

10 November 2015

Subject: Management Discussion and Analysis for the year ended 31 December 2014

To: Managing Director
The Stock Exchange of Thailand

Siamraj Public Company Limited (“the Company”) would like to clarify the operating result for the year ended 31 December 2014 which changes from the same period of 2013 exceeding to 20%. The details are as follows:

Unit: THB million	Consolidated financial Statement	
	2013	2014
Main revenue	1,373.57	2,211.93
Other revenue	18.08	29.20
Total revenue	1,391.66	2,241.13
Net profit	16.61	(53.31)

In 2014, the Company generated THB 2,241.13 million increasing from 2013 for THB 849.48 million or 61.04% increase. The significant increment of total revenue was from Metering and Pipeline Transmission business unit. In 2013-2014, the Company got the Zawtika project which is the project of construction of gas metering station and pipeline transmission systems to transport natural gas from Myanmar heading to Kanchanaburi province, Thailand. The Company is employed to be responsibility of construction of gas metering stations and pipeline transmission systems with the project value of THB 1,073.18 million. The Company recognized the revenue from the Zawtika project for 2013-2014 equivalent to THB 99.10 million and THB 963.29 million, respectively. That reflected to the revenue growth of the Company in 2014 significantly.

However, in 2014, the Company has net loss of THB 53.32 million decreasing from 2013 net profit of THB 16.61 million. The net loss in 2014 was due to important accounting impacts and deficit from discontinuing business with the details as follows:

1. The Company recorded expenses from writing-off on devalue of building and equipment of NGV stations located in Kampeangpetch province and Pisanulok province accounting for THB 78.66 million
2. The Company recorded expenses from writing-off on devalue of inventory (NGV storages and Compressors) accounting for THB 32.09 million
3. The Company recorded expenses promptly when using spare parts for Maintenance of NGV stations business, accounting for THB 30.25 million.

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4. The deficit from discontinuing of Conversion Kits business, accounting for THB 19.48 million (net after tax)

In addition, the Company also issued new shares to third persons at par value; therefore, the Company has an accounting effect from share based payment for THB 78.56 million. However, if it does not include expense from share based payment, the Company's net profit in 2014 will be THB 25.26 million with 1.13% of net profit margin.

To be acknowledged accordingly

Sincerely Yours,

(Mrs. Wacharee Atthakorn)

Authorized to sign behalf of the Company