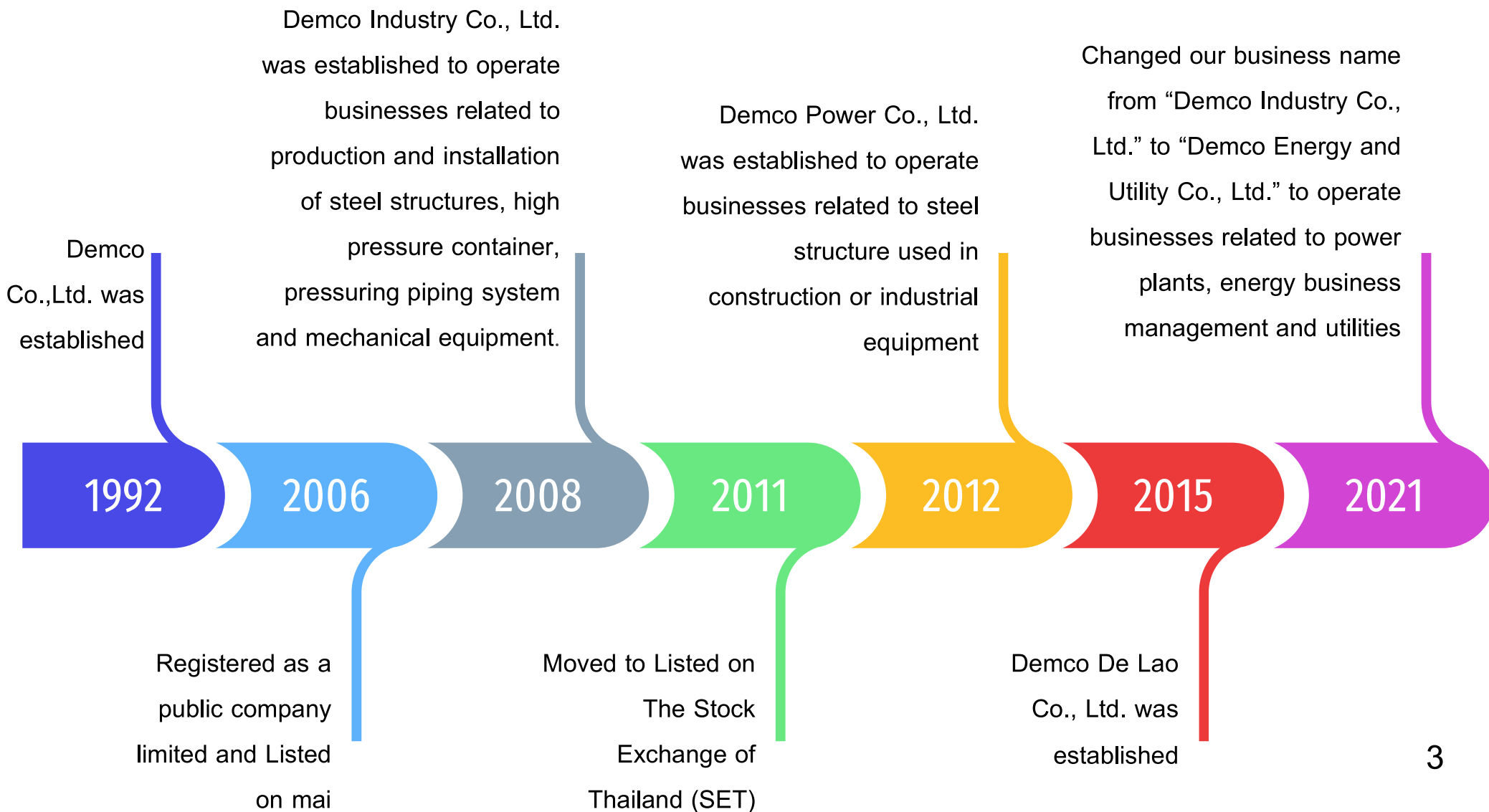


AGENDA

-  **COMPANY OVERVIEW**
-  **TYPES OF BUSINESS**
-  **FINANCIAL HIGHLIGHTS**
-  **KEY DRIVER FOR FUTURE REVENUE**
-  **Q & A**



KEY MILESTONE





AGENDA



COMPANY OVERVIEW



TYPES OF BUSINESS

- A. Services (as turnkey contractor)
- B. Factory & Sale
- C. Investment



FINANCIAL HIGHLIGHTS



KEY DRIVER FOR FUTURE REVENUE



Q & A



TYPES OF BUSINESS

A. Services (as turnkey contractor)

- **Electrical System**
- **Mechanical, Electrical, Instrumentation and Telecommunication System (MEIT)**
- **Renewable Power Plant (Wind Farm, Solar Farm, Waste to Energy)**

B. Factory & Sale

- **Steel structure for transmission line and telecommunication tower**

C. Investment

- **Power Plant : Wind Farm & Solar Farm**
- **Public Utility**

A : Services (as turnkey contractor)



Electrical System



Hydro/Power Plant



230 kV - 500 kV High Voltage
Transmission Line System



500 kV - 230 kV Substation
230 kV - 115 kV Substation



115 kV - 230 kV High Voltage
Transmission Line System



115 kV - 22 kV
Substation



22 kV and 33 kV
Distribution Line System



380 V and 220 V Low Voltage
Distribution System



Industrial Plant



Industrial Plant/Community Area/Residence Area

Type of Services



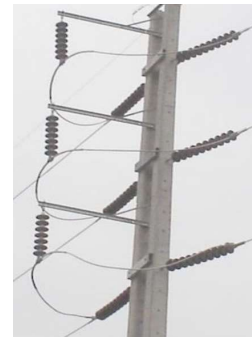
A : Services (as turnkey contractor)



Electrical System

1. High Voltage Transmission Line System Construction :

To transmit electrical power from electrical generators to 69 kV – 500 kV substations



Hot dip galvanized steel tower for transmission line manufactured by DEMCO PLC as well.

2. High Voltage Substation Construction :

To control, monitor, and step up/down 69 kV – 500 kV power system transmitted from electrical generators through high voltage transmission line



- Air Insulated or Conventional Type (Out door)
- SF6 Gas Insulated Type (In door)

A : Services (as turnkey contractor)

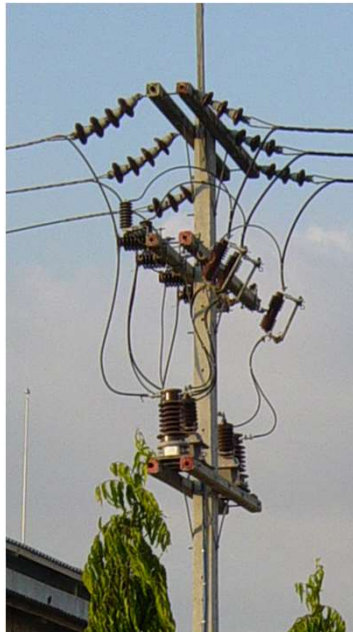


Electrical System

3. High Voltage Distribution Line System Construction and Underground Cable System

Construction :

- HV Distribution system – Concrete poles with accessories construction & stringing conductors or cables to 22kV or 33 kV electrical equipment
- HV Underground Cable System – Conduit work and 22 kV – 115 kV underground cable extrusion





A : Services (as turnkey contractor)



Mechanical, Electrical, Instrumentation and Telecommunication System (MEIT)

1. Mechanical and Piping System :

Provide comprehensive system of Heating, Ventilation, and Air-conditioning (HVAC), Water supply system and sanitation (WSS), Industrial and Process Piping, Firewater Protection and Deluge Services, Water Supply Pump and Pipeline System, and Storage Tank system for Oil, Gas, Water or Chemical product.



2. Electrical and Instrumentation System :

Provide electrical service, measuring system including the control system.

3. Telecommunication System :

Design, procure, install and test system for communication and telecommunication including the installation of fiber optic cable networks with the installation of communication equipment both on electric pole and underground.



A : Services (as turnkey contractor)



Renewable Power Plants

Renewable Energy :

Design , procure, construct, and install equipment for renewable power plant of Biomass, Wind farm and Solar energy



Past Experience :

- Constructed 453 mw wind farm as balance of plant contractor, contracts amount ₱ 8,046 million
- Constructed 321 mw solar farms, contracts amount ₱ 8,677 million



B : Factory & Sale

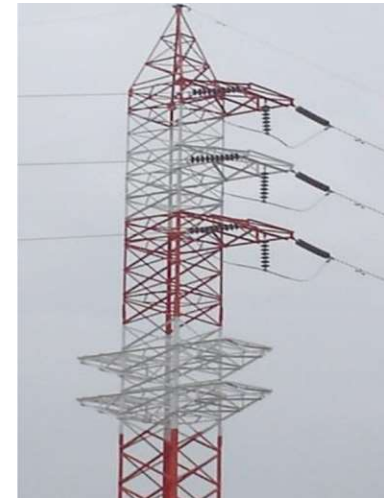
Steel structure for transmission line & telecommunication tower

✓ Annual capacity 16,000 ton per year

Telecommunication Tower



High Voltage Transmission Line



One of five EGAT Authorized Vendors for the supply of 500kV transmission line towers



C : Investment



Wind farm : 57.9 MW

- 15% in 180 MW. Wind farm (operated in 2012 - 2013) = 27.0 MW
- 14% in 60 MW. Wind farm (operated in 2016) = 8.4 MW
- 3.9% in 576 MW. Wind farm (operated in 2018 - 2019) = 22.5 MW



Solar farm : 3.0 MW

- 100% in 1 MW. Solar rooftop (COD operated in 2014) = 1.0 MW
- 45.7% in 3 MW. Solar farm (COD operated in 2014) = 1.3 MW
- 49-51% in 1.4 MW. Solar rooftop (COD operated in 2015) = 0.7 MW



Solar PPA : 9.7 MW

- 2 Projects (COD operated in 2021 and Q1-Q4/2022) = 1.4 MW
- 10 Projects (Under construction Expect COD in 1H/2023) = 3.8 MW
- 4 Projects (Expect COD in Q4/2023) = 4.5 MW



Water supply system:

- 100% in water supply system concession (operated in 2017)



AGENDA



COMPANY OVERVIEW



TYPES OF BUSINESS



FINANCIAL HIGHLIGHTS

Revenues Structure

Gross Profit

Net Profit

Statements of Financial Position

Projects Backlog



KEY DRIVER FOR FUTURE REVENUE



Q & A



FINANCIAL HIGHLIGHTS 2022

2021

2022

2,731 MB

Revenue

-21.7%

2,137 MB

201 MB

Gross Profit

-51.3%

99 MB

7.9 %

**Gross Profit
Margin**

-3.2%

4.7 %

101 MB

Net Profit

-226.7%

-128 MB

3.7 %

**Net Profit
Margin**

-9.6%

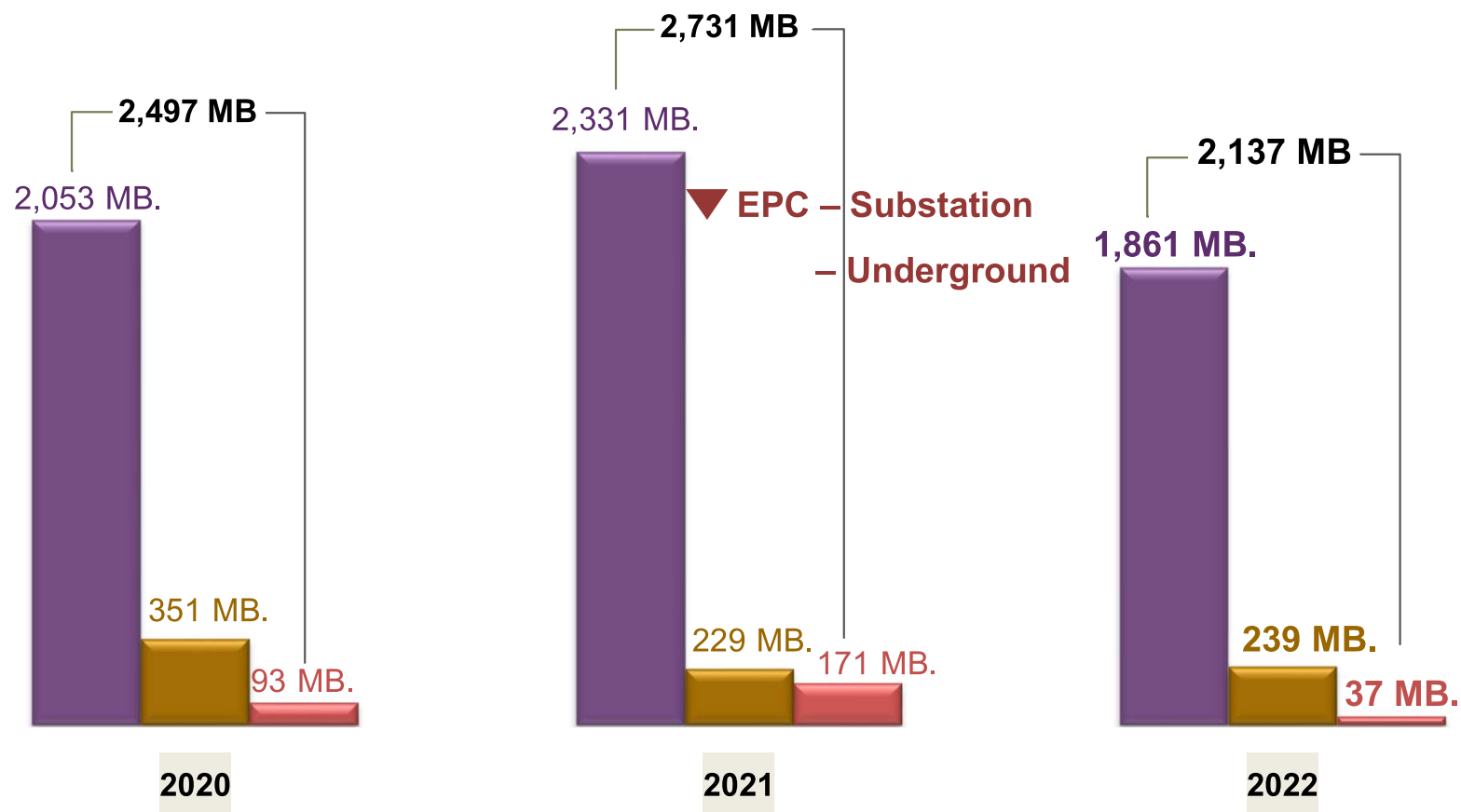
-5.9 %



FINANCIAL HIGHLIGHTS 2022

Revenues Structure

■ Service ■ Sales ■ Other Income



Revenues Structure >>

82 : 14 : 4

85 : 9 : 6

87 : 11 : 2



FINANCIAL HIGHLIGHTS 2022

Revenues from Sales

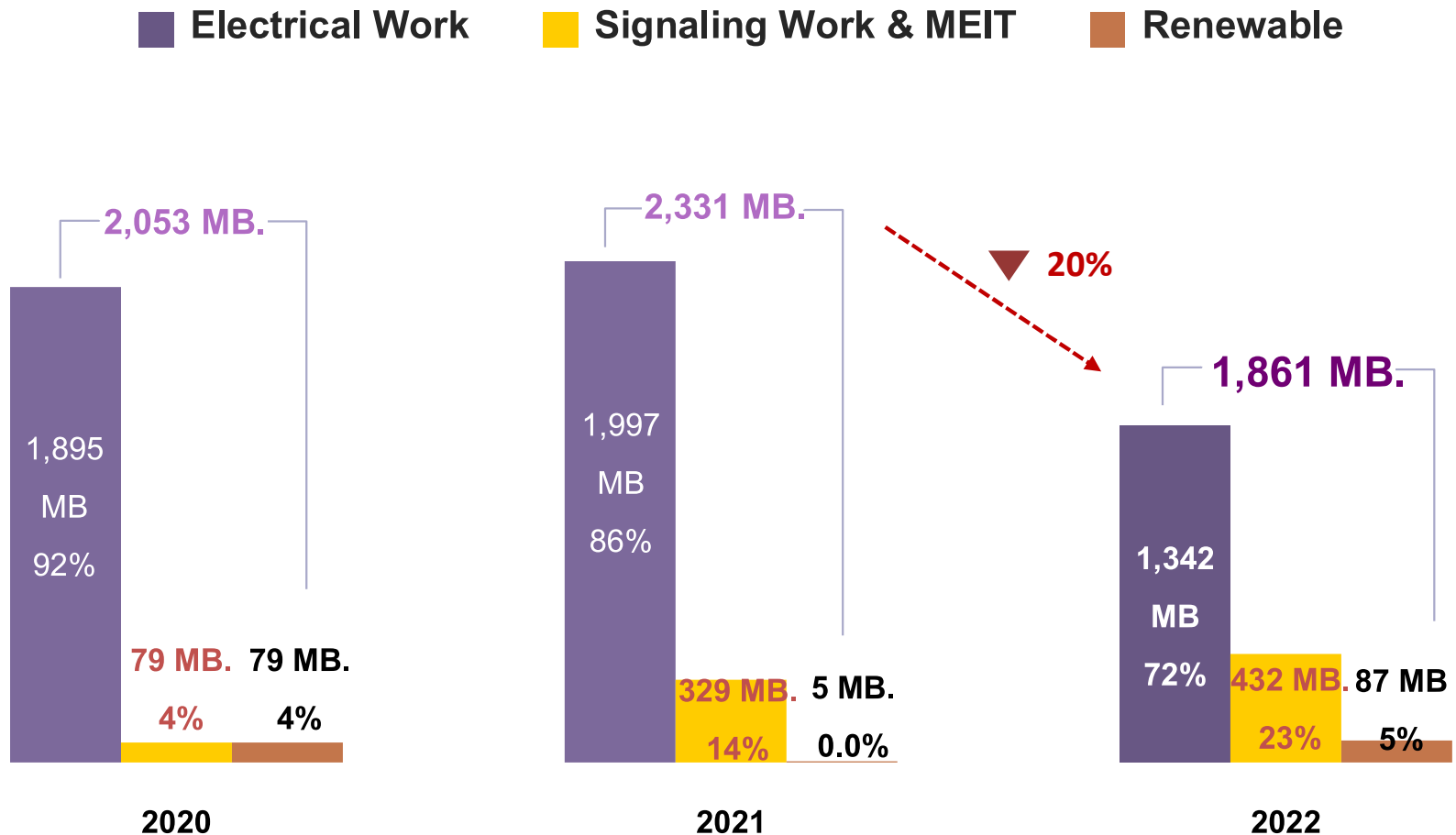


Revenues from Sales 2022 slightly increased from 2021 mostly from steel structure sales whereas Equipment Sales decreased.



FINANCIAL HIGHLIGHTS 2022

Revenues from Services

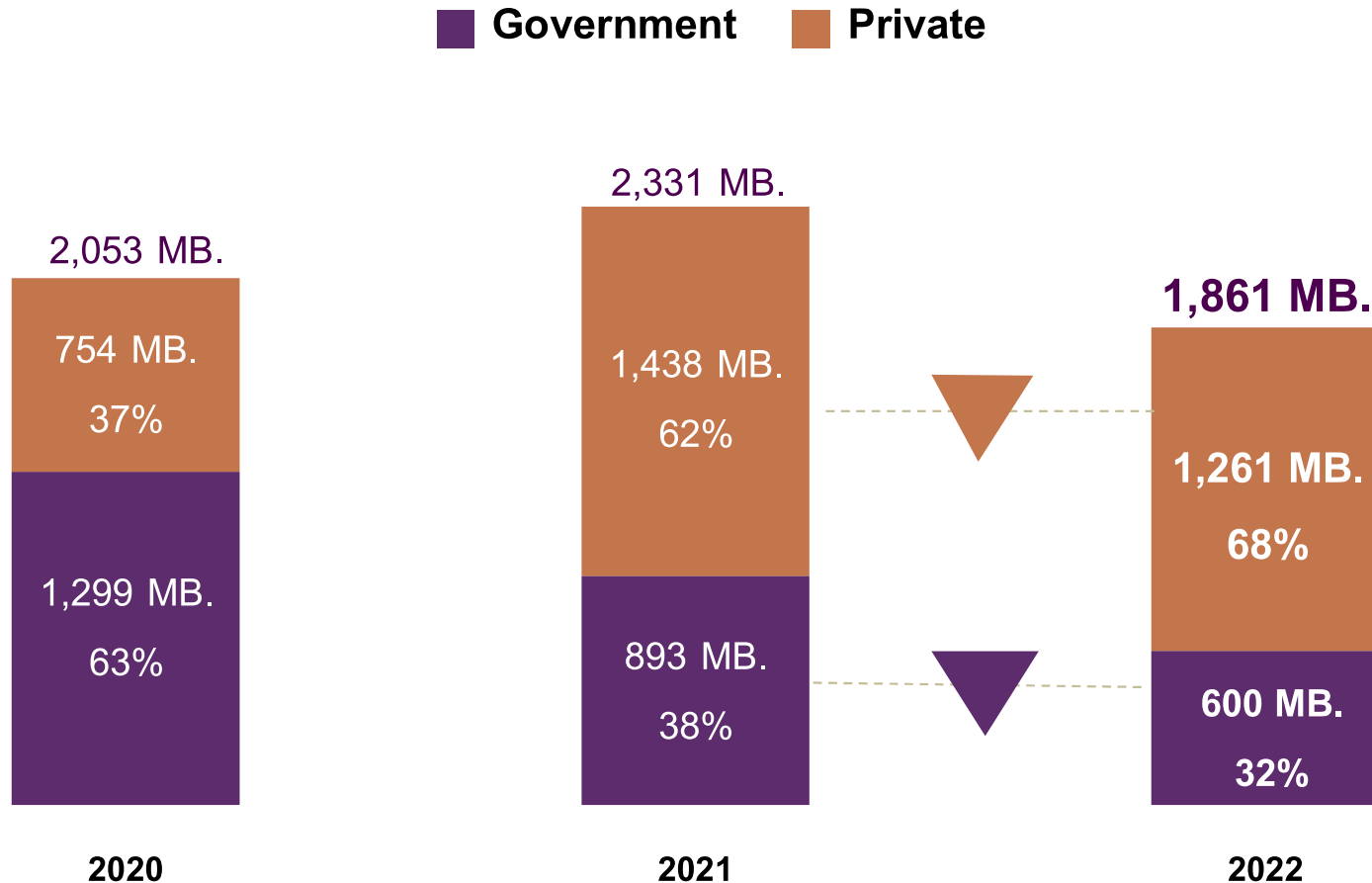


Revenues from services decreased from substation and underground works due to delay of Government's bidding plans and delayed in the project area entry permit that impacted to revenue recognition in 2022 but Signaling Work & MEIT and Construction work increased.



FINANCIAL HIGHLIGHTS 2022

Services Revenues by Customer



Decreased mainly from delayed in the project area permit (Motorway Project).

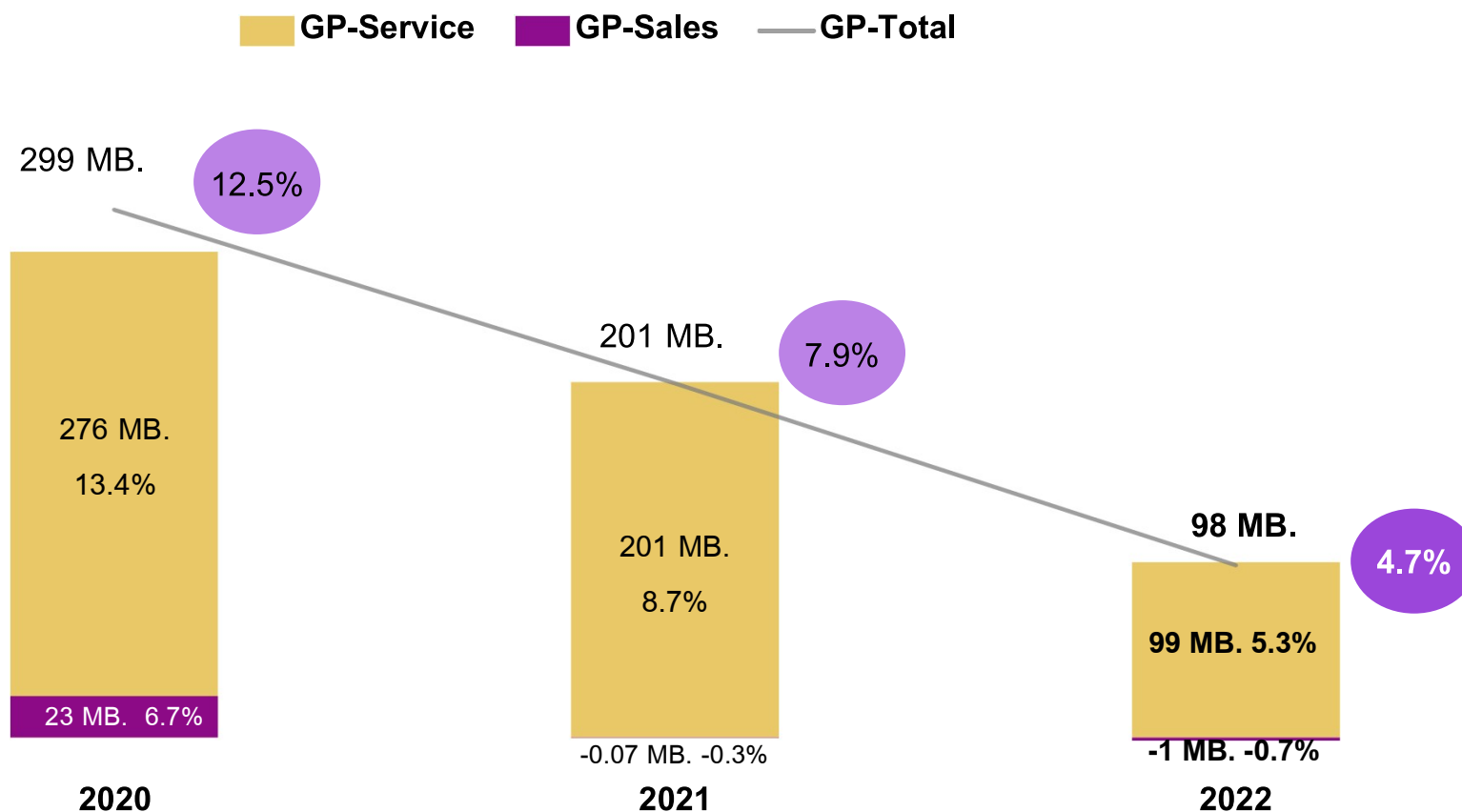


Decreased from delayed in bidding plan, regarding to the increasing in budget cost.



FINANCIAL HIGHLIGHTS 2022

Gross Profit



103 MB GP Amount : 2022 decreased from the revenue recognition in Electrical work and increasing cost in material and project overhead due to the economic crisis.

3.2% GP margin : 2022 decreased from higher cost in material and project overhead due to the inflation.



FINANCIAL HIGHLIGHTS 2022

Net Profit

2020

NP 55.20 MB.

2.21%

Share profit (loss)
Associates

138.89 MB.

Profit (loss) exclude
share associates

-83.69 MB.

2021

NP 100.80 MB.

3.69%

Share profit (loss)
Associates

162.42 MB.

Profit (loss) exclude
share associates

-61.62 MB.

Share profit (loss)
Associates

133.59 MB.

Profit (loss) exclude
share associates

-261.44 MB.

2022

NP -127.84 MB.

-5.98%

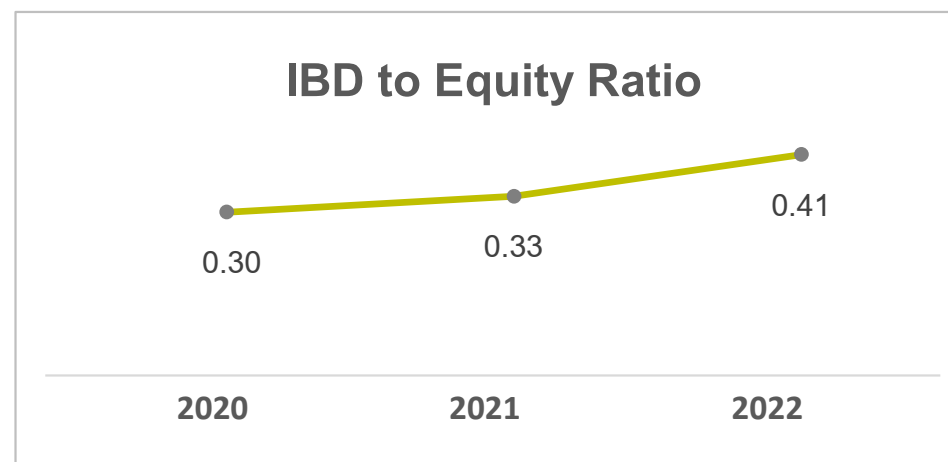
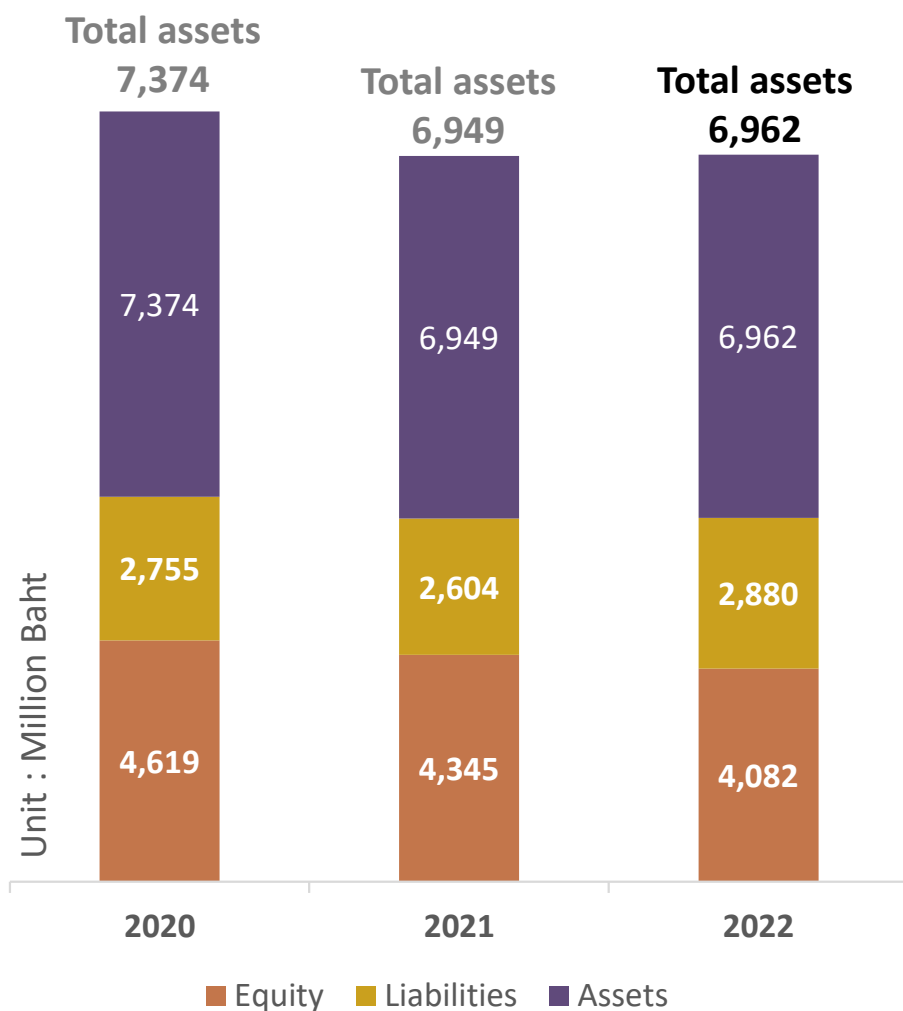


Net profit 2022 was decreased mainly came from EPC works' operating results, dividend of Other non-current financial assets and the share profit from associates.



FINANCIAL HIGHLIGHTS 2022

Statements of Financial Position



Total Assets were almost same as prior year, Total debts increased while Equity decreased due to the loss.

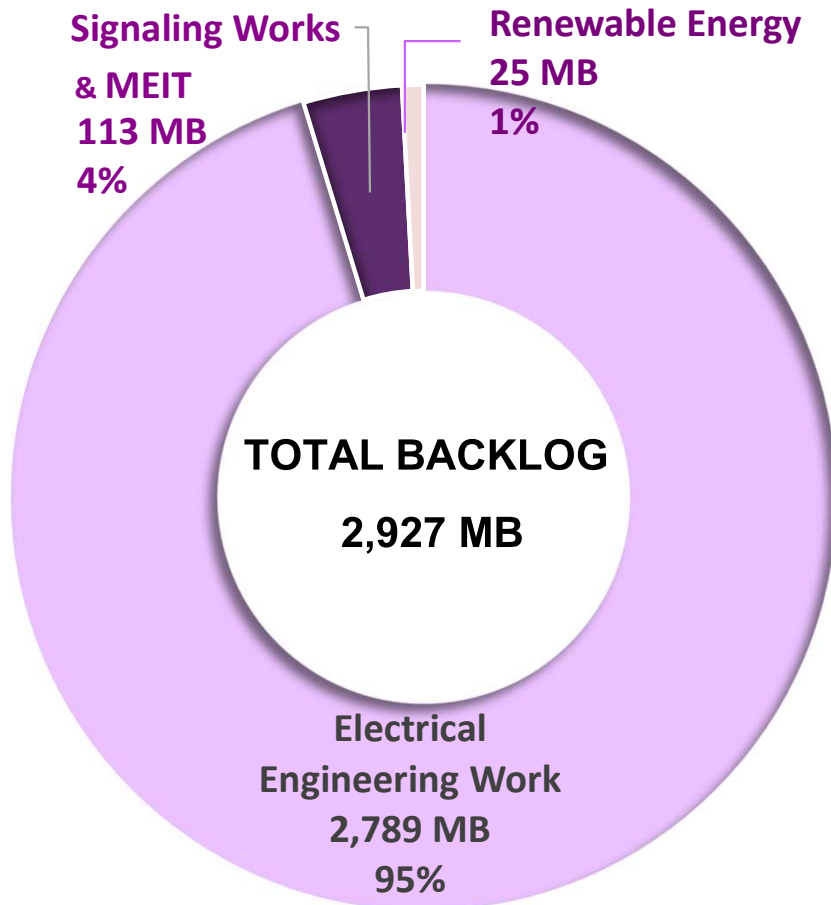


FINANCIAL HIGHLIGHTS

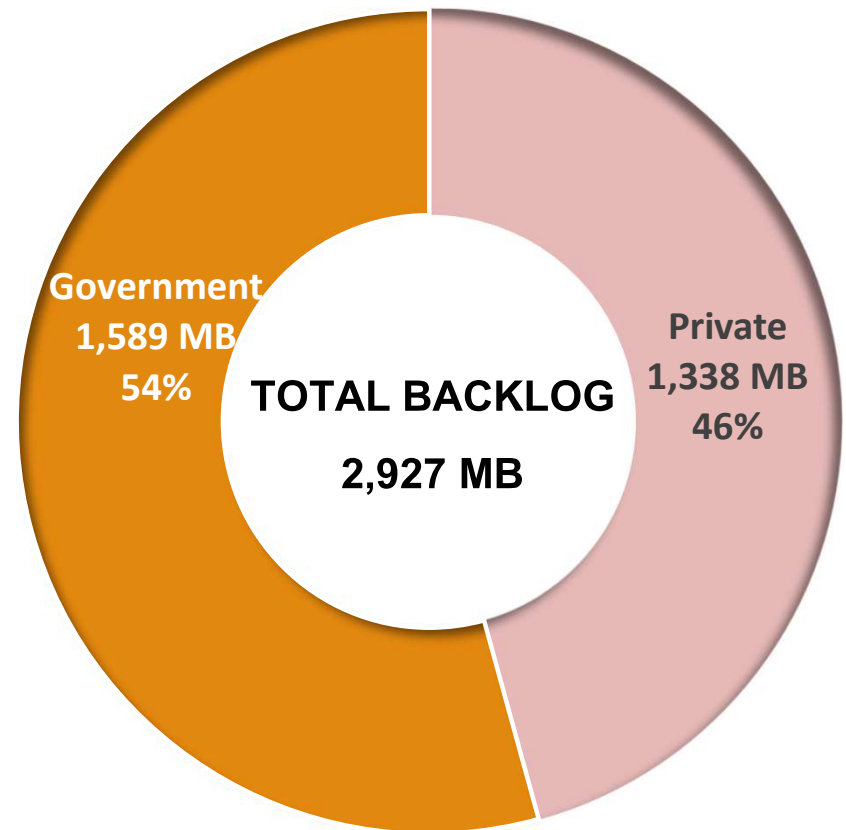
Projects Backlog (Separate Financial Statements)



Until 28 February 2023



By project type



By Customer



FINANCIAL HIGHLIGHTS

Projects Backlog (Separate financial statements)




Until 28 February 2023 of amount 2,926.92 MB

| Project Type | BACKLOG PROJECT | | |
|-----------------------------|------------------------|-------------------|------------------------|
| | Y2022 | Backlog | |
| | | Y2023-Y2025 | |
| | Project value (MB.) | No. of Project | Project value (MB.) |
| Electrical Engineering Work | 1,486.03 | 75 | 2,788.82 |
| Signaling Work & MEIT | 285.88 | 11 | 113.29 |
| Hardware sale | 18.78 | - | |
| Subtotal | 1,790.69 | 86 | 2,902.11 |
| Renewable Energy | 87.33 | 5 | 24.81 |
| Subtotal | 87.33 | 5 | 24.81 |
| Grand total | 1,878.02 | 91 | 2,926.92 |

REMARK : This report has been prepared follows the regulation of SEC



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KEY DRIVER FOR FUTURE REVENUE

1. Renewable and Alternative Energies Development Plan during the year 2021 - 2030

- Private PPA, Community-Based Power Plants.

NEPC has a resolution to accept the purchase of renewable energy electricity (Renewable Energy: RE) in the form of Feed-in Tariff (FiT) for the year 2565-73 for a group of power plants without additional fuel costs of 3,662 MW after the Energy Regulatory Commission (ERC) opened. The first round of 5,203 MW has already been completed.

2. EGAT's Investment Budget during the year 2023 - 2025 MTHB 31,000

- Constructing new Transmission Lines, Substations, Switching Stations MTHB.

3. EGAT's Investment plan during the year 2020 - 2030 MTHB 300,000

- Constructing Transmission and Distribution Line and Substations to support the Grid modernization & Asian power grid policy.



KEY DRIVE FOR FUTURE REVENUE

4. MEA's Investment Budget during the year 2016 - 2026 MTHB 48,717

- Constructing Underground Cable System in Metropolitan Area.

5. PEA's Investment Budget during the year 2022 - 2023 MTHB 18,000

- Constructing Transmission and Distribution Line, Substations.

6. Entering to new businesses by moving to Computerized Base and Platforms such as Smart Grid, Micro Grid, Energy Storage including businesses related to Electric Vehicles.

7. Invest in Solar rooftop (Private PPA) targets 40 MW during the year 2021 – 2025

8. Feasibility Studies with Partners : VSPP including O&M service , Automatic Parking System and Water Supply.



Q&A