

13th November 2018

Subject: Management Discussion and Analysis (MD&A) of the financial as at and for three months' period ending 30th September 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 30th September 2018 as follow;

Financial Overview

Items	Q3.2018	Q2.2018	+ / (-) %	Q3.2017	+ / (-) %
Sales	1,434.8	1,535.9	(6.6)	1,033.9	38.8
Cost of Goods Sold	1,258.2	1,249.4	0.7	829.5	51.7
Selling and Administration Expenses	121.2	132.8	(8.7)	46.0	163.5
Net Profit	99.1	193.7	(48.8)	170.8	(42.0)

(Unit: mnTHB)

Sales

The Automotive Industry Club, The Federation of Thai Industries reported as a result of economic and investment stimulus measures that have a positive impact on the overall economy. The special offers from various car companies are available to motivate the customers' decisions. These are positive factors supporting the growth of the car market, resulting 257,466 units in domestic car sales, represents the increase of 22.2% when compared to the same period last year. Exports of all types of automobiles totaled 296,827 units, down by 5.3% when compared to the same period last year. The export of almost every market decline. Except for Asian markets, African markets and Central American and South American markets.

As a result of this situation, the Company and its subsidiaries recorded sales revenue of Baht 1,434.8 million, an increase of 38.78% from the same period of last year. By European subsidiary Revenue from sales was Baht 350.7 million while the Asian subsidiary Sales revenue was Baht 1,084.1 million, increased by 4.9% from the same period last year. In line with the industry.

Cost of Goods Sold

In the third quarter of 2018, the Company and its subsidiaries had a cost of goods sold of Baht 1,258.5 million, an increase of 51.7% over the same period last year. This included the cost of goods sold of the European subsidiary Meanwhile, Asian subsidiaries increased 5.5% when compared to the same period last year. From several scheduled overhaul cost.

Selling, General and Administrative Expenses

In the third quarter of 2018, the Company and its subsidiaries had selling, general and administrative expenses of Baht 121.2 million, an increase of 163.5% when compared to the same period of last year. This included the selling, general administrative expenses of the European subsidiaries. In addition, with the coordinating and consulting fees.

Net Profit

In the third quarter of 2018, the Company and its subsidiaries recorded a net profit of Baht 99.1 million, a decrease of 42.0% from the same period of last year. The European subsidiaries had a net operating loss of Baht 38.1 million, while Asian subsidiaries had a foreign exchange loss of Baht 40.4 million on the oversea loans.

Statement of Financial Position

Items	As at 30 th Sep. 2018	As at 31 st Dec. 2017	+ / (-)
Current Assets	2,294.6	3,118.7	(824.1)
Non-Current Assets	3,651.6	2,425.3	1,226.3
Total Assets	5,946.2	5,544.0	402.2
Current Liabilities	682.3	373.6	308.7
Non-Current Liabilities	86.1	72.8	13.3
Total Liabilities	768.4	446.4	322.0
Paid-up Share Capital	1,525.0	1,545.0	(20.0)
Share premium	2,741.7	2,896.8	(155.1)
Total Shareholders' Equity	5,177.8	5,097.6	80.2

(Unit: mnTHB)

Total assets as of September 30th, 2018 were Baht 5,946.2 million. Current assets decreased by Baht 824.1 million compared to December 31st, 2017. Non-current assets increased by Baht 1,226.3 million due to the purchase of assets in Germany and Hungary in April and July. The goodwill of Baht 25.2 million from the fair value of the acquired assets of Küpper Group followed the rules and procedures for appraisal. The land evaluation and restructuring liabilities have already been completed by the certified property appraisal company.

Total liabilities as at 30th September 2018 amounted to Baht 768.4 million, an increase of Baht 322.0 million compared to 31st December 2017 by the preparation of raw material and accrual of employee expenses.

Shareholders' equity as at 30th September 2018 was Baht 5,177.8 million, an increase of Baht 80.2 million compared to the balance as at 31st December 2017.

Cash Flow Statement (For nine months period)

Items	As at 30 th Sep. 2018	As at 30 th Sep. 2017
Brought forward	1,497.9	1,062.0
Cash Flow from Operating	695.1	957.7
Cash Flow for Investing	(1,279.7)	(388.5)
Cash Flow for Financing	(413.4)	(427.0)
Net Cash Flow	486.1	1,207.1

(Unit: mnTHB)

The Company's net cash flow as of 30th September 2018 was Baht 486.1 million. The cash flow from operating was Baht 681.2 million and spent on investment activities of Baht 1,279.7 million for the purchase of land, buildings and loans in Germany.

Please be informed accordingly.

Sincerely Yours,

Mr.



(Prasong Adulratananukul)
Chief Executive Officer