

PROJECT PLANNING SERVICE PCL.บริษัท โปรเจค แพลนนิ่ง เซอร์วิส จำกัด (มหาชน)
ทะเบียนนิติบุคคลเลขที่ 0 10 7 555 00014 7

Ref. PPS/PCL-010/2019

February 26th, 2019

Subject : Management Discussion and Analysis of the Operating Results for the Year 2018

Attention : The President of The Stock Exchange of Thailand

Project Planning Service Public Company Limited (the Company) would like to report on the clarification of operating results regarding to the Company's consolidated financial statements for the year 2018 ended December 31, 2018 compared to the same period of last year which is summarized as follows.

For YEAR (ended 31 December)	Year 2018	Year 2017	Increase (Decrease)	
	(million Baht)	(million Baht)	(million Baht)	%
Total Revenue	387.09	396.03	(8.94)	(2.26)
Total Cost	291.74	255.41	36.33	14.22
Total Expenses	87.90	86.06	1.84	2.14
Profit (Loss) attributed to Non-controlling interes	0.03	(0.61)	0.63	N/A
Profit attributed to Owners of the Company	7.42	55.17	(47.75)	(86.55)

The company and the subsidiaries would like to report the operating results as of 31 December 2018 as follows: the operating profit is 7.42 million Baht decreasing 47.75 million Baht which is 86.55% declining from the same period of last year.

1. Total revenue decreased from last year by 8.94 million Baht (2.26% decrease from the same period of last year)
The rate of revenue increase is lower than the rate of cost increase because the company reconsidered the realization of a revenue from a project. The client has informed us of their rights to deduct some service fee from the contract allegedly citing contract a contract clause violation. The company has factored in those deductions and also factored in the impact of project delays which resulted in contract duration longer than previously expected. The revised revenue and cost budgeted are the best reflection of the situation. However, the company is now negotiating with the client and consulting with a legal consultant to look for the best way forward. Furthermore, the company has also realized a loss of two projects nearing completion.
2. Operating expenses increased 1.84 million Baht from last year (2.14% increase from the same period of last year) without any significant changes.

Yours Faithfully,

(Tat Thonpakdi)
Managing Director**TRUSTWORTHY
PROJECT MANAGER**
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