

- TRANSLATION -

VS/PC (Q-Con) 026/2017

July 27th, 2017.

Attention Managing Director
 The Stock Exchange of Thailand

Subject : Management Discussion and Analysis the second quarter ended 30 June 2017.

Quality Construction Products Public Company Limited (“Q-CON”) would like to clarify the main reason that caused operating result of the second quarter of 2017 changed more than 20 percent that of 2016.

Q-CON and subsidiary have net loss for the period of 9.72 Million Baht decrease 15.89 Million Baht compared with the second quarter of 2016 amount 25.61 Million Baht, mainly by the increased of Revenue from sales 12% with the increase of sales volume while the cost of sales of goods decreased 4%. In the second quarter of year 2017 gross profit rate 10%, compared with 4% in 2016. So the company’s gross profit increased 6%.

Distribution costs and administrative expense for the second quarter of 2017 were increased 20%, an increase of 38% compared with the last year, because of transportation and sales promotion expensed were increased by proportion of sales while the operation expense was similar to last year.

In the second quarter of 2017, the company did not have financial costs , as the principal payable under the Loan Agreement. The Company paid completely in the first quarter of 2017.

On June 30, 2017, the company has cash balance amount 43.83 Million Baht. There are net cash from operation activity amount 83.23 Million Bah, net cash from the investment amount (16.93 MB.), net cash from Financial Activities amount (40.23 MB.), load repayment 40 MB. and interest 0.23 MB.

Please be informed accordingly

Sincerely yours,

Saowaluck Suwanprateep

(Mrs. Saowaluck Suwanprateep)

Deputy Managing Director