

Additional Explanation to Q3/2017 Financial Statement of Nawarat Patanakarn Public Company Limited

1. Selling and administrative expenses

In Q3/2017, Mana Patanakarn Co., Ltd., the real estate development company, had sales & promotion expenses to boost sales of condominium projects “Aspen Condo” Phase A. As a result, sales expenses was higher than the same quarter in 2016 at Baht 11.16 million.

Advance Prefab Co., Ltd., the precast concrete products manufacturer, completely established its plant and has started full-scale business. As a result, administrative expenses was higher than the same quarter in 2016 at Baht 8.72 million.

2. Finance cost

The finance cost of Mana Patanakarn Co., Ltd. was interest expenses that could not be recorded as project development cost for well – established houses or condominiums for sale.

The finance cost of Advance Prefab Co., Ltd. are interest expenses that was no longer recorded as plant and machinery costs since the plant and machine had been completely established and installed for operation.

3. Business Operation of NWR-SBCC Joint Venture in Q3/2017

In Q3/2017, Revenue from the Excavation - Soil and Coal Milling Project at Mae Moh Mine, Contract No.6 decreased. Due to heavy rain in the project area, the operation could not be done at full capacity resulting in the loss from regular expenses of the Project.

The Excavation - Soil and Coal Milling Project at Mae Moh Mine, Contract No.6, Mae Moh District, Lampang Province of the Electricity Generating Authority of Thailand operated by the Joint Venture NSW – HSBC, which is the joint venture between Nawarat Patanakarn Public Company Limited and Saraburi Coal Company Limited in the proportion of 50:50, has the operating period of 9 years from March 2009 to March 2018.