

(Translation)

Re: BOD.SET 036/2017

November 10, 2017

Subject: Clarification on the Change in operating results for nine month ended September 30, 2017 over 20% compared with the same period of the previous quarterly

To: The President  
The Stock Exchange of Thailand

Due to The Manufacturing Production Index (MPI) expanded at the end of Q3 2017 and the expansion of the export sector. Make signal of business better. The company received orders for 17 hydraulic press machineries, resulting in outstanding backlog up to 222 million Baht. However, during the third quarter of 2017, customers were unable to install due to heavy rain and flooding. Delayed delivery and installation resulted in Q3 2017 performance as follows;

- Decreased on sales from Baht 305.90M in Q3'2016 to Baht 251.82M in Q3'2017 at 17.68% due to the market is increasingly competitive and delayed from customers were unable to install.
- Decreased on cost of goods sold from Baht 305.12M in Q3'2016 to Baht 225.56M in Q3'2017 at 26.08% Due to the decrease in labor force from the voluntary resignation program and the cost reduction project with the Department of Industrial Promotion.
- The company focuses on quality and cost management, thus importing European products instead of importing products from China, thus lowering the cost of the baht as compared to the previous year.
- Increased on other incomes from Baht 0.78M in Q3'2016 to Baht 26.26M in Q3'2017 more than 100.00% because, on February 15, 2017, the Company has agreed to sell the investment property of 23 rai of Baht 38 million, resulting in a gain of Baht 24.96 million
- The company kept saving policy so our admins expenses was decreased at 5.26% and selling expenses at 7.10% respectively from same period of last year.
- Cost of financial was increased from Baht 10.87M in Q3'2016 to Baht 13.76M in Q3'2017 at 26.54% due to personal loan at interest rate 9.00% per annum and OD interest rate at 7.50%.
- As the end of quarter3'2017, total assets Baht 933.45M was higher than previous year at 0.63% due to work in process of inventories Baht 30.08M due to the receipt of orders for 17 hydraulic press machineries at the end of the third quarter and some deliveries awaiting delivery and lower from land for sales of Baht 10.50M. Total liabilities Baht 506.15M were higher than previous year at 6.46% due to personal loan at Baht 30.00M and return loan

from UOB Baht 12.00M., Credit term extension with vendors. The equity's shareholder was lower than last year at 5.49% due operating loss this year.

- In order to effectively manage the sales, the Company has restructured its business unit, effective from July 1, 2017, to allow each unit to sell its product directly to the product group and to its customers focus. We also meet the needs of customers correctly.
- In the fourth quarter of 2017, the company continues to focus on the hydraulic crane segment. The hydraulic press machineries, which now has orders for 17 hydraulic press machineries, will recognize revenue in the fourth quarter of 2017 and the first quarter of 2018, resulting in outstanding backlog up to 222 million.
- For the year 2018, the company aims to achieve sales of 500 million baht, divided into the following product groups:
  - Hydraulic Crane Product Group Hydraulic Press machinery and Work Order Responsible for sales Baht 415 million
  - Maintenance and Service Center Responsible for sales at Baht 50 million
  - Trading products group Responsible for sales at 35 million.

With the target sales. The Company takes into account product liability and quality in competition with existing and new customers both domestically and internationally.

Please be informed accordingly.

Sincerely yours,

-Mr. Surachet Kamolmongkolsuk-

(Mr. Surachet Kamolmongkolsuk)

Managing Director