

November 13, 2019

Re : Management Discussion and Analysis for Q3/2019

To : Director and Manager of the Stock Exchange of Thailand

Revenue from sales and rendering of services

L&E's consolidated revenue from sales of goods and rendering of services in Q3/2019 was recorded at Baht 715 million, down 2% Y-O-Y or Baht 12 million, mainly attributable to delays in goods deliveries for part of The Midfield Satellite Building at Suvarnabhumi International Airport and part of The New Parliament Building to Q4/2019, as well as a slowdown in LED replacement energy saving programs from both Government and Private sectors. Moreover, Wholesales/Retails sales was strongly affected by a flood of highly competitive consumers products from China amid the ongoing China – USA trade war, and the decline in Export sales was caused by the fact that most countries in AEC market were also affected by the slowing global economy.

Profit for the period

L&E's consolidated profit for the period of Q3/2019 was posted at Baht 23.3 million, down 34% or Baht 11.8 million from a year earlier, which can be summarized as follows:

- Gross Profit including Other Income were down Baht 20.4 million Y-O-Y due primarily to delays in goods deliveries for part of the above-mentioned projects to Q4/2019;
- SG&A including Interest expenses were down Baht 6.9 million Y-O-Y on lower variable expenses relating to performance;
- CIT including non-controlling interests were down Baht 1.7 million Y-O-Y.

Yours sincerely,

Mr. Anant Kittivittayakul

Managing Director