

(Translation)

No.FN-NWR 093/62

14 May 2019

Subject : Submission of Financial Statements for the first quarter ended March 31,2019

To : President  
The Stock Exchange of Thailand

Enclosure : 1. Financial Statements for the first quarter ended March 31,2019  
2. Management Discussion and Analysis

Nawarat Patanakarn Public Company Limited would like to submit Reviewed Financial Statements for the first quarter ended March 31,2019. Please find enclosed the Management Discussion and Analysis

Please be informed accordingly.

Yours sincerely

- Signed -

(Miss.Pakatip Lopandhsri)

Director & Senior Vice President

Nawarat Patanakarn Public Company Limited

(Translation)

**NAWARAT PATANAKARN PUBLIC COMPANY LIMITED**  
**SUMMARY OF FINANCIAL POSITION AND PERFORMANCE**  
**FOR THE PERIOD OF ONE THREE MONTHS ENDED MARCH 31, 2019**

1. Analysis of operation results for First quarter of 2019 in comparison with those for the same quarter of 2018 (from the consolidated financial statements)

Items	First quarter of 2019	First quarter of 2018	Increased (Decreased)	
			Amount	%
1.1 Revenues from construction	Baht 1,851.66 million	Baht 2,250.87 million	Baht 399.21 million	(17.74)
1.2 Cost of construction	92.87 %	93.35 %	-	(0.51)
1.3 Sales and service income				
- Property development	Baht 164.15 million	Baht 175.45 million	Baht (11.30) million	(6.44)
- Concrete products and others	Baht 179.21 million	Baht 78.56 million	Baht 100.65 million	128.12
1.4 Cost of sales and service				
- Property development	67.86 %	74.71 %	-	(9.17)
- Concrete products and others	91.37 %	91.12 %	-	0.27
1.5 Selling expenses	Baht 30.73 million	Baht 23.64 million	Baht 7.09 million	29.99
1.6 Administrative expenses	Baht 146.06 million	Baht 163.11 million	Baht (17.05) million	(10.45)
1.7 Finance cost	Baht 50.94 million	Baht 55.50 million	Baht (4.56) million	(8.22)

2. The operation results (from the consolidated financial statements)

Item	First quarter of 2019	First quarter of 2018
Profit (Loss) for three months attributable to equity holders of the Company (from the consolidated financial statements)	Baht (27.69) million	Baht 41.16 million
Profit (loss) for three months (from the separate financial statements)	Baht (27.06) million	Baht 81.38 million

3. Management Discussion and Analysis

3.1 Revenue from construction for the first quarter of 2019 has decreased when compared to the same quarter of 2018 by Baht 399.21 million or 17.74%. There are many construction projects that are being completed. In some projects, the owners have delayed in the work area handover which prohibit the work. The construction area handover is expected to commence and the work can progress as targeted in the second quarter onward. In addition, there are many new projects which construction contracts have just been signed or about to be signed which will increase the corporate income from these projects in the second quarter onward as well.

3.2 Sales and service income from concrete products manufacturing and others in the first quarter of 2019 has increased when compared to the same quarter of 2018 by Baht 100.65 million or 128.12% because Advance Prefab Co., Ltd., which is a subsidiary company in precast concrete production, has increased income from concrete product selling when compared to the same quarter in 2018.

3.3 Selling expenses for the first quarter of 2019 has increased when compared to the same quarter of 2018 by Baht 7.09 million or approximately 29.99%. The details are as follows:

Name	First quarter of 2019	First quarter of 2018
Mana Patanakarn Company Limited	24.07 million	20.04 million
Advance Prefab Company Limited	6.47 million	2.91 million
Tastemaker Company Limited	0.19 million	0.69 million
Total	30.73 million	23.64 million

On the first quarter of 2019, Mana Patanakarn Co., Ltd., which is in real estate business, has expenses for sales support activities in order to stimulate the sales including payment for specialized business tax and local maintenance tax for real estate ownership transfer which increases from the same quarter of 2018. Also, Advance Prefab Co., Ltd., which is in concrete product manufacturing business, has increased transportation expenses that resulted from increased sales when compared to the same quarter of 2018.

3.4 Details of share of profit (loss) from investments in associates and joint ventures are as follows:

Name	Shareholding percentage	Share of profit (loss) for Q1-2019	Share of profit (loss) for Q1-2018
VSPN Property Company Limited	25 %	-	-
C.I.N. Estate Company Limited	40 %	Baht (2.88) million	Baht(0.49) million
NWR-SBCC Joint Venture	50 %	-	Baht 42.98 million
Total		Baht (2.88) million	Baht (42.49) million

3.5 On August 28, 2017, the Company issued and offered 2,000,000 units of 3-year debentures with a par value of Baht 1,000 each, totaling Baht 2,000 million. The debentures will be mature on August 28, 2020. The coupon rate is 4.5% per annum. The objectives of issuing the debentures are a) investment in the new projects, b) repayment of debts, and c) working capital. The Company can sell debentures of Baht 1,720.1 million. Interest expenses of debentures for the first quarter of 2019 were Baht 19.09 million.

3.6 On March 28, 2017 the Central Bankruptcy Court ordered Saraburi Coal Company Limited (“Saraburi”) into final receivership. The Company and Saraburi are the parties to a joint venture agreement, NWR-SBCC Joint Venture, to carry out a soil and coal extraction and transportation work project at Mae Moh mine, Lam Pang of the Electricity Generating Authority of Thailand (“EGAT”), with both venture partners having a 50% interest. As a result of the final receivership order issued by the Court, Saraburi is considered to be in breached of the joint venture agreement and the Company has therefore exercised its right under the agreement to notify the termination of Saraburi’s responsibilities in the NWR-SBCC Joint Venture. Consequently, on January 2018, the Court has ordered Saraburi to go bankrupt.

On May 8, 2017, the Company issued a letter notifying the termination of Saraburi’s responsibilities in the joint venture. As a result, the contractual roles, rights and responsibilities of Saraburi under the NWR-SBCC Joint Venture agreement are terminated, with the Company assuming the rights and responsibilities of control and operation in accordance with the contract until the service is completed, for which the scheduled date is April 23, 2018. The outcome of the lawsuit involving Saraburi and the exercise of this right have impact neither on the Company’s proportionate interest in NWR-SBCC Joint Venture nor the operation of this project with EGAT.

At present, the Project has already been completed and all equipment and machinery have been sold out.

**4. Trade accounts receivable – related parties, long past due**

Unit : million Baht

Transactions Company	Balance as of 31-12-2018	Balance as of 31-03-2019	Allowance of doubtful accounts	source of Transaction	Action to be taken
<p><b><u>New Decade Co.,Ltd.</u></b></p> <p>Mrs.Sutasanee Karnasuta is the authorized director of New Decade Co., Ltd..</p> <p>Mrs.Sutheera Phuttharee is the authorized director and shareholder of New Decade Co.,Ltd..</p> <p>Both are the younger sisters of Mr.Polpat Karnasuta who holds the position of Chief Executive Officer of the Company.</p>	91.70	91.71	(90.20)	The transactions between New Decade Co., Ltd. and the Company are machine and equipment rental, purchase of construction material and construction work for Highway No.7 Chonburi – Pattaya, and also survey of route at Kanchanaburi.	The Company orders this company to repay the debts by installments according to its business's net cash flow.
<p><b><u>Ruean Rapee Co.,Ltd.</u></b></p> <p>Mrs.Sutasanee Karnasuta and Mrs.Sutheera Phuttharee are the authorized directors and shareholders of Ruean Rapee Co.,Ltd..</p> <p>Both are the younger sisters of Mr.Polpat Karnasuta who holds the position of Chief Executive Officer of the Company.</p>	40.99	40.99	(40.99)	Construction of Baan Baranee, this company's real estate project.	The Company orders this company to repay the debts by installments according to its business's net cash flow.
<p><b><u>East Bangkok Assets Co.,Ltd.</u></b></p> <p>Mrs.Sutasanee Karnasuta and Mrs.Sutheera Phuttharee are the authorized directors and shareholders of East Bangkok Assets Co.,Ltd..</p> <p>Both are the younger sisters of Mr.Polpat Karnasuta who holds the position of Chief Executive Officer of the Company.</p>	25.77	25.77	(25.77)	Construction of houses and public utilities system for this company's real estate project.	The Company orders this company to repay the debts by installments according to its business's net cash flow.