



EKARAT ENGINEERING PUBLIC COMPANY LIMITED

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EE 2018/364-(AKR)/292

May 15, 2018

To: Director and Manager

The Stock Exchange of Thailand

Subject: Management Discussion and Analysis Quarter 1 Year 2018

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 2018 compared to Quarter 1 Year 2017. The performance of the Company is as follow:

In Quarter 1 Year 2018 and Quarter 1 Year 2017, the Company Consolidated Financial Statement showed the Net Loss of Baht 6.44 million and Baht 24.51 million, respectively. The Net Loss of the Company decreased by Baht 18.07 million or about 73.74%.

The revenue from sale of goods in Quarter 1 Year 2018 was Baht 211.22 million decreased from Quarter 1 Year 2017 by Baht 61.97 million or about 22.68% because the revenue from sales to government agencies decreased. The cost of good sole was Baht 176.22 million decreased from Quarter 1 Year 2017 by Baht 79.83 million or about 31.18%

The revenue from services and maintenance in Quarter 1 Year 2018 was Baht 46.92 million increased from Quarter 1 Year 2017 by Baht 6.50 million or about 16.08%. The revenue was increased from the contractor service. The cost of services and maintenance in Quarter 1 Year 2018 was Baht 29.61 million increased from Quarter 1 Year 2017 by Baht 4.21 million or about 16.58%

The revenue from installing solar cell system in Quarter 1 Year 2018 was Baht 66.14 million increased from Quarter 1 Year 2017 by Baht 63.28 million or about 2,213.36% from recognizing the revenue generated from installation power systems of the solar rooftop project of a large private sector. The cost of installing solar cell system was Baht 59 million increased from Quarter 1 Year 2017 by Baht 56.43 million or about 2,201.79%

The revenue from sale of electricity current in Quarter 1 Year 2018 was Baht 11.18 million decreased from Quarter 1 Year 2017 by Baht 0.84 million or about 6.98%. The amount of electricity produced by Solar Cell Power System that depend on the intensity of sunlight which was uncontrollable factor. The income was variable according to that factor. The cost of sale of electricity current was Baht 5.25 million increased from Quarter 1 Year 2017 by Baht 0.07 million or about 1.43%.

Unit : Million Baht	Quarter 1/2018	Quarter 1/2017	%Inc. (Dec.)
Total Revenue	346.79	342.54	1.24%
Loss from Operating Profitability	(1.04)	(14.34)	(92.75)%
Loss of the period	(6.44)	(24.51)	(73.74)%
Loss per share	(0.005)	(0.018)	(72.22)%

The subsidiaries didn't operated the business. However, the operating cost of the subsidiaries was the Financial cost only. In Quarter 1 Year 2018 and Quarter 1 Year 2017, Ekarat Solar Company Limited had the Net Loss of Baht 0.066 million and Baht 2.38 million, respectively. The Net Loss decreased from Quarter 1 Year 2017 by Baht 2.31 million or about 97.22%.

In Quarter 1 Year 2018 and Quarter 1 Year 2017, Ekarat Energy Company Limited had the Net Loss of Baht 0.012 million and Baht 0.028 million, respectively The Net Loss decreased from Quarter 1 Year 2017 by Baht 0.016 million or about 57.43%.

Financial Ratio	Unit	Quarter 1/2018	Quarter 1/2017
Operating Profitability Ratio			
Gross Profit Margin	%	17.37	10.95
Operating Profit (Loss) Margin	%	(0.30)	(4.19)
Net Profit (Loss) Margin	%	(1.86)	(7.15)

Please be informed accordingly,

Sincerely yours,

Ekarat Engineering Public Company Limited



(Mr. Danucha Noichaiboon)

Managing Director

Authorized to sign on behalf of the company