

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 เฮฟวี 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

NEW FORCE IN HEAVY INDUSTRIES

At BJC/SET 2567-004

13 November 2024

Subject: Explanation of 3Q2024 Operating Results changing over 20%

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 3Q2024 Operating Results as compared with those in 3Q2023 as follows.

Overview of Business Operation

Global oil and gas capex is expected to grow from USD 797.58 bil to USD 983.04 bil during 2024-2029 at a CAGR of 4.27% as industry had started recovering after the rise in oil & gas demand amid the opening of the COVID-19 lockdowns (Source: EIA, IEA). To meet the strong global demand for crude oil and natural gas, more investment is required for exploration and production activities, which promulgates the CAPEX in the oil and gas industry.

In addition to environmental concerns, high prices of conventional energy, economic uncertainty, energy security issues are encouraging more countries to pay attention to renewable, green and clean energy. This drives to spend for alternative sector which has been underpinned by fiscal support from governments and aided by the rise of sustainable finance, especially in advanced economies. To reach global net zero emissions by 2050, the capex is expected to spend up to 4.4 tril. USD in 2030F, providing more project opportunities for this fast-growing sector (Source: World Economic Forum).

BJCHI has actively participated in receiving potential project bids from many clients both in oversea and local markets in many industries, such as power plants, refineries, petrochemical, oil and gas, green energy as well as the mining business. Currently, the total bidding value is over 66,000 million baht.

As the leading modularization and fabrication service provider, the Company strongly believes our capability is able to provide one-stop products and services to clients in various industries, creating more project opportunities and achieving long-term sustainable growth for shareholders.



Revenue

Contracted Revenue

In 3Q2024, Contracted Revenue (excluding other revenue) was 267.9 million baht, decreasing by 47.9% from 513.8 million baht in 3Q2023. The Contract Revenue decreased due to the reduction of project activities from CRISP and SANTOS as compared to the same period of last year.

Other Revenue

In 3Q2024, other revenue (excluding FX gain) was 6.0 million baht, decreasing by 32.6% from that in 3Q2023 at 8.9 million baht due to the reduction in financial investment.

Expenses

Contracted Costs

Contracted Costs in 3Q2024 was 182.0 million baht, decreasing by 74.1% as compared to that in 3Q2023 at 703.7 million baht. The decrease in Contracted Costs was from the reduction of project activities and the cost share contributed from the improvement of management.

Selling, General and Administrative expenses (SG&A)

Selling, General and Administrative expenses (SG&A) in 3Q2024 was 33.3 million baht, decreasing by 31.2% from 3Q2023 which was 48.4 million baht in line with reduction of project activities after delivery of project CRISP and improvement of management.

Foreign Exchange (FX) Impact

In 3Q2024, the Company recognized FX loss by 237.7 million baht, decreasing by 659.4% as compared to FX gain in 3Q2023 at 42.5 million baht due to the appreciation in Thai Baht against US Dollar as compare to the same period of year 2023.

Gross Profit and Net Profit

In 3Q2024, Gross Profit was at 85.9 million baht, increasing from Gross Profit/(Loss) (189.9) million baht in 3Q2023. Meanwhile, Net profit/(Loss) in 3Q2024 was at (145.8) million baht, increasing by 26.4% from (198.2) million baht in 3Q2023 due to unrealized FX loss. Excluding FX loss company will have Net Profit 91 million baht including the Reversal of Impairment Loss 24.8 million baht from Project Tupi, and Hedge Gain 13.4 million baht.

Please be informed accordingly,

Best regards,
BJC Heavy Industries Public Company Limited
(Mr. Seung Woo Lee)
Director/Deputy Managing Director