



Ref.No.ST/2019/0105

February 28, 2019

Subject : Management Discussion and Analysis Yearly ending 31 December 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 as of 31 December 2018 which was audited by the Company's auditor as the following:

- 1. Revenues :** The total revenue of the Company and its subsidiaries for the year 2018 was Baht 27,976.11 million, or Baht 6,817.25 million increasing from the year 2017, representing 32.22%, due to the increasing of construction projects. The major revenue were from construction revenue amount of Baht 27,468.80 million; increasing by Baht 7,453.69 million, representing 37.24%, rental and service income was Baht 68.53 million, gain from fair value adjustment of investment properties was Baht 262.89 million, gain on sale of long-term investment was Baht 56.25 million, interest income was Baht 52.83 million and dividend income was Baht 17.79 million.
- 2. Expenses :** The Company and its subsidiaries had total expenses for the year 2018 was Baht 25,937.59 million, or Baht 3,972.81 million increasing from the year 2017, representing 18.09%, resulting from increase in cost of construction according to the revenue recognition due to an increasing in construction projects. The main expenses were cost of construction amount of Baht 25,402.50 million; increasing by Baht 3,875.27 million, representing 18.01%, cost of rental and services was Baht 18.20 million and administrative expenses was Baht 516.89 million.
- 3. Profitability :** The consolidated financial statements for the year ending 31 December 2018 showed that the Company and its subsidiaries had operating profit before finance cost and income tax amount of Baht 2,063.32 million, representing 7.38% and net profit amount of Baht 1,637.01 million, representing 5.86%.

Please be informed accordingly,

Yours sincerely,

---

(Mr. Pakpoom Srichamni)

Director