



บริษัท เนวรัตน์พัฒนาการ จำกัด (มหาชน)
NAWARAT PATANAKARN PUBLIC COMPANY LIMITED

(Translation)

No.FN-NWR 169/60

15 August 2017

Subject : Submission of Financial Statements for the Second quarter ended June 30,2017

To : President
The Stock Exchange of Thailand

Enclosure : 1. Financial Statements for the Second quarter ended June 30,2017
2. Management Discussion and Analysis

Nawarat Patanakarn Public Company Limited would like to submit Reviewed Financial Statements for the Second quarter ended June 30,2017. Please find enclosed the Management Discussion and Analysis

Please be informed accordingly.

Yours sincerely

- Signed -

(Miss.Pakatip Lopandhsri
Director & Senior Vice President
Nawarat Patanakarn Public Company Limited

(Translation)

NAWARAT PATANAKARN PUBLIC COMPANY LIMITED
SUMMARY OF FINANCIAL POSITION AND PERFORMANCE
FOR THE PERIOD OF THREE MONTHS ENDED JUNE 30, 2017

1. Analysis of operation results for the second quarter of 2017 in comparison with those for the same quarter of 2016 (from the consolidated financial statements)

Items	Second quarter of 2017	Second quarter of 2016	Increased (Decreased)	
			Amount	%
1.1 Revenues from construction	Baht 2,032.79 million	Baht 1,905.25 million	Baht 127.54 million	6.69
1.2 Cost of construction	91.15 %	92.37 %	-	(1.32)
1.3 Sales and service income	Baht 93.18 million	Baht 67.97 million	Baht 25.21 million	37.09
1.4 Cost of sales and service	100.30 %	85.98 %	-	16.66
1.5 Selling & administrative expenses	Baht 127.84 million	Baht 109.02 million	Baht 18.82 million	17.26
1.6 Finance cost	Baht 62.85 million	Baht 48.26 million	Baht 14.59 million	30.23

2. The operation results (from the consolidated financial statements) ended June 30

Item	Second quarter of 2017	Second quarter of 2016
Profit for three months attributable to equity holders of the Company (from the consolidated financial statements)	Baht 14.95 million	Baht 12.34 million
Profit (loss) for three months (from the separate financial statements)	Baht 70.49 million	Baht 17.02 million

3. Management Discussion and Analysis

3.1 Sales and service income for the second quarter of 2017 has increased by Baht 25.21 million or 37.09% when compared to the same quarter of 2016 due to the fact that the Company produced concrete products and sold more to the customers.

3.2 Cost of sales and service for the second quarter of 2017 is equal to 100.30% of Sales and service income. This is due to the fact that one of the Company's affiliated companies, Advance Prefab Company Limited, has already completed the construction of buildings and set up all equipment. Depreciation has to be fully recognized. Revenue recognized in the second quarter was not enough to cover such depreciation.

3.3 Selling and administrative expenses for the second quarter of 2017 have increased by Baht 18.82 million or 17.26% compared to the same quarter of 2016, resulting from the Company's subsidiary companies:

Selling and administrative expenses	Unit : million baht	
	Second quarter of 2017	Second quarter of 2016
Mana Patanakarn Co., Ltd.	23.43	19.05
Advance Prefab Co., Ltd.	17.11	6.89
TasteMaker Company Limited	2.65	-

3.4 On August 28, 2014, the Company issued and offered 1,500,000 units of 3-year debentures with a par value of Baht 1,000 each, totaling Baht 1,500 million. The debentures will be mature on August 28, 2017. The coupon rate is 5.5% per annum. The objectives of issuing the debentures are a) investment in the new projects, b) repayment of debts, and c) working capital. Interest expense of debentures for the second quarter of 2017 was Baht 20.57 million.

On August 21, 2015, the Company issued and offered 1,500,000 units of 3-year debentures with a par value of Baht 1,000 each, totaling Baht 1,500 million. The debentures will be mature on August 21, 2018. The coupon rate is 4.5% per annum. The objectives of issuing the debentures are a) investment in the new projects, b) repayment of debts, and c) working capital. Interest expense of debentures for the second quarter of 2017 was Baht 16.83 million.

3.5 On March 28, the Central Bankruptcy Court ordered Saraburi Coal Company Limited (“Saraburi”) into final receivership. The Company and Saraburi are the parties to a joint venture agreement, NWR-SBCC Joint Venture, to carry out a soil and coal extraction and transportation work project at Mae Moh mine, Lam Pang of the Electricity Generating Authority of Thailand (“EGAT”), with both venture partners having a 50% interest. As a result of the final receivership order issued by the Court, Saraburi is considered to be in breached of the joint venture agreement and the Company has therefore exercised its right under the agreement to notify the termination of Saraburi’s responsibilities in the NWR-SBCC Joint Venture.

On May 8, 2017, the Company issued a letter notifying the termination of Saraburi’s responsibilities in the joint venture. As a result, the contractual roles, rights and responsibilities of Saraburi under the NWR-SBCC Joint Venture agreement are terminated, with the Company assuming the rights and responsibilities of control and operation in accordance with the contract until the service is completed, for which the scheduled date is in March 2018. The outcome of the lawsuit involving Saraburi and the exercise of this right have impact neither on the Company’s proportionate interest in NWR-SBCC Joint Venture nor the operation of this project with EGAT.