

IR.004/2021

24 February 2021

Re: Notification of the changes of the Profit and Loss Statement

To President

The Stock Exchange of Thailand

We, T Engineering Corporation Public Company Limited (the "Company") would like to notify the Stock Exchange of Thailand regarding the business operation for the year 2020 ended 31 December 2020 as follows;

Outline of Business operation

Throughout 2020, the situation of the outbreak of COVID-19 continues to exist and severely affects in all business sectors. The construction business is one of the businesses that has received negative effect. The construction projects were delayed and some projects have postponed.

The business operation for the year 2020 ended 31 December 2020, the Company had the total incomes in the amount of Baht 80.30 million. When compared to the year 2019, that had the total incomes in the amount of Baht 321.29 million. It consists of construction revenues in the amount of Baht 60.81 million which decreases in the amount of Baht 238.37 million or 79.68%. For other revenue is in the amount of Baht 19.49 million which decreases in the amount of Baht 2.62 million or 11.84% when compared to the year 2019.

Total Comprehensive Profit and Loss

The Company has the total loss in the amount of Baht 22.67 million. When compared to the year 2019, that had the total loss in the amount of Baht 91.01 million which decreased in the amount of Baht 68.34 million or 75.09%. The total comprehensive loss for the year 2020 is in the amount of Baht 19.19 million which decreased in the amount of Baht 78.03 million or 80.26% when compared to the year 2019.

The Company would like to provide the explanation on the changes of the Profit and Loss Statement for the year 2020 ended 31 December 2020 as follows;

1. The revenue from construction and other revenues

The revenue from construction is Baht 60.81 million which decreases in the amount of Baht 238.37 million or 79.68% when compared to the year 2019. In 2020, the revenues is from a project continuing and almost completing from the previous year, and a project which completed during the year with a project value of only Baht 3.6 million. For new project has just started construction at the end of the year, which is enable to recognize a small amount of revenue. For other revenues is in the amount of Baht 19.49 million which decreases in the amount of Baht 2.62 million or 11.84% when compared to the year 2019.

2. Cost of construction

The total cost of construction is Baht 52.28 million which decreases in the amount of Baht 236.11 million or 81.87% when compared to the year 2019, which is in accordance with the decreased of construction projects.

3. The administrative expenses

The administrative expenses for the year 2020 are as follows;

Expense/Income	2020	2019
Employee expenses and benefits	55,573,352	58,380,837
Other expenses	39,669,137	51,850,939
Expense (income) allocation	-	(6,157,336)
Bad debt	15,089,495	-
Total administrative expenses	110,331,984	104,074,440

The administrative expenses for the year 2020 is in the amount of Baht 110.33 million, which increases in the amount of Baht 6.26 million or 6.01% when compared to the year 2019. This amount includes expenses of write-off the bad debts in the amount of Baht 15.09 million. The Company has already set an allowance for loss of such bad debt full and sufficient; and show the reversal of this allowance for loss separated from operating expenses in the financial statements. In this regard, the Company has administrative expenses (excluding the amount of write-off the bad debts) in the amount of Baht 95.24 million, which decreases in the amount of Baht 8.83 million or 8.49% when compared to the year 2019. It is a result of the reorganization in the Company to be suitable and consistent with the current income and accordance with the policy to control the Company's expenses.

4. Allowance for impairment losses and provision for damages from lawsuit

The Company has reversed the impairment loss for the year 2020 in the amount of Baht 25.69 million; and showed the reversal of this allowance separated from administrative expenses in the financial statements and write-off the bad debts in the amount of Baht 15.09 million. After deducting the impairment losses of write-off bad debts as mentioned above, the reversal of the impairment loss for the year 2020 is in the amount of Baht 10.60 million. It is a result of the bad debts have been repaid.

The Company has reversed the provision for damages from lawsuit in the amount of Baht 31.25 million because of the final judgment of the Supreme Court on 28 October 2020, which ordered the employer to pay the Company in the amount of Baht 65.01 million with interest from the date of lawsuit filing until fully paid. Such amount is the amount after deducting compensation to the employer in the amount of Baht 3.62 million.

5. The financial cost

The financial cost for the year 2020 is in the amount of Baht 0.41 million. It is an expense relating to the issuance letter of guarantee and the Company still has been unable to obtain the financial support from financial institutions.

Please be informed accordingly.

Sincerely yours,

(Mr. Pitsanu Vichitcholchai)

Chief Executive Officer

T Engineering Corporation Public Company Limited