



Management Discussion and Analysis (MD&A) and operating result of 4th quarter and the period of year 2017.

Performance

Revenue

In the fourth quarter and the year of 2017, the revenue of the company and its subsidiaries was 826 million baht and 3,017 million baht respectively, decreased 246 million baht or 23% and decreased 356 million baht or 10.6%, from the same period of the previous year. In the second quarter of 2016, other revenue of the company and its subsidiaries was raised 112 million baht as a result of the recognized profit from the divestment of some of its shares in a subsidiary.

Cost of sales and services

In the fourth quarter and the year of 2017, the cost of sales and services of the company and its subsidiaries was 626 million baht and 2,336 million baht respectively, decreased 213 million baht or 25.4% and decreased 192 million baht or 7.6% from the same period of the previous year.

Sales and administrative expenses

In the fourth quarter and the year of 2017, the sales and administrative expenses of the company and its subsidiaries was 150 million baht and 484 million baht respectively, increased 6 million baht or 4.5% and decreased 34 million baht or 6.5% from the same period of the previous year. In the second quarter of 2016, the forecast of the project expense of a subsidiary was increased 16 million baht.

Corporate Income Tax

In the fourth quarter and the year of 2017, the corporate income tax of the company and its subsidiaries was 13 million baht and 39 million baht respectively, decreased 1 million baht and 13 million baht, or 9.5% and 25.3%, from the same period of the previous year, due to the decreased profit.

Comprehensive income for the period

In the fourth quarter and the year of 2017, the comprehensive income for the period of the company and its subsidiaries was 36 million baht and 153 million baht respectively, increased 2 million baht or 4.9% and decreased 75 baht or 32.8% from the same period of the previous year, due to the increased profit which was particularly caused by the divestment of some of its shares in a subsidiary.



Financial Status

Assets

As of December 31, 2017, the total assets amounted to 3,370 million baht, increased 42 million baht or 1.26% from the same period of the previous year, as a result of the decrease of 615 million baht in cash and cash equivalents and short-term investment, the increase of 218 million baht in trade and other accounts receivable as most receivables were not yet due, the increase of 24 million baht in amounts due from related parties, the increase of 212 million baht in unbilled accounts receivable, and the increase of 171 million baht in cost of work in process in accordance with the work process. Non-current assets were increased 33 million baht, the decrease of 5 million baht in net equipment, the increase of 7 million baht in intangible assets, and the increase of 18 million baht in the investment in associate company which was caused by the divestment of some shares of a subsidiary.

Liabilities

As of December 31, 2017, the total liabilities amounted to 1,383 million baht, increased 38 million baht or 2.8% from the same period of the previous year, due to the decrease of 5 million baht in bank overdraft and short-term loan, the increase of 41 million baht in trade and other accounts payable, the decrease of 38 million baht in accrued expenses, and the decrease of 3 million baht in unbilled payable.

Shareholders' equity

As of December 31, 2017, the shareholders' equity amounted to 1,975 million baht, decreased 2 million baht or 0.09% from the same period of the previous year. The comprehensive profit of the year of 2017 was 153 million baht of, and the dividend for 2016, paid in the second quarter of 2017, was 155 million baht.

Financial Ratio

The necessary ratios are illustrated below.

| Ratio | As of Dec 31, 2017 | As of Dec 31, 2016 |
|--|---------------------------|---------------------------|
| Liquidity ratio (times) | 1.96 | 1.99 |
| Debts to shareholders' equity ratio (times) | 0.7 | 0.7 |
| Margin ratio (%) | 21.1 | 21.5 |
| Net profit ratio (%) | 5.2 | 6.6 |
| Book value per share ratio (baht) | 4.5 | 4.5 |