



YONG THAI PUBLIC COMPANY LIMITED

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YTC 1/2019

February 28, 2019

To : The President
The Stock Exchange of Thailand

Subject : Clarification of the operating result for the Year 2018

Dear Sir,

Yong Thai Public Company Limited is pleased to report the operating results for the year 2018, ended December 31, 2018 as audited by the authorized Company's auditor as follows:

The operating result for the year 2018, ended on December 31, 2018 is Baht 14.84 million loss on Baht 39.18 million revenues compared with net loss of Baht 12.54 million on Baht 55.25 million revenues over the same period in 2017. In 2018 the Company recorded lower revenues from sales, due to the raw material supply problem, and recorded lower other incomes; consequently, loss was Baht 2.30 million higher in 2018 even the gross margin was better.

Gross margin were Baht 6.13 million or 17.97 % in 2018 increasing from Baht 5.09 million or 11.33% for the same period in 2017 due to the lower production cost.

On June 15, 2016, the Company entered into a land sale agreement for 1 plot of non-operational land of a subsidiary company together with 4 plots of the Company's land for Baht 166.54 million. In March 21, 2017, the Group had transferred the ownership of the land to the purchaser since the Group has already received the payments from the purchaser for the outstanding amount.

A part of the proceeds from the disposal of assets were used to pay down on the bank overdrafts and short-term loan outstanding in March 2017. The Company recorded lower bank overdrafts and short-term loans outstanding at Baht 17.21 million for the financial statement ended December 31, 2017 compared to Baht 120.27 million bank overdrafts and short-term loans outstanding for the financial statement ended December 31, 2016.

For the financial statement ended December 31, 2018, the Company recorded the Baht 1.62 million Finance costs which were lower than the Baht 2.58 million Finance cost in the same period ended December 31, 2017 due to higher bank overdrafts and short-term loans outstanding in Q1/2560.

For the financial statement ended December 31, 2018, the Company recorded the Baht 22.92 million Administrative expenses which were the same Administrative expenses in the same period in 2017

After moving the production equipment to Prachinburi plant and utilizing the plant to produce the products, the production cost has been lowered and gross margin has been higher than those in 2016. The Company started production in Prachinburi plant in January 2017.

Please be advised accordingly.

Yours Faithfully,

Prasertsak Suwanpotipra
Managing Director