



At SR-E2563/004

20th February, 2020

Subject : Management Discussion and Analysis (MD&A) for the year ended 31 December 2019.

To : President of the Stock Exchange of Thailand

Siamraj Public Company Limited (“The Company”) would like to clarify the operating results for the year ended 31 December 2019 which the details are as follows ;

Table of key financial results

(Units:Million Baht)	Q4	Q3	Q4	%	%	2019	2018	%
	2019	2019	2018	Inc.(Dec.)	Inc.(Dec.)			Inc.(Dec.)
				QOQ	YOY			YTD
Main revenues	718.43	359.94	569.98	99.60%	26.04%	1,699.94	1,777.44	(4.36%)
Other incomes	(1.01)	2.37	2.56	(142.62%)	(139.45%)	3.64	19.25	(81.09%)
Total revenues	717.42	362.31	572.54	98.01%	25.30%	1,703.58	1,796.69	(5.18%)
Cost and operating expenses	(701.25)	(354.16)	(532.94)	98.00%	31.58%	(1,682.35)	(1,745.43)	(3.61%)
Net profit(loss)	15.79	7.89	40.72	100.13%	(61.22%)	20.38	53.23	(61.71%)

For Fourth quarter of 2019 compared with Third quarter of 2019

In the fourth quarter of 2019 (Q4/2019), net profit of the Company was Baht 15.79 million, increasing by Baht 7.90 million or 100.13% compared with the third quarter of 2019 (Q3/2019) mainly due to ;

Main Revenues

Company’s revenue in the fourth quarter (Q4/2019) was Baht 718.43 million, increased from third quarter (Q3/2019) by Baht 358.49 million or 99.60%. Significant increase in revenue came from ;

- (1) Alternative Energy Business Unit generated more income from the construction of floating Solar project which started in late of the third quarter (Q3/2019).
- (2) The Metering and Pipeline Transmission Business Unit could recognize the revenue from the postponed project from owner in the last quarter (Q3/2019).
- (3) The Field of Flow Measurement Business Unit generated more income from the delayed project in the last quarter (Q3/2019).

Cost and Operation expenses

The Company costs and operation expenses of Baht 701.25 million, increasing by Baht 347.09 million or 98% from the third quarter of 2019 (Q3/2019), as a consequence from increasing in variable costs and revenues.



For Fourth quarter of 2019 (Q4/2019) compared with Fourth quarter of 2018 (Q4/2018)

In the fourth quarter of 2019 (Q4/2019), net profit of the Company was Baht 15.79 million, decreased by Baht 24.93 million or 61.22% from the same period of last year (Q4/2018). The Metering and Pipeline Transmission Business Unit adjusted the memo of the fine from delay of work which was in the negotiation process and recognized in December 2019.

Year 2019 compared with Year 2018

Company's net profit in 2019 was Baht 20.38 million decrease by Baht 32.85 million or 61.22% from 2018 mainly due to;

Main revenues

The Company generated main revenue of Baht 1,699.94 million, decreasing by Baht 77.50 million or 4.36% from previous year. Revenue from Metering and Pipeline Transmission Business Unit, The Industrial Pumps Business Unit and The Field of Flow Measurement Business Unit decreased significantly. This results from the regression of economics as well as price competitive in market.

Other incomes

Other incomes in 2019 was Baht 3.64 million, decreased by Baht 15.61 million or 81.09% due to the decreased in commission fee and profit from asset disposal.

Finance costs

Finance costs increased by Baht 7.16 million or 153.32%, results from loaning to invest in "TUH Parking and Plaza" project of subsidiary company which was loaned in Q2/2018 as well as short-term loan in other projects of company.

Operational Highlights

Company determined to generate sustainable income. Recently, Company has proceeded to expand our investment in various sections. Car park management is one of our new business with our first project "TUH Parking and Plaza". This project has fully commenced operation in 2019 which generated profit since the first full year of operation.

Car-Parking management in Chiang Mai airport collaborated with AOT

During the third quarter of 2018 (Q3/2018), subsidiary company signed an agreement with AOT to invest in Car-Parking building and management project in Chiang Mai airport. The project is in construction process and expected to fully open in 2020.

The objective of this project is not only to generate sustainable income and growth of company but also to boost the capability of company regarding the investment in Car-Parking management with commercial area. Company determined to become a leader in Car-Parking management business in ASIA.

Sincerely Yours.

(Mrs. Udomporn Jiranapakulwat)
Chief Finance Officer and Accounting