



(Translation)

Re: BOD.SET 017/2018

August 10, 2018

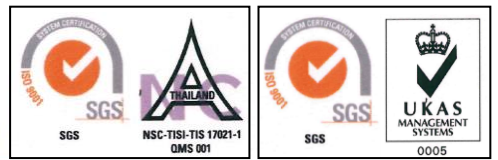
Subject: Clarification on the Change in operating results for the three month period ended June 30, 2018 over 20% compared with the same period of the previous quarterly

To: The President
The Stock Exchange of Thailand

Thailand's economic outlook for the year 2018 is likely to be bright. After seeing a clear recovery in the last quarter of last year, private investment slowed down as confidence in the election and the direction of investment from the government through large projects.

In the second quarter of 2018, the Company have been manufacturing more products for our customers and customers already installation. As a result, the performance for the second quarter of 2018 is as follows.

- Sales increased from Baht 172.88 million in the second quarter of 2017 to Baht 199.72 million in the second quarter of 2018, or 15.52%, due to the Company have been manufacturing more products for our customers and customers already installation.
- Cost of goods sold increased from Baht 153.39 million in the second quarter of 2017 to Baht 182.73 million in the second quarter of 2018, or 19.13% and the gross margin decreased from 11.28% in the second quarter of 2017 to 8.51% in the second quarter of 2018 due to The company has an automated system that is never done before, so it is not possible to control the installation time as expected.
- Other income decreased 98.64% from the same quarter of last year due to in the first quarter of 2017, the Company had a gain from the sale of investment assets of 23 rai, a fraction of Baht 24.96 million.
- The company still maintains cost control measures and voluntary resignation programs. As a result, selling expenses was decreased 22.03% from the same quarter of last year.
- Admin expenses in second quarter in 2018 was increased 20.35% from the same quarter of last year due to the Company reclassified the property for sales to operating assets due to the VAT limitation. As a result, the depreciation of such assets amounted to Baht 10.79 million.
- Financial expenses decreased from Baht 8.75 million in the second quarter of 2017 to Baht 4.83 million in the second quarter of 2018, or 44.79%, due to repayment of loans from outsiders at the rate of 9.00% per annum and Short term bill of exchange at the rate of 7.00% per annum at the end of 2017 and in 2018 no additional loan.



- At the end of the second Quarter of 2018, the Company had total assets of Baht 858.21 million, a decrease of 8.85% from the same quarter of last year due to the Company have been manufacturing more products for our customers and customers already installation resulted low inventories. Total liabilities was decreased of 12.76% from the same quarter of last year due to controlling the purchase resulted in a decrease in accounts payable of Baht 32.19 million and repayment of loans from third parties and long term loan. The shareholder's equities were decreased to 6.28% due to operation loss for the second quarter of 2018 of Baht 36.75 million.

Please be informed accordingly.

Sincerely yours,

-Mr. Surachet Kamolmongkolsuk-

(Mr. Surachet Kamolmongkolsuk)

Managing Director