



RIGHT TUNNELLING

RT/SET/HO/6405-002

RIGHT TUNNELLING PUBLIC COMPANY LIMITED
292 M.4 Bangbor, Samut Prakan 10560 Thailand
Tel. +662 313 4848 Fax: +662 313 4787 +662 313 4849
www.righttunnelling.com E-mail : rt@rtco.co.th

12 May, 2021

Subject: Management Discussion and Analysis Quarter 1 Ending 31 March, 2021

To: The President
The Stock Exchange of Thailand

Right Tunnelling Public Company Limited and its Subsidiaries (“**the Company and its Subsidiaries**”) would like to report the consolidated operating results and financial position as of 31 March 2021, was reviewed by the auditor. The details are as follows:

Operating Performance

- 1. Revenues:** For the first quarter of 2021; the total revenue of the Company and its Subsidiaries was Baht 735.52 million, decreased by Baht 6.47 million or equivalent to 0.87 percent decrease compared to the same quarter of the previous year. The major revenue was from the construction revenue in the amount of Baht 727.42 million, increased by Baht 2.69 million or equivalent to 0.37 percent compared to the same quarter of the previous year. Other income was Baht 8.10 million.
- 2. Expenses:** For the first quarter of 2021; the total expense of the Company and its Subsidiaries was Baht 678.25 million, increased by Baht 26.17 million or equivalent to 4.01 percent compared to the first quarter of the previous year, resulting from the increase in cost of construction (according to the revenue recognition). This was primarily attributable to the increasing numbers of construction projects. The main expenses were: cost of construction in the amount of Baht 614.55 million, increased by Baht 37.41 million or equivalent to 6.48 percent compared to the same quarter of the previous year; administrative expenses were Baht 61.64 million; and cost of construction materials was Baht 2.06 million.
- 3. Profitability:** The consolidated financial statements for the three-month ended 31 March 2021 showed that the Company and its Subsidiaries had gross profit in the amount of Baht 112.87 million, decreased by Baht 34.72 million, compared to the same period last year, and equivalent to the gross profit margin of 15.52 percent, and had net profit at the amount of Baht 37.25 million, or equivalent to the net profit margin of 5.06 percent.

Financial Position

- 4. Total Assets:** As of 31 March 2021, the total assets of the Company and Subsidiaries were Baht 3,851.38 million, decreased by Baht 198.64 million from the previous period or 4.90 percent. The major changes in assets were: cash and cash equivalents decreased by Baht 154.66 million, trade and other receivable decreased by Baht 58.33 million, contract assets-unbilled receivables increased by Baht 46.20 million which revenue recognized in proportion of work completed and not yet billed to customer, contract assets-retention receivables decreased by Baht 20.94 million.
- 5. Total Liabilities:** As of 31 March, 2021, the total liabilities of the Company and its Subsidiaries were Baht 2,425.19 million, decreased by Baht 236.17 million from the previous period or 8.87 percent. The major changes in liabilities were: trade and other payables decreased by Baht 153.72 million, long-term loans from financial institutions decreased by Baht 20.88 million, lease liabilities decreased by Baht 20.37 million, contract liabilities-advances received from hirers decreased by Baht 47.97 million which decreased from billing of the completed construction work to the customer and there was a deduction of the advance receivable.
- 6. Shareholders' equity:** As of 31 March 2021, total shareholders' equity of the Company and its Subsidiaries were Baht 1,426.19 million increased by Baht 37.53 million from the previous period or 2.70 percent, which increased by the total comprehensive income for the period.

Statement of Comprehensive Income	For the three-month ended		Changes	
Unit: million baht or otherwise stated	31 Mar 2021	31 Mar 2020	Amount	%
Revenues from construction contracts	727.42	724.73	2.69	0.37
Sales of construction materials	2.54	10.98	(8.44)	(76.84)
Exchange gain	1.48	-	1.48	100.00
Other income	4.08	6.28	(2.20)	(35.01)
Total revenues	735.52	741.99	(6.47)	(0.87)
Cost of construction services	614.55	577.14	37.41	6.48
Cost of sales of construction materials	2.06	10.63	(8.57)	(80.59)
Administrative expenses	61.64	59.21	2.43	4.11
Exchange loss	-	5.10	(5.10)	(100.00)
Total expenses	678.25	652.08	26.17	4.01
Net Operating profit	57.27	89.91	(32.64)	(36.30)
Finance revenues	0.50	0.87	(0.37)	(42.20)
Finance cost	13.01	19.90	(6.89)	(34.61)
Profit before income tax expenses	44.76	70.88	(26.12)	(36.85)
Income tax expense	7.52	14.01	(6.50)	(46.37)
Net profit for the period	37.25	56.87	(19.62)	(34.51)
% Net profit for the period	5.06%	7.66%		

Statement of Financial Position	As of		Change	
Unit: million baht or otherwise stated	31 Mar 2021	31 Dec 2020	Amount	%
Total assets	3,851.38	4,050.02	(198.64)	(4.90)
Total liabilities	2,425.19	2,661.36	(236.17)	(8.87)
Total shareholders' equity	1,426.19	1,388.66	37.53	2.70

It is therefore informed for your acknowledgement and dissemination to the investors and the public.

Yours sincerely,

(Mr. Chaiya Wonglappanich)

Deputy Managing Director (Management and Finance)/ Chief Financial Officer
(CFO)