

( Translation )

13<sup>rd</sup> November 2018

Subject: Management Discussion and Analysis (MD&A)  
For the 9-month period ending in 30<sup>th</sup> September 2018

To: Managing Director of the Stock Exchange of Thailand

The Company would like to clarify the net profit for the 9-month periods of the year ending on 30th September 2018 had decreased more than 20% comparing to the same period of the previous year, the net profit for the 3<sup>rd</sup> quarter and the 9-month periods of 2018 were 6.83 million Baht and 11.59 million Baht, decreased from the same period of the previous year by 0.95 million Baht and 12.42 million Baht respectively, due to the lower sales from the high competition in foreign markets and decreasing purchase orders of our customers as the world and Thai economic situations.

The Company's profitability in the third quarter of 2018 decreased from the same period of previous year, the return on total assets (ROA) decreased from 1.58% to 1.46% and the return on equity (ROE) decreased from 2.04% to 1.87% and earnings per share (EPS) decreased from 1.04 Baht/share to 0.91 Baht/share.

For the nine-month period of 2018, the Company's profitability decreased from the same period of the previous year as well. ROA decreased from 4.88% to 2.48% and ROE decreased from 6.29% to 3.17% and EPS decreased from 3.20 Baht/share to 1.55 Baht/share.

The efficiency of using the total assets to profit from the turnover of total assets in this quarter did not change from the third quarter of 2017, which was 0.32 times. For the nine-month period of 2018 was nearly by the same period of last year at 0.93 times and 0.94 times. Liquidity ratio for the third quarter and nine-month periods of 2018 increased from last year was from 5.65 times to 6.08 times because the Company has current assets and current liability, decreasing from the same period of last year. Receivable Turnover decreased from 1.20 times to 1.12 times for the third quarter of 2018 and decreased from 3.49 times to 3.24 times for the nine-month period of 2018 due to the lower sales. The collection period for the third quarter of 2018 increased from 73 days to 83 days and from 78 days to 81 days for the six-month period. For a debtor with debt problem, the Company has set aside allowance for doubtful accounts. That debtor has to repay monthly on a monthly basis. Inventory turnover in the third quarter and the nine-month periods of 2018 decreased from 0.91 times to 0.79 times and from 2.64 times to 2.35 times, respectively, with an increase in inventory holding period from the same period of the last year were 114 days and 115 days.

Cash flow received from operating activities increased from the same period of last year, because the Company received debt repayment during period. Cash flow used in investing activities increased because of investing the money in government bonds. Cash flow used in financing activities was used in the annual dividend payment.

From the following reasons concluding that the operating results of the Company in the 9-months periods of year 2018 decreased comparing to last year.

For your consideration to the members of The Stock Exchange of Thailand and those interested to be informed accordingly would be appreciated.

Yours faithfully,

-Signature-

(Mr. Pongsak Thiengviboonvong)  
Managing director