



At SR-E2562/009

9<sup>th</sup> May, 2019

Subject : Management Discussion and Analysis (MD&A) for the three-month period ended 31 March 2019.

To : President of the Stock Exchange of Thailand

Siamraj Public Company Limited (“The Company”) would like to clarify the operating results for the three-month period ended 31 March 2019 which changes at the rate exceeding 20% of those from the prior period. The details are as follows;

**Table of key financial results**

(Units:Million Baht)	Q1	Q4	Q1	%	%
	2018	2018	2019	Inc.(Dec.)	Inc.(Dec.)
	Restated			QOQ	YOY
Main revenues	307.54	569.98	308.47	(45.88%)	0.30%
Other revenues	5.23	2.56	2.21	(13.67%)	(57.74%)
<b>Total revenues</b>	<b>312.77</b>	<b>572.54</b>	<b>310.68</b>	<b>(45.74%)</b>	<b>(0.67%)</b>
Cost and operating expenses	(314.76)	(532.94)	(312.37)	(41.39%)	(0.76%)
<b>Profit(Loss) for the periods</b>	<b>(1.79)</b>	<b>40.72</b>	<b>(1.62)</b>	<b>(103.98%)</b>	<b>9.50%</b>

**First quarter of 2019 compared with Fourth quarter of 2018**

In the first quarter of 2019 (Q1/2019), net loss of the Company was Baht 1.62 million, decreasing by Baht 42.34 million or at the rate 103.98% when compared with the fourth quarter of 2018 (Q4/2018), net profit was Baht 40.72 million, mainly due to;

Revenue

The Company generated main revenue of Baht 308.47 million, decreasing by Baht 261.51 million or at the rate 45.88% from the fourth quarter of 2018 (Q4/2018). The significant decrement of main revenue were from;

- (1) The Metering and Pipeline Transmission Business had not expected to recognize revenue due to the owner requested that the work be postponed. Therefore, the construction had been unable to complete work in progress. Which is expected to be completed within this year.
- (2) The Engineered Pumps and Systems Business Unit had able delivered orders faster than expected. Therefore, the revenue had recognized in the prior quarter.
- (3) The Alternative Energy Business Unit had been decreasing as major construction projects able work in progress faster than expected. Therefore, the revenue had recognized in the prior quarter.



#### Cost and operation expenses

The Company had cost and operation expenses of Baht 312.37 million, decreasing by Baht 220.57 million or at the rate 41.39% from the fourth quarter of 2018 (Q4/2018). The change is a result of the decrease in variable cost which moves in response to the decrease of revenue.

#### First quarter of 2019 compared with First quarter of 2018

In the first quarter of 2019 (Q1/2019), net loss of the Company was Baht 1.62 million, net loss decreasing by Baht 0.17 million or 9.50% when compared with the first quarter of 2018 (Q1/2018), net loss was Baht 1.79 million, there were non-significant change in the revenue costs and operation expenses had similar to the same quarter of the previous year. While other income decreased resulting mainly from the decrease of gain from sales of assets less than the same quarter of the previous year.

Sincerely Yours.

(Mrs. Udomporn Jiranapakulwat)

Chief Finance Officer and Accounting