



February 26, 2020

Subject : Clarification of the operating result for the year 2019 ended December 31, 2019

Dear : Managing and Director of the Stock Exchange of Thailand

CMO Public Company Limited "CMO" would like to inform Total Revenue 1,338.10 million Baht and Net profit 98.61 million Baht in the consolidated financial statement for the year 2019 ended December 31, 2019 compared with the same period, which had Total revenue 1,449.10 million Baht and Net profit 52.93 million Baht. The above performance comes from these following reasons;

- Revenue of service was decreased by 7.66% comparing to the year 2018 due to economic recession and business sector slowed down spending.
- Cost of goods sold was decreased 43.58 million Baht or 3.96% from the year 2018 due to the variable costs. This had met the standard margin of the company. However, proportion of the cost of goods sold did not conform with the revenue because of significantly increasing cost of goods sold in some projects in the year 2019.
- Selling and administrative expense was slightly risen by 1.77%. This caused by the employee allowance cost increasing and the adjustment of actuarial loss from employee benefit followed by the new Labor Protection Act.
- Interest Expense was decrease by 8.28% from 24.28 million Baht in 2018 to 22.27 million Baht in 2019. This was a result of cash flow management by balancing between account receivable and account payable, including the decreasing of long term loan from the office building.
- Net Profit increased by 68.95% from the year 2018. This caused by successful liabilities management in subsidiary companies. As a result, the share of profit from investments in joint venture showed amounting 63.5 million Baht.

For company separate statement presented Total Revenue 570.26 million Baht and Net profit 52.94 million Baht in the company financial statement for the year 2019 ended December 31, 2019, compared with the same period, year 2018 ended December 31, 2018, which had total revenue 626.78 million Baht and Net profit 9.68 million Baht. The main reason was the reversal of allowance for doubtful accounts of investment and also the dividend income amounting 31.91 million Baht.

Please be informed accordingly,

(Mr.Sermkhun Kunawong)

Chief Executive Officer

CMO Public Company Limited

