

14 May 2019

SET. 2019/05/007

Subject : Clarification of the operating results of Q1-2019

Attention : The President

The Stock Exchange of Thailand

Pre-Built Public Company Limited would like to announce the audited financial Statements for 3 months ended 31 March 2019. The overall performance in Q1-2019 comparison with Q1-2018 as follows:

Summary Table of Profit and Loss Comparison

Unit : Million Baht	Consolidated		
	31 March 2019	31 March 2018	Variance
Revenues – construction	881.48	1,117.71	(236.23)
Revenues – sales of goods	119.28	98.03	21.25
Total revenues	1,000.76	1,215.73	(214.97)
Cost of construction	712.96	909.60	(196.64)
Cost of sales of goods	97.79	80.68	(17.11)
Total cost	810.75	990.28	(179.53)
Gross profit - construction	168.53	208.11	(39.58)
%	19.12%	18.62%	0.50%
Gross profit - sales of goods	21.49	17.34	4.15
%	18.02%	17.69%	0.33%
Total gross profit	190.01	225.45	(35.44)
%	18.99%	18.54%	0.45%
Net profit	99.69	144.23	(44.54)

Explanation of the differences of Revenue and Gross Margin

- In consolidated financial statement Q1-2019, combined revenue of both businesses decreases by approximately 214.97 million baht from 2018, which derives from construction business. Revenue from construction in Q1-2019 was weaker than in Q1-2018, due to the discontinuous of receiving in project, which started delay from last year. However, the company expects its income can follow the budget at THB 4 billion, which will increase in next period.

- Gross margin of construction business in Q1- 2019 is higher than Q1-2018. It is also higher the expected average rated. Since the company was able to efficiently manage the cost of projects during such period. However, the gross margin is expected to fluctuate over time due to the nature of construction projects. The discontinuous of receiving in project also causes the fluctuation in margin. The company expects an average gross margin of 15% for year 2019 is achievable.
- Gross margin of construction sale business in Q1- 2019 is achieve to the target. Due to the increase in sale volume, the cost of production per unit is decrease. These profits are dependent on what types of products are demanded during each period. In 2019, the company produced and sold a large volume of GRC and Precast Wall that had a high gross margin. The company forecasted of 18%-19% average gross margin in 2019 is achievable.

Explanation of the differences of Net Profit

- Quarter1- 2019 net profit presents of THB 99.69 million, which decreases of THB 44.54 million from last year. Due to the decrease of income, net profit decreases. In addition, the operating expenses in Real Estate Business also causes the decrease in net profit.

Summary Table of Balance Sheet comparison

Unit : Million Baht	31 March 2019	31 December 2018	Variance
Cash and cash equivalents	382.54	440.67	(58.13)
Current investments	710.85	308.07	402.78
Land and cost of project under construction	1,455.69	1,419.53	36.16
Total assets	5,658.87	5,029.63	629.24
Loan	1,386.24	886.24	500.00
Total Liabilities	3,310.63	2,765.99	544.64
Retained earnings	1,718.31	1,633.71	84.60
Total shareholders' equity	2,348.24	2,263.64	(84.60)
Total liabilities and shareholders' equity	5,658.87	5,029.63	629.24
Debt to equity ratio	1.41	1.22	0.19

- In Q1- 2019, the company has borrowed money from a financial institution THB 500 million for invest in real estate business, which it's resulting in a Company Debt-to-Shareholders Equity ratio to 1.41. The Company Debt-to-Shareholders Equity ratio is expected at 2:1.

- Backlog projects in Q1-2019 totals THB 8 billion.

For your acknowledgement

Yours Faithfully

Pre-Built Public Company Limited

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Managing Director