

-Translation-

LWH/ACC/17/11/LT108

November 10, 2017

Subject : Clarification for the three month period ended September 30, 2017 operating results.

To Director and Manager of the Stock Exchange of Thailand

Referring to the submission of the reviewed financial statements for quarter 3/2017 of Wiik & Hoeglund Public Company Limited “the Company” the management would like to clarify the operating results of the company and its subsidiary for the period of three month ended September 30, 2017 which had changed over 20% compared to same period of last year. In the quarter 3/2017 the Company had net profit amount of 20.60 million Baht compared to 45.03 million Baht in the quarter 3/2016 due to the major reasons as follows;

1. Total income decreased from the quarter 3/2016 by 48.03 million Baht or 13.46% from the results of;

1.1 Income from sale and installation of the pipeline decreased by 59.52 million Baht or 17.53% from postpone delivery to the quarter 4/2017 resulting from postponing delivery of goods to the 4th quarter.

1.2. Incomes from the water management business increased by 10.37 million Baht. Because this year the subsidiary recognized income from Wellgrow Industrial Estate project. The project has started from 5th June 2017.

1.3 Other income increased in the amount of 1.12 million Baht. The major part was from export delivery income.

2. Cost of goods sold and services decreased in the amount of 25.19 million Baht or 51.25% compare to the quarter 3/2016. The cost of production and installation of the pipeline decreased by 29.57 million Baht (relating to decrease of revenue mentioned in 1.1) and the cost water management business increased by 4.38 million Baht (relating to increase of revenue mentioned in 1.2).

3. Selling expenses decreased from the quarter 3/2016 in the amount of 5.68 million Baht or 30.57%. This tallies with decreasing of sale income (mentioned in 1.1)

4. Administrative expenses decreased from the quarter 3/2016 in the amount of 0.34 million Baht or 2.22% which slightly changed from the Company’s normal business.

5. Finance cost increased from the quarter 3/2016 in amount of 2.62 million Baht. The major increase came from long-term loans for investment in water management projects of its subsidiary.



6. Income tax expense increased from the quarter 3/2016 in amount of 4.99 million Baht as the Company had taxable profit and had to recognized tax expenses according to Thai Accounting standard No.12 “Income tax”. However as at 30 September 2017, the Company still has retained deficit to be applied within 5 years from the loss year in the amount of 19.39 million Baht.

Other information

- Jobs has not delivered of the Company and its subsidiary as at September 30, 2017

(Unit : Million Baht)	30 September 2017	30 September 2016
Sale and installation of the pipeline business group	815.99	620.82
Water management business group (for 2017)	24.59	14.61
Total	840.48	635.43

Yours Truly,
WIJK & HOEGLUND PUBLIC CO., LTD.

Mr. Wiboon Sangwithayanon
Chief Executive Officer