



Ref.No.ST/2019/0658

November 14, 2019

Subject : Management Discussion and Analysis Quarter 3 Ending 30 September 2019

To : The President of Stock Exchange of Thailand

Sino-Thai Engineering and Construction Public Company Limited (The Company and its subsidiaries) would like to inform the Company's operation result on the third quarter consolidated financial statements ending 30 September 2019 which was reviewed by the Company's auditor as follows:

- 1. Revenues :** The Company and its subsidiaries had total revenue for the three-month period and nine-month period in 2019 amount of Baht 9,090.88 million and baht 24,058.16 million, comparing to the same periods of the previous year, the total revenue was Baht 7,255.09 million and Baht 18,364.25 million respectively, increasing by Baht 1,835.79 million or 25.30% for the three-month period and Baht 5,693.91 million or 31.01% for the nine-month period.

The major revenue were from construction, amounting to Baht 9,002.92 million for the three-month period and Baht 23,761.35 million for the nine-month period, rental and service income, amounting to Baht 33.88 million and Baht 72.38 million, interest income, amounting to Baht 35.57 million and Baht 119.16 million respectively and dividend income, amounting to Baht 59.08 million.

- 2. Expenses :** The Company and its subsidiaries had total expenses for the three-month period and nine-month period in 2019 amount of Baht 8,733.59 million and baht 22,901.65 million, comparing to the same periods of the previous year, the total expenses was Baht 6,780.63 million and Baht 17,144.19 million respectively, increasing by Baht 1,952.96 million or 28.80% for the three-month period and Baht 5,757.46 million or 33.58% for the nine-month period. This resulted from increase in cost of construction due to an increasing in construction projects.

The main expenses were cost of construction, amounting to Baht 8,542.16 million for the three-month period and Baht 22,407.18 million for the nine-month period, administrative expenses, amounting to Baht 119.55 million for the three-month period and Baht 413.21 million for the nine-month period and loss from litigation, amounting to Baht 64.96 million for the three-month and nine-month periods.



3. **Profitability** : The consolidated financial statements for the third quarter ending 30 September 2019 showed that the Company and its subsidiaries had profitability as follows:

- The Company and its subsidiaries had gross profit amount of Baht 487.72 million, representing 5.40% for the three-month period and Baht 1,410.25 million, representing 5.92% for the nine-month period.
- The Company and its subsidiaries had operating profit before finance cost and income tax amount of Baht 355.61 million, representing 3.91% for the three-month period and Baht 1,150.01 million, representing 4.78% for the nine-month period.

Please be informed accordingly,

Yours sincerely,

(Mr. Pakpoom Srichamni)

Director