



EKARAT ENGINEERING PUBLIC COMPANY LIMITED

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Certificate No.
AJA04/7909

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May 15, 2017

To: Director and Manager

The Stock Exchange of Thailand

Subject: Management Discussion and Analysis Quarter 1 Year 2017

Ekarat Engineering Public Company Limited (the Company) would like to clarify the performance of the Company and the subsidiaries which reviewed by the Company's auditor for Quarter 1 Year 2017 compared to Quarter 1 Year 2016. The performance of the Company is as follow:

In Quarter 1 Year 2017 and Quarter 1 Year 2016, the Company Consolidated Financial Statement showed the Net Profit(Loss) of Baht (24.51) million and Baht 1.02 million, respectively. The Net Profit of the Company decreased by Baht 25.53 million from the major factors as describe below:

1. The revenue from sale of goods decreased about 7.54%. In Quarter 1 Year 2017, the revenue from the sale of goods was Baht 273.19 million and Quarter 1 Year 2016 was Baht 295.48 million.

The revenue from services and maintenance decreased about 10.36%. In Quarter 1 Year 2017, the revenue from services and maintenance was Baht 40.42 million and Quarter 1 Year 2016 was Baht 45.09 million.

Because of the high competitive environment of transformer market. The sale price has deceased, especially for the government agencies and private customer in the country.

2. In Quarter 1 Year 2017, the Company had the Gross Profit margin from the sales of goods of 11.56% slightly decreased from Quarter 1 Year 2016 which had the Gross Profit margin from the sales of goods of 19.03%. The amount of Gross Profit from the sales of goods in Quarter 1 Year 2017 and Quarter 1 Year 2016 is Baht 31.59 million and Baht 56.23 million, respectively.

In Quarter 1 Year 2017, the Company had the Gross Profit margin from services and maintenance of 37.16% increased from Quarter 1 Year 2016 which had the Gross Profit margin from services and maintenance of 32.87%. The amount of Gross Profit from services and maintenance in Quarter 1 Year 2017 and Quarter 1 Year 2016 is Baht 15.02 million and Baht 14.82 million, respectively.

3. In Quarter 1 Year 2017, the Company had the Operating Profit margin of (7.39)% decreased from Quarter 1 Year 2016 which had the Operating Profit margin of 0.27%. The amount of Operating Profit in Quarter 1 Year 2017 and Quarter 1 Year 2016 is Baht (25.32) million and Baht 0.97 million, respectively.

4. In Quarter 1 Year 2017 and Quarter 1 Year 2016, the Company Consolidated Financial Statement showed the Net Profit(Loss) of Baht (24.51) million and Baht (1.02) million or equal to the Net Profit margin of (7.15)% and 0.29% or equal to Baht (0.002) per share and Baht 0.001 per share, respectively.

Please be informed accordingly,

Sincerely yours,

Ekarat Engineering Public Company Limited



(Mr. Danucha Noichaiboon)

Managing Director

Authorized to sign on behalf of the company

CC: The secretary
The office of Securities and Exchange Commission