

10th May, 2018

Subject: Management Discussion and Analysis (MD&A) of the financial as at and for three months' period ending 31st March, 2018

Attention: President
The Stock Exchange of Thailand

P.C.S. Machine Group Holding Public Company Limited (the "Company") would like to inform the Management Discussion and Analysis (MD&A) of the financial as at and for three months' period ending 31st March, 2018 as follow;

Financial Overview

Items	Q1.2018	Q4.2017	+ / (-) %	Q1.2017	+ / (-) %
Sales	1,146.9	970.9	18.1	986.9	16.2
Cost of Goods Sold	894.7	778.8	14.9	799.5	11.9
Selling and Administration Expenses	49.8	43.5	14.5	43.0	15.8
Net Profit	200.5	159.3	25.7	150.6	33.1

(Unit: THB mn)

Sales

The Automotive Industry Club, The Federation of Thai Industries reported the situation of the automotive industry that the car reservation in the 39th Bangkok International Motor Show was high, plenty of new model were launched especially the affordable price of SUV, increasing of private sectors' investment, several infrastructure investment of the government, supporting program for less income people and the increasing of foreign tourism. The domestic sales of total vehicle were 237,093 units represent an increase of 12.6% when compared to the same period of last year. The vehicles export were 295,230 units represent an increase of 1.9% when compared to the previous quarter and represent an increase of 3.8% when compared to the same period of last year.

In Q1.2018, the Company and its subsidiaries sold THB 1,146.9 mn represents an increase of 18.1% when compared to the previous quarter and increase of 16.2% when compared to the same period of last year in the same trend of its industries.

Cost of Goods Sold

In Q1.2018, the Company and its subsidiaries had cost of goods sold (COGS) THB 894.7 mn represents a decrease of COGS to sales ratio 2.2% when compared to the previous quarter and decrease of 3.0% when compared to the same period of last year by the usage reduction of consumptive material in production.

Selling and Administrative Expenses

In Q1.2018, the Company and its subsidiaries had selling and administrative expenses THB 49.8 mn represents an increase of 14.5% when compared to the previous quarter and increase of 15.8% when compared to the same period of last year by the expenses for consulting, coordinating and establishing the subsidiaries in Germany.

Net Profit

In Q1.2018, the Company and its subsidiaries had net profit THB 200.5 mn represents an increase of net profit margin 25.7% when compared to the previous quarter and increase of 33.1% when compared to the same period of last year regarding the change of cost of goods sold (COGS) as mentioned.

Statement of Financial Position

Items	As at 31 st Mar, 2018	As at 31 st Dec, 2017	+ / (-)
Current Assets	2,534.8	3,118.7	(583.9)
Noncurrent Assets	3,285.4	2,425.3	860.1
Total Assets	5,820.1	5,544.0	276.1
Current Liabilities	472.6	373.6	99.0
Noncurrent Liabilities	76.1	72.8	3.3
Total Liabilities	548.7	446.4	102.3
Issue and Paid Share Capital	1,545.0	1,545.0	0.0
Premium on Share	2,896.8	2,896.8	0.0
Total Equities	5,271.4	5,097.6	173.8

(Unit: THB mn)

Total assets as at 31st March, 2018 was THB 5,820.1 mn. The current assets decreased THB 583.9 mn from 31st December, 2017 by investment of the establishing the subsidiaries in Germany, the noncurrent assets increased by THB 860.1 mn due to preparation of buying and receiving assets in Germany and Hungary in April.

Total liabilities as at 31st March, 2018 was 548.7 mn represents an increase of THB 102.3 mn from 31st December, 2017 from raw material preparation for the increase of production volume.

Total equities as at 31st March, 2018 was THB 5,271.4 mn represents an increase of 173.8 mn from 31st December, 2017

Cash Flow Statement

Items	As at 31 st Mar, 2018	As at 31 st Mar, 2017
Cash and Equivalent Balance	1,497.9	1,062.0
Cash Flow from Operating	255.4	188.0
Cash Flow from Investment	(932.9)	(2.9)
Cash Flow from Financing	(0.4)	0.0
Net Cash Flow	820.0	1,250

(Unit : THB mn)

The Company has net cash flow as at 31st March, 2018 THB 820.0 mn by cash flow from operating were THB 255.4 mn and use for investing THB 932.9 mn for the preparation of buying and receiving assets in Germany and Hungary in April

Please be informed accordingly.

Sincerely yours,



Prasong Adulratananukul

Chief Executive Officer

Authorized Signatory