



Ref.No.ST/2018/0482

November 14, 2018

Subject : Management Discussion and Analysis for 3rd Quarter the period ending 30 September 2018

To : The President of Stock Exchange of Thailand

Sino-Thai Engineering and Construction Public Company Limited (The Company and its subsidiaries) would like to inform the Company's operation result on the third quarter consolidated financial statements ending 30 September 2018 which was reviewed by the Company's auditor as follows:

- 1. Revenues :** The total revenue of the Company and its subsidiaries for the three-month period and nine-month period in 2018 were Baht 7,255.09 million and Baht 18,364.25 million comparing to the same periods of the previous year, the total revenue of the Company and its subsidiaries were Baht 4,663.51 million and Baht 14,152.22 million respectively, increasing by Baht 2,591.59 million or 55.57% for the three-month period and Baht 4,212.03 million or 29.76% for the nine-month period.

The major revenue were from construction amounting to Baht 7,215.51 million for the three-month period and Baht 18,165.66 million for the nine-month period, rental and service income amounting to Baht 16.80 million and Baht 50.42 million, interest income amounting to Baht 11.15 million and Baht 26.36 million respectively and gain on sale of long-term investment amounting to Baht 56.25 million.

- 2. Expenses :** The Company and its subsidiaries had total expenses at Baht 6,780.63 million for the three-month period and Baht 17,144.19 million for the nine-month period, comparing to the same periods of the previous year, the amount of total expenses were Baht 4,404.00 million for the three-month period and Baht 13,297.20 million for the nine-month period reflecting the increase of total expenses in the amount of Baht 2,376.63 million or increasing 53.97% for the three-month period and Baht 3,846.99 million or increasing 28.93% for the nine-month period. This resulted from increase of cost of construction according to the revenue recognition.



However, the Company and its subsidiaries had administrative expenses totaling Baht 115.64 million for the three-month period and Baht 339.61 million for the nine-month period, comparing to the same periods of the previous year, the amount of administrative expenses were Baht 134.33 million and Baht 385.91 million respectively, decreasing by Baht 18.69 million or 13.91% for the three-month period and Baht 46.30 million or 12.00% for the nine-month period.

- 3. Profitability** : The consolidated financial statements for the third quarter ending 30 September 2018 showed that the Company and its subsidiaries had operating profit before tax and interest expenses amounting to Baht 480.51 million, representing 6.62% for the three-month period and Baht 1,236.86 million, representing 6.74% for the nine-month period. When comparing the same period of previous year, the Company and its subsidiaries had operating profit amounting to Baht 265.59 million, representing 5.70% for the three-month period and Baht 884.35 million, representing 6.25% for the nine-month period.

Please be informed accordingly,

Yours sincerely,

(Mr. Pakpoom Srichamni)

Director