

Management Discussion and Analysis (MD&A) for the second quarter and the first six months of 2019

Turnover

Revenue

In the second quarter and the first six months of the year 2019, the revenue of the Company was 904 million baht and 1,612 million baht, respectively. When comparing, it increased 193.32 million baht or 27.2% from the same period of the previous year and increased 23.82 million baht or 1.5% in the first six months of the year 2019.

Cost of sales and services

In the second quarter and the first six months of the year 2019, the cost of sales and services of the Company was 717 million baht and 1,279 million baht, respectively. When comparing, it increased 149.25 million baht or 26.3% and decreased 12.94 million baht or 1.0% from the same period of the previous year.

Sales and administrative expenses

In the second quarter and the first six months of the year 2019, the sales and administrative expenses of the Company was 132 million baht and 243 million baht, respectively. When comparing, it increased 30 million baht or 29% and 49.6 million baht or 12% from the same period of the previous year, respectively. Since in the second quarter of the year 2018, the Company recognized loss on impairment of the investment and adjusted the value of the investment in one of the subsidiaries in the total amount of 37.33 million baht, which is the result of the expected value of the return in that investment that was lower than the value under the equity method of investment.

Corporate Income Tax

In the second quarter and the first six months of the year 2019, the corporate income tax of the Company was 12.51 million baht and 19.60 million baht, respectively, increasing 4.60 million baht or 58% and 4.0 million baht or 25%, from the same period of the previous year respectively, because of increased taxable profits.

Comprehensive income for the period

In the second quarter and the first six months of the year 2019, the comprehensive income for the period of the Company was 41.50 million baht and 67.26 million baht, respectively, increasing 48.37 million baht or 712.93% and 47.26 million baht or 236.30%, respectively. Since in the second quarter of the year 2018, the Company recognized loss on impairment of the investment and adjusted the value of the investment in one of the subsidiaries in the total amount of 37.33 million baht, which is the result of the expected value of the return in that investment that was lower than the value under the equity method of investment.

Financial Status

Assets

As of June 30, 2019, the total assets amounted to 3,173 million baht, decreasing 158 million baht or 4.73% from the previous year. As a result of the decreasing of 158 million baht, it came from the related items; decreasing cash, cash equivalents and temporary investments in the total amount of 199.46 million baht, decreasing account receivables and other receivables in which most receivables were not yet due in the aggregate amount of 243 million baht, decreasing related business receivables in the total amount of 12.8 million baht, increasing in unbilled income in the amount of 168 million baht, reducing job costs during installation in the amount of 105 million baht in accordance with the work procedures. Also, non-current assets were increased in the amount of 29 million baht from the related items; increasing net device in the amount of 6 million baht, increasing intangible assets in the amount of 2 million baht, increasing capitals in associated companies in the amount of 2 million baht.

Debts

As of June 30, 2019, the total debts amounted to 1,463 million baht, decreasing 135 million baht or 8.46% from the previous year. It came from the related items; decreasing trade account payable and other payables in the amount of 92 million baht, decreasing accrued expenses in the amount of 98 million baht, increasing received income in the amount of 31 million baht in advance, and increasing unbilled costs in the amount of 21 million baht.

Shareholders' equity

As of June 30, 2019, the shareholders' equity amounted to 1,687 million baht, decreasing 21 million baht or 1.23% from the previous year. It came from the Company had total comprehensive income for the first six months of the year 2019 in the amount of 67 million baht, and the Company paid dividend for the year 2018 to shareholders in the amount of 88.29 million baht in the second quarter of the year 2019.

Financial Ration

The necessary ratios are illustrated below;

Ratio	As of June 30,2019	As of June 30,2018
Ratio of Liquidity (Times)	1.97	2.2
Ratio of Debts to Shareholders' equity (Times)	0.8	0.5
Ratio of Gross Profit (%)	19.6	17.2
Ratio of Net Profit (%)	4.2	1.3
Ratio of Book Value per Share (Baht)	3.8	4.3

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