บริษัท เชียงใหม่ริมดอย จำกัด (มหาชน)
CHIANGMAI RIMDOI PUBLIC COMPANY LIMITED

No. CRD/062/2562

August 10, 2019

Subject: Management Discussion and Analysis of Operating Results for the 2nd Quarter of 2019, Ended June 30, 2019

Attention: The President

The Stock Exchange of Thailand

Chiangmai Rimdoi Public Company Limited ("The Company") would like to clarify the operating result for the 2nd quarter of 2019, ended June 30, 2019. Details are as follows:

Business Overview

To summarized, 2nd quarter of 2019, the Company had total revenue from construction of 313.91 million baht and net profit of 5.68 million baht which equivalent to net profit margin of 1.74%. The total backlog at the end of June in 2019 was 1,359.53 million baht.

Income Statement for 2nd Quarter of 2019

Income Statement	Q2/2019	Q2/2018	Increasing (Decreasing)	6M/2019	6M/2018	Increasing (Decreasing)
	MB	MB	%	MB	MB	%
Revenue from construction	313.91	333.88	(5.98%)	662.09	622.73	6.32%
Revenue from service	-	-	0.00%	-	-	0.00%
Total revenue from construction and service	**313.91**	**333.88**	**(5.98%)**	**662.09**	**622.73**	**6.32%**
Cost of construction	299.38	305.58	(2.03%)	622.14	570.04	9.14%
Cost of service	-	-	0.00%	-	-	0.00%
Total cost from construction and service	**299.38**	**305.58**	**(2.03%)**	**622.14**	**570.04**	**9.14%**
Gross profit	**14.53**	**28.29**	**(48.66%)**	**39.96**	**52.69**	**(24.17%)**
Other incomes	12.18	2.18	458.45%	16.00	6.71	138.54%
Service & Administrative expenses	17.70	18.88	(6.22%)	35.01	36.79	(4.83%)
Finance costs	1.75	1.07	63.36%	3.02	2.12	42.32%
Sales profit of Joint Venture and Consortium	0.33	0.32	1.88%	0.57	0.71	(19.58%)
Income tax expenses	1.90	3.13	(39.50%)	4.66	5.44	(14.32%)
Net profit	**5.68**	**7.71**	**(26.34%)**	**13.84**	**15.76**	**(12.18%)**
Gross profit margin	**4.63%**	**8.47%**		**6.03%**	**8.46%**	
Net profit margin	**1.74%**	**2.30%**		**2.04%**	**2.50%**	

Revenue

Revenue from construction was 313.91 million baht, decreased by 5.98% YoY, consisting of revenue from the continuing projects of 302.55 million baht and revenue from the new projects of 11.36 million baht. This main decreased in revenue came from the decrease in revenue recognition of continuous projects which were nearly ended or completed. The proportion of revenue from government sector and private sector were 19% and 81% respectively.

Other incomes were 12.18 million baht, increased by 458.45% YoY. The Other incomes consist of the revenue from winning a lawsuit from an account receivable in the amount of 10.11 million baht, revenues from project management fee, sale of scrap material, and interest income.

Cost and Expenses

Cost of construction was 299.38 million baht, which in line with the decreasing of revenue recognition.

Service & Administrative expenses were 17.70 million baht, decreased by 6.22% YOY, resulting from the decrease in the front fees for applying new loans, insurance premiums for executives, and employee expenses.

Finance Costs were 1.75 million baht, increased by 63.36% YOY. This increase in finance costs came from the increase in loans to use as a working capital for new projects.

Gross Profit & Net Profit

The gross profit was 14.53 million baht, represents gross profit margin of 4.63%. Net profit was 5.68 million baht, represents the net profit margin of 1.74%. Both decreased comparing to the same period of previous year.

Your Sincerely,

(Mrs.Patcharin Thumtanom)

Cheif Financial Officer