

At SR-E2561/009

10 May 2018

Subject : Management Discussion and Analysis for the three-month period ended 31 March 2018

To : Managing Director

The Stock Exchange of Thailand

Siamraj Public Company Limited (“The Company”) would like to clarify the operating results for the year ended 31 March 2018 which changes at the rate exceeding 20% of those from the prior period. The details are as follows ;

Consolidate financial statements					
Units : Baht million	Q1/2017	Q4/2017	Q1/2018	%QOQ	%YOY
Main revenues	177.40	392.94	307.54	(21.73%)	73.36%
Other revenues	7.25	17.31	7.57	(56.26%)	4.49%
Total revenues	184.64	410.25	315.11	(23.19%)	70.66%
Cost and operating expenses	(198.72)	(363.33)	(316.28)	(12.95%)	59.16%
Profit (Loss) for the periods	(13.36)	47.14	(0.97)	(102.05%)	(92.77%)

The period ended 31 December 2017 compared with the first quarter of 2018

In the first quarter of 2018 (Q1/2018), net loss of the Company was Baht 0.97 million, decreasing by Baht 48.11 million or 102.05% mainly due to

Revenue

The Company generated main revenue of Baht 307.54 million decreasing by Baht 85.41 million of at the rate 21.73%, period 31 December 2017(Q4/2017). The significant decrement of main revenue is from Alternative energy had the extend of construction percentage progress toward the completion is lower than those of prior period. The other revenue in the first quarter 1 of 2018 decrease from the prior period resulting mainly from the Company recognized revenue from commission fee less than the prior period of Baht 13.20 million.

Cost and operation expenses

The Company had cost and operation expenses of Baht 316.28 million, decreasing by Baht 47.05 million or at the rate 12.95%. The change is a result of the decrease in variable cost which moves in respond to the decrease of revenue. Operation expenses decrease resulting mainly from the relevant expenses of Baht 5.06 million from acquisition business in prior period (“Field of flow measurement business”)

The first quarter of 2018 compared with The first quarter of 2017

In the first quarter of 2018 (Q1/2018), net loss of the Company was Baht 0.97 million, the loss decreasing by Baht 12.40 million or 92.77% mainly due to

Revenue

The Company generated main revenue of Baht 307.54 million, increasing by Baht 130.14 million or at the rate 73.76% and in the first quarter of 2017. The significant increment of main revenue is from 1) Metering and Pipeline Transmission business units realized income from the contracts that has been awarded in prior year, 2) the Company realized income from Field of flow measurement business


Was based on the published share price on 1 November 2017.

Cost and operation expenses

The Company had cost and operation expenses of Baht 316.28 million, increasing by Baht 117.57 million or at the rate 59.16%. The change is a result of the increase in variable cost which moves in respond to the increase of revenue. Operation expenses increase resulting mainly from the expenses of Field of flow measurement business as mentioned above



Sincerely Yours.


(Mrs Udomporn Jiranapakulwat)

Chief Financial Officer