



No. FTE 003/2562

10 May 2019

Subject Management Discussion and Analysis for the first quarter ended March 31, 2019

Attention The President
The Stock Exchange of Thailand

Attachment Report and interim financial statement for the first quarter ended March 31, 2019

Firetrade Engineering Public Company Limited (“the Company”) would like to report the operating result according to the Company’s consolidated financial statement of the Company and its subsidiary for the first quarter ended 31 March 2019 which the details are as follows:

Unit: million Baht	For 3-month period (Jan-Mar)			
	2019	2018	Change	% Increase (Decrease)
Revenue from sale of goods	167.64	153.36	14.28	9.31
Revenue from project works and services	80.96	67.18	13.78	20.51
Total Revenue from Sale and Services	248.60	220.54	28.06	12.72
Cost of sales of goods	118.22	112.99	5.23	4.63
Cost of project works and services	64.61	60.79	3.82	6.28
Total Costs of Sales and Services	182.83	173.78	9.05	5.21
Gross Profit	65.77	46.76	19.01	40.65
Other incomes	5.31	3.61	1.70	47.09
Distribution costs	17.80	15.70	2.10	13.38
Administrative expenses	16.00	13.80	2.20	15.94
Tax expense	7.51	4.25	3.26	76.71
Profit for the period	29.77	16.62	13.15	79.12
Net Profit - attributable to equity holders of the parent	29.77	16.62	13.15	79.12
Gross Profit Margin (%)	26.46	21.20		
Net Profit Margin (%)	11.72	7.41		

Remark: 1) Net profit margin is calculated from the net profit attributable to equity holders of the parent on consolidated financial statement.
2) Decimal numbers shown in this management discussion and analysis are likely to be different from the Company’s financial statement due to the rounding to 2-digit decimal and unit changed to million baht

Revenue from Sales and Services

For 3-month period ended March 31, 2019, the Company’s revenue from sales and services was THB 248.60 million, rose by THB 28.06 million or equivalent to 12.72 percent increase compared to the same period of last year. Revenue from sale of goods was increased compared to the same period of last year due to a growing customer base and gross profit margin, revenue from project works and services were increased from those on-going projects in 2018 and from project work that was added in 2019.

Gross Profit and Gross Profit Margin

For 3-month period ended March 31, 2019, the Company’s gross profit was THB 65.77 million or equivalent to the gross profit margin of 26.46 percent, whilst in the same period of last year, the Company’s gross profit was THB 46.76 million or equivalent to gross profit margin of 21.20 percent. A higher in gross profit and gross profit margin were a consequence of the fact that the Company earned more revenue from both sales and services as mentioned earlier, while fixed costs are not significantly reduced.



Distribution costs and Administrative Expenses

For 3-month period ended March 31, 2019, the Company’s distribution costs and administrative expenses were THB 33.80 million, increased by THB 4.30 million or up 14.58 percent compared to the same period of last year. Increases in such expenses resulted from rising salesperson and management expenses in order to accommodate the Company’s expansion and the Company has set aside loss on devaluation of obsolete inventories so on.

Net Profit and Net Profit Margin

For 3-month period ended March 31, 2019, the Company’s net profit attributable to equity holders of the parent was THB 29.77 million which was equal to the net profit margin of 11.72 percent. Whilst, in the same period of last year, the Company’s net profit attributable to equity holders of the parent was THB 16.62 million which was equal to the net profit margin of 7.41 percent.

A growth in net profit for 3-month period ended March 31, 2019, was particularly caused by the increase in gross profit as mentioned earlier

Please be informed accordingly,

Yours sincerely,

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(Mr. Taksin Tantipijit)
Managing Director

Firetrade Engineering Public Company Limited

