



No. SYNTEC/EX/013/2020

Date: February 27, 2020

Subject: Management's Discussion and Analysis for the year 2019

To: Director and Manager,

The Stock Exchange of Thailand (SET)

Syntec Construction Public Company Limited (SYNTEC), would like to clarify SYNTEC and its Subsidiaries Financial Statements for the year ended 31 December 2019, performance of 2018 showed a total profit attributable to owners of the Company in consolidated financial statements of Baht 247 million, performance of 2018 showed a profit attributable to owners of the Company of Baht 591 million, Decreasing by Baht 344 million or decreasing of 58.21 % by the reasons of changing are as follows:

• Other income increased of Baht	56	Million
• Income tax expense decreased of Baht	34	Million
• Reversal of estimated allowance for litigation cases increased	21	Million
• Interest income increased of Baht	15	Million
• Finance costs increased of Baht	(6)	Million
• Selling and Administrative expenses increased of Baht	(33)	Million
• Revenue from room service increased of Baht from 419 million to 461 million, gross profit margin decreased from 34.23 % to 20.63 % as a resulted to gross profit margin decreased of Baht.	(49)	Million
• Other expenses increased due to the group's company has set up provision for doubtful debt comply with the new Thai Accounting Standard.	(115)	Million
• Gain on disposal and writ-off assets decreased of Baht	(132)	Million
• Revenue from construction increased of Baht from 6,789 million to 7,922 million, gross profit margin decreased from 15.20 % to 11.32 %. as a resulted to gross margin decreased of Baht	(135)	Million.

Furthermore, the progressive statuses of loans to related parties are as follows:

1. Long-term Loans to Related Parties

Other Related Companies

- Gentech Engineering Co., Ltd., valued at Baht 4.96 million (fully provision). Currently, the official receiver is in the process of property collection.

Please be informed accordingly.

Sincerely yours,

(Mr.Somchai Sirilertpanich)

Chief Executive Office

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