



No. SYNTEC/EX/019/2019

28 February 2019

Subject : Management's Discussion and Analysis for the year 2018

To : Director and Manager,
The Stock Exchange of Thailand (SET)

Syntec Construction Public Company Limited (SYNTEC), would like to clarify SYNTEC and its Subsidiaries Financial Statements for the year ended 31 December 2018, performance of 2018 showed a total profit attributable to owners of the Company in consolidated financial statements of Baht 591 million, performance of 2017 showed a profit attributable to owners of the Company of Baht 985 million, Decreasing by Baht 394 million or decreasing of 40.00 % by the reasons of changing are as follows :

- Revenue from construction decreased of Baht from 8,675 million to 6,789 million, gross profit margin decreased from 19.18 % to 15.20 % as a resulted to gross margin decreased of Baht 632 million.
- Revenue from room service increased of Baht from 389 million to 420 million, gross profit margin increased from 33.61 % to 34.23 % as a resulted to gross profit margin increased of Baht 13 million.
- Gain on disposal and writ-off assets increased of Baht 133 million.
- Interest income decreased of Baht 3 million.
- Other income decreased of Baht 3 million.
- Selling and Administrative expenses increased of Baht 29 million.
- Other expenses decreased of Baht 17 million.
- Finance costs increased of Baht 3 million
- Income tax expense decreased of Baht 112 million.

Furthermore, the progressive statuses of loans to related parties are as follows:

1. Long-term Loans to Related Parties

Other Related Companies

- Gentech Engineering Co., Ltd. valued at Baht 4.96 million (fully provision). Currently, the official receiver is in the process of property collection.

Please be informed accordingly.

Sincerely yours,

(Mr.Somchai Sirilertpanich)

Chief Executive Office