



(Translation)

Re: BOD.SET 020/2018

November 9, 2018

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

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 third quarter of 2018, the Company is more productive for our customers and available install at site of customers. As a result, the performance for the third quarter of 2018 is as below;

- Sales increased from Baht 251.82 million in the third quarter of 2017 to Baht 288.27 million in the third quarter of 2018, or 14.48%, due to the Company is more products for our customers and available install at site of customers.
- Cost of goods sold increased from Baht 225.56 million in the third quarter of 2017 to Baht 269.22 million in the third quarter of 2018, or 19.36% and the gross margin decreased from 10.43% in the third quarter of 2017 to 6.61% in the third 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 88.46% from the same quarter of last year due to in the first quarter of 2017, the Company had a gain on the sale of investment assets of Baht 24.96 million.
- The company still maintains cost control measures and voluntary resignation programs. As a result, selling expenses was decreased 19.05% from the same quarter of last year.
- Admin expenses in third quarter in 2018 was increased 22.34% 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 14.71 million.
- Financial expenses decreased from Baht 13.76 million in the third quarter of 2017 to Baht 7.17 million in the third quarter of 2018, or 47.89%, due to settle 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 no additional loan in 2018.



- At the end of the third Quarter of 2018, the Company had total assets of Baht 843.93 million, decreasing of 10.37% from the same quarter of last year due to the Company is more productive for our customers and customers already installation resulted low inventories. Total liabilities was decreased of 10.75% from the same quarter of last year due to controlling the purchase resulted in a decrease in accounts payable of Baht 8.14 million and settle loans from third parties and long term loan. The shareholder's equities was decreased to 10.11% due to operation loss for three quarters of 2018 of Baht 57.45 million.

Please be informed accordingly.

Sincerely yours,

-Mr. Surachet Kamolmongkolsuk-

(Mr. Surachet Kamolmongkolsuk)

Managing Director