

No. 8 /2018

August 9, 2018

President
The Stock Exchange of Thailand
93 Ratchadapisek Road, Kwang Dindaeng, Khet Dindaeng,
Bangkok 10400

Subject : Clarification of the operating result.

Dear sir,

We, Unimit Engineering Public Company Limited (UEC) , would like to clarify the change in operating result for Q2/2018 which changing over 20% from the same period last year as follows ;

Unimit and its subsidiaries have contract revenues for Q2/2018 amount 129 Million Baht which is decrease of 113 Million Baht (47%) from Q2/2017 contract revenues. Q2/2018's net profit of 7 Million Baht represents decreasing of 1 Million Baht (14%) from Q2/2017.

The main cause for the lower net profit is economic in Thailand just recovery, and there is a delayed effect before reaching down to subcontractor and fabricators like UEC. This is effect to small volume for UEC in Q2/2018 and very high competition.

Discussion and Analysis of the Company and its subsidiaries Operational Results in Q2/2018 and Q2/2017

Corporate Revenue

In Q2/2018 the Company and its subsidiaries' total earnings amounted to 157 million Baht, consisting of contract revenue 129 million Baht, interest 2 million Baht, net foreign exchange gain 10 million Baht and others income 16 million Baht, totally decreased 89 million Baht or 36% from Q2/2017.

Q2/2018 total earning was from the Company, there was no earning from its subsidiaries.

The changings are as follow:

Contract revenue of Q2/2018 amount 129 million Baht decreased 113 million Baht from Q2/2017 or 47% (Q2/2017 was 242 million Baht) cause from reason as stated above.

Interest amount 2 million Baht decreased by 1 million Baht due to cash decrease from investment in Myanmar.

Gain from foreign exchange amount 10 million Baht.

Other income amount 16 million Baht, major increased from recorded accrued income from filed a lawsuit against a Company in respect of breached of agreement amounting to 15 million Baht. The compensation received in full in July 2018.

Costs and Expenses

In Q2/2018, total costs and expenses 151 million Baht decreased by 87 million Baht (37%) from Q2/2017. Main course items are from decreasing of work volume.

The changings are as follow:

Cost of contract work amount 120 million Baht decreased by 87 million Baht (42%).

Selling expenses amount 9 million Baht increased by 2 million Baht from export work.

Administration expenses amount 22 million Baht, decreased by 2 million Baht.

Income Tax

Income tax of Q2/2018 amount (0.06) million Baht decreased by 1 million (197%).
The corporate income tax rate at 20% is the same as last year.

Profit

For the year Q2/2018, the Company and its subsidiaries' net profit amounted 7 million Baht. This was 1 million Baht (14%) lower than in Q2/ 2017.

Please be informed accordingly.

Sincerely yours,

Ms. Vilai Siripoonkiatikul
Authorized Signature