

# TRITON

No TRITN-SET 020/2021

November 12, 2021

Subject: Management Discussion and Analysis for the third quarter of 2021

To: President

The Stock Exchange of Thailand

## Highlights

- For 3 months and 9 months period end September 30, 2021, the company Gain from sale of investment in equity instruments of 3.62 million baht.
- For 9 months period end September 30, 2021, some warrant holders intended to exercise warrant "TRITN-W3". Total ordinary shares given from exercising were 1,479.60 million shares with exercise price at 0.2499 baht per share, totaling amount of 369.80 million baht. As a result, the Company's paid-up share capital and share premium increase in total amount of 147.96 million baht and 221.84 million baht respectively.

## For 3 months period ended September 31, 2021

Consolidated Profit & Loss of Triton Holding Public Company Limited

Unit: Million Baht

	3Q2021	3Q2020	Change	
			million baht	△ %
Total revenues	121.53	496.55	(375.02)	(75.52)
Total expenses	192.88	449.55	(256.67)	(57.10)
Share of gain (loss) of associate accounted for using equity method	1.36	0.24	1.12	463.51
Net Profit	(69.98)	47.24	(117.23)	(248.14)
Net Profit (loss) - The Company	(61.83)	39.92	(101.75)	(254.89)
Net profit margin	-57.59%	9.51%		
Net profit margin - company	-50.88%	8.04%		

- For 3-month period, the company reported total revenue of 121.53 million baht in 3Q21, a decrease of 75.52% compared to the same period last year. The company generated a net loss - the company of (61.83) million baht, comparing to net profit—the company of 39.92 million baht in the same accounting period of 2020. This was attributable to relatively slow construction progress in the period and challenging environment from COVID-19 pandemic.

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## For 9 months period ended Sept 30, 2021

	Q1-Q3/2021	Q1-Q3/2020	Change	
			million baht	△%
Total revenues	607.98	1,262.95	(654.97)	(51.86)
Total expenses	753.32	1,194.31	(440.99)	(36.92)
Share of gain (loss) of associate accounted for using equity method	1.52	0.26	1.26	484.81
Net Profit	(143.82)	68.90	(212.72)	(308.75)
Net Profit (loss) - The Company	(107.40)	60.42	(167.82)	(277.76)
Net profit margin	-23.66%	5.46%		
Net profit margin - company	-17.67%	4.78%		

- For 9-month period, Triton Holding Public Company Limited (“TRITN”) reported total revenue of 607.98 million baht in Q1-Q3/2021, comparing to total revenue of 1,262.95 million baht in the same period last year. The company generated a net loss - the company of (107.40) million baht, comparing to net profit—the company of 60.42 million baht in the same accounting period of 2020. This was attributable to relatively slow construction progress in the period, challenging environment from COVID-19 pandemic on overall of new projects acquiring and one-time decreasing in project-value of a subsidiary.

### 1. Construction Business

Unit : Million Baht

Construction	3Q2021	3Q2020	Change	
			million baht	△ %
Revenues	136.68	474.85	(338.17)	(71.22)
Expenses	179.98	387.29	(207.31)	(53.53)
Gross profit	(43.30)	87.56	(130.86)	(149.46)
Idle cost on a particular contract	5.68	7.75	(2.07)	(26.69)
Finance cost	2.13	2.25	(0.13)	(5.59)
Gross profit margin	-31.68%	18.44%		

- For 3-month period, Construction business has generated revenues of 136.68 million baht, comparing to revenues of 474.85 in the same period last year, or a decrease of 338.17 million baht. Construction business generated negative gross profit of (43.30) million baht, comparing to gross profit 87.56 million baht in the same period last year. This was attributable to relatively slow construction progress in the period and challenging environment from COVID-19 pandemic.

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Construction	Q1-Q3/2021	Q1-Q3/2020	Change	
			million baht	△%
Revenues	476.89	1,199.83	(722.94)	(60.25)
Expenses	539.81	1,035.32	(495.51)	(47.86)
Gross profit	(62.92)	164.51	(227.43)	(138.25)
Idle cost on a particular contract	17.96	17.19	0.77	4.50
Finance cost	6.42	3.21	3.21	100.15
Gross profit margin	-13.19%	13.71%		

- For 9-month period, Construction business has generated revenues of 476.89 million baht, comparing to revenues of 1,199.83, a decrease 60.25% compared to the same accounting period of 2020. Construction business generated gross loss of (62.92) million baht, comparing to gross profit 164.51 million baht in the same period last year. This was attributable to relatively slow construction progress in the period, challenging environment from COVID-19 pandemic and one-time decreasing in project-value of a subsidiary.

HDD + Civil	Q3/2564	Q3/2563	Change	
			million baht	△%
Revenues	77.38	387.43	(310.04)	(80.03)
Expenses	122.08	323.72	(201.64)	(62.29)
Gross Profit	(44.70)	63.71	(108.41)	(170.17)
Idle cost on a particular contract	5.68	7.75	(2.07)	(26.69)
Finance cost	0.60	0.63	(0.03)	(5.21)
Gross profit margin	-57.76%	16.44%		

Oil and gas infrastructure construction generated revenue of 15.83 million baht in 3Q21. At the end of third quarter, the company had recognized revenue amounting to 93.61% of the total project value with the remaining project backlog of 384.69 million baht.

- Oil and gas infrastructure construction to northern area Project (98.81% progress)
- Underground Piping Construction and Electrical Conduit Installation Project under Chao Phraya river with Metropolitan Electricity Authority (100% progress)
- Pipe Jacking Construction Contract under Highway No. 304, Pak Kret District - Chaeng Watthana Government Center (19.61% progress)
- Oil and gas infrastructure construction to north east area Project (88.31% progress)
- Oil and gas infrastructure construction in Bangkok (new project to start in 4Q21)

Civil engineering construction generated revenue of 2.48 million baht in 3Q21. The construction works consist of the Train Station and U-turn Overpass Crossing over Double-track Railway Projects in the southern part

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of Thailand. The company had recognized revenue from Civil engineering construction project amounting to 94.47% of the total project value with the remaining project backlog of 3.13 million Baht.

Train and Railway systems and construction On July 1, 2020, Triton Engineering and Construction Company Limited, a subsidiary of the company, acquired 65% of ordinary shares of Trans Thai Railway Company Limited (TTR). For 3 months period end September 30, 2021, Train and Railway systems and construction generated revenue of 59.30 million baht. The business unit generated gross profit of 1.40 million baht. As of September 30, 2021, the remaining project backlog of 442.29 million baht.

## 2. Power Business

On February 17, 2020, Triton Power Co., Ltd., a subsidiary of the company, acquired 75% of ordinary shares of Aukkrarawat Renewable Energy Power Plant Company Limited (AKP). The power plant is under Power Purchase Agreement (PPA) with Provincial Electricity Authority (PEA) of 4.9 megawatts. Now, the construction was completed.

For 3-month period, Power business generated revenue of 12.05 million baht, increase by 4.56 million baht or increase 60.90%. The Nongree power plant was under major maintenance on generator unit 1,2 and 3 during the third quarter. The power plant business generated negative gross-profit of (15.97) million baht, because the power plants are under plant maintenance process.

Power	Q3/2564	Q3/2563	Change	
			million baht	△ %
Revenue	12.05	7.49	4.56	60.90
Expenses	28.03	11.33	16.70	147.39
Gross profit	(15.97)	(3.84)	(12.14)	316.17
Finance cost	3.06	1.20	1.86	154.81
Gross profit	-132.55%	-51.25%		

## 3. Other Revenues

	Q3/2564	Q3/2563	Change	
			million baht	△ %
Other income	30.79	13.22	17.57	132.83

For 3-month period, other revenues were 30.79 million baht, significantly increased by 132.83% or by 17.57 million baht from the same period last year mainly from Revenue from sales of supplies, machinery rental and Gain from sale of investment in equity instruments.

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## 4. Financial Position and Statement of Cash Flows

Unit : Million Baht

Balance sheet	As of Sept 30,2021	As of Dec 31, 2020	Δ %
Total Assets	2,988.83	2,717.08	10.00%
Total Liabilities	1,000.51	969.89	3.16%
Total Equities	1,988.32	1,747.19	13.80%

Cash Flow (Million Baht)	For 9 months period end Sept 30, 2021		
Cash Flow from Operation		-95.56	
Cash Flow from Investment		-222.06	
Cash Flow from Financing		557.38	
Net Change in Cash		239.75	
Ending Cash		706.64	

Financial Ratios	Sep-21	Sep-20	Δ %
ROE	-7.28%	6.07%	-219.97%
ROA	-5.36%	3.61%	-248.57%
Net Profit margin - The company	-69.14%	8.32%	-77.45%
	Sep-21	Dec-20	
D/E (time)	0.52	0.58	
Current ratio (time)	2.01	1.35	

Triton reported lower profitability ratios than the same period last year, primarily due to decreasing in revenue. As of September 30, 2021, Return on Equity was (7.28%) which decreased from 6.07% in the same period last year. Return on Asset was downed to (5.36%) which decreased from 3.61% in the same period last year. The company's net profit margin was (69.14%) which decreased from 8.32% in the same period last year. At the end of 3Q21, the company balance sheet was in strong position with Net Debt / Equity of 0.52x. Cash and cash equivalents were 706.64 million baht.

## 5. Impact of COVID 19 situation

The widespread of the COVID-19 pandemic situations have severely affected the global economy in almost all industrial groups. Fortunately, the pandemic situations have not severely affected our business. According to the company, such situation has not adversely impacted construction projects. Nevertheless, the Group and the Company's management will continue to monitor the ongoing development and regularly assess the financial impact in respect of valuation of assets, provisions, and contingent liabilities.

Faithfully yours

Worapong Woottipruk

CFO