



Management's Discussion and Analysis

For the operating results of FY2018

Global Green Chemicals Public Company Limited

Executive Summary

In 2018, palm oil production and crude palm oil (CPO) inventory have remained high in both domestic and international market, which resulted in the decreasing price of crude palm oil and crude palm kernel oil (CPKO) comparing with previous year. Under these circumstances, the Thai government has maintained biodiesel mandate at B7 for whole year. In addition, the government has announced the various measurements to stimulate domestic palm oil consumption; for example, lifting up the minimum blending of B7 from 6.5% to 6.8% since 5th November 2018, promoting the use of B20 in public buses, and fleet trucks by price subsidies on B20 to be lower than B7 by 3 Baht/liter through State Oil Fund, more encouraging public to use B20 by increasing price subsidies on B20 from 3 Baht/liter to 5 Baht/liter during 1st December 2018 to 28th February 2019, and cooperating with EGAT to apply 160,000 tons of CPO for power generation by purchasing CPO at 18 Baht/kg during November 2018 to February 2019. For fatty alcohols market, natural fatty alcohols was being more competitive to synthetic fatty alcohols due to its price attractive as CPKO price which is the feedstocks to produce natural fatty alcohols declined. In the meantime, supply from both natural fatty alcohols and synthetic fatty alcohols were impacted by temporarily shut down of some Chinese producers because their government has implemented more stringent on safety and environmental regulations. Also, Indian producers could not produce natural fatty alcohols at competitive price because the government has raised import tax of palm oil. Lastly, there were some fatty alcohols producers declared Force Majeure. From these factors, demand for natural fatty alcohols has improved from previous year.

Due to the aforementioned situation, the Global Green Chemical Public Limited (“GGC” or “the company”) operated at a full capacity, which resulted to methyl ester sales volume in FY2018 of 374,922 tons, whereby increased from methyl ester sales volume in FY2017 of 344,173 tons, or rose by 9%. While fatty alcohols in FY2018 was sold at 114,784 tons, increased by 3,632 tons or 3% from FY2017. However, the company reported sales revenue amounting to THB 16,225 million, declined from FY2017 by 17% because methyl ester price and fatty alcohols price dropped following the decreasing of CPO price and CPKO price respectively. Also, the company reported EBITDA of THB 923 million, which was lower than previous year by 19% mainly due to the lower profitability of fatty alcohols from lower of feedstock price discount, and additional advisors expense for the raw materials procurement process issue. Nevertheless, the company was able to realized net profit excluding extraordinary item for FY2018 of THB 487 million, decreased by 7% from previous year as a result of the lower expenses which including depreciation, financial expenses, FX and derivative loss and the higher profit from investments in associate and joint venture. However, as the company has disclosed the issue about the procurement process of raw materials to The Stock Exchange of Thailand in

2Q2018, the company realized the expense from raw material derogation amounting to THB 2,004 million. But, the company has also realized tax income amounting to THB 356 million which was mainly from such expense. Thereby, the company had net loss of THB 1,161 million in FY2018.

As of 31 December 2018, the company has total assets of THB 13,084 million which comprised of cash and short-term investment amounted to THB 3,787 million; with total liabilities of THB 3,376 million; and total equities of THB 9,708 million. In this regard, the company financial position remains strong with low debt-to-equity ratio and high current ratio.

In addition, as of 31 January 2019, the company has reached the agreements with some of the suppliers to compensate for the raw materials derogation issue by entering into settlement agreements which requires suppliers to deliver the pending quantity of raw material under the period specified in the agreements.

Operating Performance

Exhibit 1 : Consolidated Company's Performance

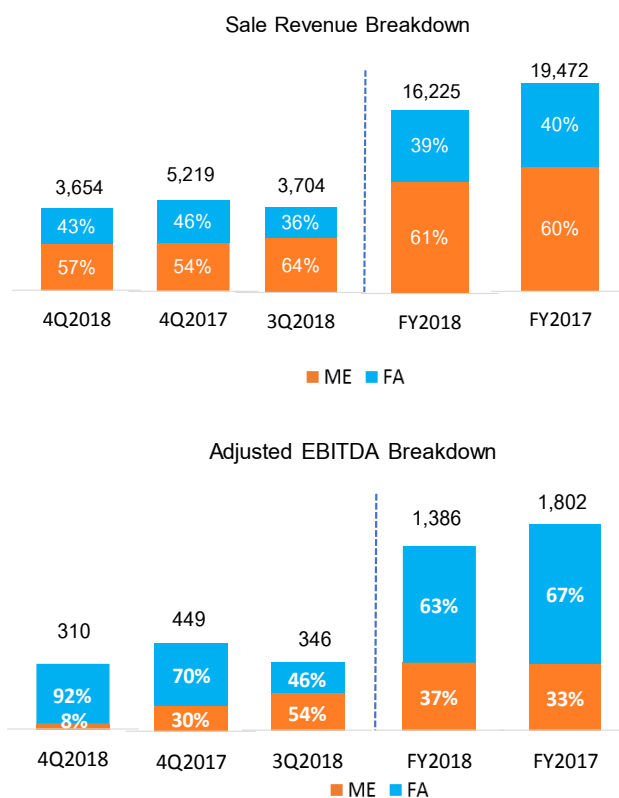
UNIT: M THB	4Q2018	4Q2017	% YoY	3Q2018	% QoQ	FY2018	FY2017	% YoY
Sales revenue	3,654	5,219	-30%	3,704	-1%	16,225	19,472	-17%
EBITDA	286	387	-26%	289	-1%	923	1,138	-19%
EBITDA Margin (%)	7.8%	7.4%	0.4%	7.8%	0%	5.7%	5.8%	-0.1%
Stock Gain/(Loss) & NRV	-24	-62	-61%	-57	-58%	-463	-664	-30%
Adjusted EBITDA ⁽¹⁾	310	449	-31%	346	-10%	1,386	1,802	-23%
Adjusted EBITDA Margin (%)	8.5%	8.6%	-0.1%	9.3%	-0.8%	8.5%	9.3%	-0.8%
Net Profit	171	251	-32%	185	-8%	487	521	-7%
Extra items	272 ⁽²⁾	-	n.a.	-	-	-1,648 ⁽³⁾	-	n.a.
Net Profit	443	251	76%	185	139%	-1,161	521	-323%
EPS (Baht/share)	0.43	0.24	79%	0.18	139%	-1.13	0.56	-302%

Note : (1) Adjusted EBITDA refers to EBITDA excluding impact of Stock Gain/(Loss) and NRV

(2) Extra item was tax income from deferred tax assets amounting to THB 272 million.

(3) Extra items were expenses from raw materials derogation amounting to THB 2,004 million net of tax income from deferred tax assets amounting to THB 356 million.

Exhibit 2 : Sales revenue and Adjusted EBITDA breakdown by business unit comparison of 4Q2018 vs. 4Q2017 vs. 3Q2018 vs. FY2018 vs. FY2017 (million THB)



Market Overview by business

Methyl Ester (Biodiesel)

Exhibit 3: Product and Feedstock Prices

Average Price	4Q2018	4Q2017	%YoY	3Q2018	%QoQ	FY2017	FY2018	%YoY
Methyl Ester (B100) (Baht/liter) ⁽¹⁾	21.78	24.76	-12%	25.11	-13%	24.15	28.76	-16%
Methyl Ester (B100) (Baht/kg.) ⁽²⁾	25.18	28.62	-12%	29.03	-13%	27.91	33.25	-16%
Crude Palm Oil (CPO) (Baht/kg.) ⁽³⁾	16.94	20.48	-17%	20.24	-16%	19.57	24.88	-21%
EPPO P2F (Baht/kg) ⁽⁴⁾	5.22	4.93	6%	5.29	-1%	5.19	4.96	5%
Biodiesel Mandate	B7	B7		B7		B7	B5, B7	

Note :
 (1) Reference Price of EPPO
 (2) Conversion ratio: 0.865 Tons = 1,000 Liters
 (3) Reference Price of DIT
 (4) Market ME Price - Mixed Feedstock according to EPPO's B100 formula

An average of the 4Q2018 CPO (CPO-DIT) price was at 16.94 Baht/kg, being lower than 4Q2017 CPO price by 3.54 Baht/kg or 17%, because the domestic palm oil inventory in 4Q2018 was seen higher to level of 420,000 tons, while in the past, an average Thailand palm oil inventory was at level of 200,000 tons to 250,000 tons. On the demand side, methyl ester domestic demand in 4Q2018 improved to 368,000 tons, rose by 41,000 tons or 13%. The demand growth was driven by the government measures to increase domestic crude palm oil consumption; for instance, increasing of the minimum biodiesel mandate from 6.5% to 6.8% from 5th November 2018 onwards; promoting the use of B20 in public buses and fleet trucks by price subsidies on B20 to be lower than B7 by 3 Baht/liter through State Oil Fund, more encouraging public to use B20 by increasing price subsidies on B20 from 3 Baht/liter to 5 Baht/liter during 1st December 2018 to 28th February 2019 and cooperating with EGAT to apply 160,000 tons of CPO for power generation by purchasing CPO at 18 Baht/kg during November 2018 to February 2019. As CPO price dropped in 4Q2018, methyl ester price was reported at 25.18 Baht/kg, decreased by 3.44 Baht/kg or 12% from 4Q2017.

Comparing to 3Q2018, CPO price in 4Q2018 was at 16.94 Baht/kg, declined by 3.30 Baht/kg or 16%. As a result, methyl ester price in 4Q2018 was down to 25.18 Baht/kg, decreased by 3.85 Baht/kg or 13% from 3Q2018. On the demand side, methyl ester domestic demand in 4Q2018 improved to 368,000 tons, rose by 58,000 tons or 19% from 3Q2018, mainly due to high demand of biodiesel during travel season and transportation of agricultural crops, and also from the government stimulus measurements.

In FY2018, CPO price decreased along the year because of growing on the domestic inventory. Nevertheless, methyl ester demand in FY2018 improved to 1.38 million tons, increased from previous year by

0.15 million tons or 12%, since it was affected by the announcement of biodiesel mandate to be B7 for whole year and the stimulus measurement in order to maintain price equilibrium of domestic CPO price while in 2017, B5 was mandated during 1st January to 7th May and B7 was mandated for the rest of the year.

In FY2018, the average EPPO P2F (the difference between EPPO ME price and mixed feedstock prices) was at 5.19 Baht/kg, increased by 5% from 4.96 Baht/kg in the previous year and EPPO P2F in 4Q2018 improved from 4Q2017 by 0.29 Baht/kg. These were due to higher methanol price as it was a factor in EPPO price formula. On the other hand, EPPO P2F declined by 0.07 Baht/kg from the previous quarter, which came from lower methanol price.

Fatty Alcohols

Exhibit 4 : Products and Feedstocks' prices

Average Price (USD per ton)	4Q2018	4Q2017	%YoY	3Q2018	%QoQ	FY2018	FY2017	%YoY
Fatty Alcohols ⁽¹⁾								
- Short Chain	3,538	3,500	1%	3,822	-7%	3,705	3,363	10%
- Mid Cut	1,231	2,177	-43%	1,351	-9%	1,445	2,074	-30%
- Long Chain	1,164	1,414	-18%	1,259	-8%	1,251	1,401	-11%
Average Fatty Alcohols ⁽²⁾	1,395	2,054	-32%	1,521	-8%	1,568	1,975	-21%
Crude Palm Kernel Oil (CPKO) ⁽³⁾	717	1,304	-45%	882	-19%	914	1,244	-27%
Market P2F of Fatty Alcohols	535	488	10%	463	16%	471	483	-2%

Note : (1) Reference Price of ICIS

(2) Average price of fatty alcohols with production proportion: Short Chain 8% Mid Cut 62% and Long Chain 30%

(3) Reference Price of Malaysian Palm Oil Board (MPOB)

CPKO (MPOB) price in 4Q2018 was at 717 USD/ton, dropped from 4Q2017 by 587 USD/ton or 45% and also when compared with a quarter earlier, it was decreased by 165 USD/ton or 19%. The primary cause was that palm oil production flooded into market which led to high level of global palm oil inventory, especially in Malaysia who have CPO inventory of 3.2 million tons at the end of FY2018 which was the all-time high. In contrast, the market demand was diminished as some countries have raised palm oil import duties to protect their agriculture industries and consumer health concern trend has been growing. Also, there were the coconut oil flooded into the market, resulted into the price pressure to CPKO. In summary, for FY2018, CPKO price has declined compared with previous year mainly due to overabundant supply.

In 4Q2018, demand for natural fatty alcohols improved from the 4Q2017 and 3Q2018, mainly resulting from more attractive natural fatty alcohols price than synthetic fatty alcohols as CPKO price falling. In the meantime, supply was impacted by temporarily shut down of some Chinese producers due to implementation of the more strictly the safety control and the more stringent environmental regulations by its government. Also, Indian producers could not produce natural fatty alcohols at competitive price because the government has raised import tax of palm oil. Finally, there were some fatty alcohols producers declared Force Majeure, thus it pushed pressure on market demand.

Market P2F of natural fatty alcohols in 4Q2018 amounted to 535 USD/ton, improved by 47 USD/ton and 72 USD/ton from 4Q2017 and 3Q2018, respectively. The average market P2F of natural fatty alcohols in FY2018, compared to FY2017, was at 471 USD/ton, decreased by 2% which was close to previous year.

Operating Performance by business unit

Methyl Ester (ME) Business Unit Operating Performance

Exhibit 5 : Keys Operating Performance of ME Business Unit

	4Q2018	4Q2017	% YoY	3Q2018	% QoQ	FY2018	FY2017	% YoY
Utilization (%) ⁽¹⁾	112%	100%	12%	113%	-1%	113%	101%	12%
Sales Volume (ton) ⁽²⁾	97,431	91,716	6%	84,637	15%	374,922	344,173	9%
Sales Volume (million liter) ⁽³⁾	113	106	6%	98	15%	433	398	9%
Sales revenue (million baht)	2,079	2,836	-27%	2,370	-12%	9,913	11,659	-15%
EBITDA (million baht)	1	85	-99%	159	-99%	429	382	12%
EBITDA margin (%)	0.0%	3.0%	-3.0%	6.7%	-6.7%	4.3%	3.3%	1.0%
Stock Gain/(Loss) & NRV(million baht)	-25	-48	-48%	-28	-11%	-80	-206	-61%
Adjusted EBITDA (million baht) ⁽⁴⁾	26	133	-80%	187	-86%	509	588	-13%
Adjusted EBITDA Margin (%)	1.3%	4.7%	-3.4%	7.9%	-6.6%	5.1%	5.0%	0.1%

Note : (1) Nameplate Capacity 300,000 tons per year

(2) In 4Q2018, GGC had sales volume from methyl ester plant 2 of 7,109 tons. However, the company could only realize the total sales volume from methyl ester plant 1 because methyl ester plant 2 is under testing run for commercial operation.

(3) Conversion ratio: 0.865 Tons = 1,000 Liters

(4) Adjusted EBITDA refers to EBITDA excluding impact of Stock Gain/(Loss) and NRV

Operating performance comparison between 4Q2018 vs. 4Q2017

In 4Q2018, the company reported the revenue of ME Business unit of THB 2,079 million, decreased by THB 757 million or 27% from 4Q2017 due to the soften of methyl ester price following in CPO price and the soften of by-product revenue from declining of glycerin price, though sale volume increased by 6% causing

by growth in biodiesel demand. The company was also affected by Stock Loss & NRV of THB 25 million due to the weakness in CPO price, and extra expense from inventory issue management. Based on these factors, the company recorded EBITDA amounting to THB 1 million, and Adjusted EBITDA amounting to THB 26 million, declined from 4Q2017 by THB 84 million and THB 107 million respectively.

Operating performance comparison between 4Q2018 vs. 3Q2018

On quarter by quarter basis, the revenue of ME Business unit was decrease by THB 291 million or 12% mainly due to the soften of methyl ester price following in CPO price falling and the soften of by-product revenue from glycerin price declining, though the company's sales volume was at 97,431 tons which increased by 15% as a result of higher demand biodiesel during travel season, transportation of harvesting crops and the government stimulus measurement. In addition, due to CPO price softness leading to lower feedstock price discount, and extra expense from inventory issue management, the company recorded EBITDA at THB 1 million, which was lower than previous quarter by THB 158 million. When deducting the effect of Stock Loss & NRV of THB 25 million, the company could record Adjusted EBITDA at THB 26 million, decreased by 86% from previous quarter.

Operating performance comparison between FY2018 vs. FY2017

For FY2018, the revenue of ME Business unit was recorded at THB 9,913 million, declined from FY2017 by 15% due to lower price of methyl ester following CPO price softness, though the company had the higher methyl ester sales volume than previous year by 9%, due to B7 mandated for the whole year of 2018, whereas B5 and B7 mandated in FY2017 and encouraging biodiesel consumption by government stimulus measurements. However, the company recognized less Stock Loss & NRV than FY2017 by THB 126 million or 61%, resulting in the company's EBITDA of THB 429 million, rose by 12%. In contrast, the company recorded Adjusted EBITDA of THB 509 million, declined by 13% from previous year.

Fatty Alcohol (FA) Business Unit Operating Performance

Exhibit 6 : Keys Operating Performance of FA Business Unit

	4Q2018	4Q2017	% YoY	3Q2018	% QoQ	FY2018	FY2017	% QoQ
Utilization (%)	129%	121%	8%	110%	19%	115%	112%	3%
Sales Volume (Ton)	33,442	32,045	4%	26,899	24%	114,784	111,152	3%
Revenue from Sales (million baht)	1,575	2,383	-34%	1,334	18%	6,312	7,813	-19%
EBITDA (million baht)	285	303	-6%	130	119%	494	755	-35%
EBITDA margin(%)	18.1%	12.7%	5.4%	9.7%	8.4%	7.8%	9.7%	-1.9%
Stock Gain/(Loss) & NRV	1	-14	-107%	-29	-103%	-383	-458	-16%
Adjusted EBITDA (million baht) ⁽¹⁾	284	316	-10%	159	79%	877	1,213	-28%
Adjusted EBITDA Margin (%)	18.0%	13.3%	4.7%	11.9%	6.1%	13.9%	15.5%	-1.6%

Note : (1) Adjusted EBITDA refers to EBITDA excluding impact of Stock Gain/(Loss) and NRV

Operating performance comparison between 4Q2018 vs. 4Q2017

The revenue of FA Business unit was recorded at THB 1,575 million in 4Q2018, a 34% of decreasing from 4Q2017, mainly attributed to the soften price of natural fatty alcohols following declining of CPKO price, though the company recognized sales volume of 33,442 tons, 4% higher than that of 4Q2017. Also, the company was affected by an increase in variable cost, attributed from rising of crude oil price, hence the company reported EBITDA of THB 285 million, declined from 4Q2017 by 6%. After deducting Stock Gain & NRV of THB 1 million, the company had Adjusted EBITDA of THB 284 million, decreased by 10% from 4Q2017.

Operating performance comparison between 4Q2018 vs. 3Q2018

On quarter by quarter basis, the revenue of FA Business unit was increase by THB 241 million or up 18% because of natural fatty alcohols sales volume increase of 6,543 tons or 24%, caused by high seasonal demand for manufacturing Christmas and New Year gifting products and no maintenance shutdown same as a quarter earlier. As a result, the company recorded EBITDA of THB 285 million, increased by 119% from 3Q2018. And the company had Adjusted EBITDA of THB 284 million, rose by 79% from 3Q2018 after deducting Stock Gain & NRV of THB 1 million.

Operating performance comparison between FY2018 vs. FY2017

FY2018, the revenue of FA Business unit was recorded at THB 6,312 million, decreased from previous year by 19%, mainly due to lower price of natural fatty alcohols following CPKO price softness and decreasing of trading and by-product revenue, though the company realized sales volume of 114,784 tons, increased by

3% from FY2017. In addition, as CPKO price softened that led to the lower of discount of feedstock price, the company recorded EBITDA of THB 494 million, decreased by 35% from FY2017. And the company had Adjusted EBITDA of THB 877 million, decreased by 28% from FY2017 after deducting Stock loss & NRV of THB 383 million.

Consolidated Profit & Loss statement

Exhibit 7 : Consolidated Profit & Loss Statement comparison of 4Q2018, 4Q2017 and 3Q2018

	4Q2018		4Q2017		YoY		3Q2018		QoQ	
	MB	%	MB	%	MB	%	MB	%	MB	%
Sale Revenue	3,654	100	5,219	100	(1,565)	(30)	3,704	100	(50)	(1)
Feedstock	(2,575)	(70)	(4,078)	(78)	1,503	(37)	(2,693)	(73)	118	(4)
Net Realizable Value (NRV)	(4)	(0)	(1)	(0)	(3)	300	-	-	(4)	n.a.
Product to Feed Margin	1,075	29	1,140	22	(65)	(6)	1,011	27	64	6
Variable Costs	(484)	(13)	(448)	(9)	(36)	8	(472)	(13)	(12)	3
Fixed Costs	(163)	(4)	(149)	(3)	(14)	9	(138)	(4)	(25)	17
Stock Gain/(Loss)	(20)	(1)	(61)	(1)	41	(67)	(57)	(2)	37	(65)
SG&A	(140)	(4)	(114)	(2)	(26)	23	(73)	(2)	(67)	92
Other Income	18	0	20	0	(2)	(10)	18	0	-	-
EBITDA	286	8	387	7	(101)	(26)	289	8	(3)	(1)
Depreciation and Amortization	(125)	(3)	(143)	(3)	18	(13)	(124)	(3)	(1)	1
EBIT	161	4	244	5	(83)	(34)	165	4	(4)	(2)
Net Financial Costs	(5)	(0)	(8)	(0)	3	(38)	(5)	(0)	-	-
FX Gain/Loss ⁽¹⁾	(1)	(0)	(8)	(0)	7	(88)	(10)	(0)	9	(90)
Share of Profit/(Loss) from investment	9	0	27	1	(18)	(67)	46	1	(37)	(80)
Income Tax Expenses	7	0	(4)	(0)	11	(275)	(11)	(0)	18	(164)
Net Profit bef extra items	171	5	251	5	(80)	(32)	185	5	(14)	(8)
Extra item net of tax ⁽²⁾	272	7	-	-	272	n.a.	-	-	272	n.a.
Net Profit after extra items	443	12	251	5	192	76	185	5	258	139

Notes : (1) Including Gain/(Loss) from FX and Derivatives

(2) Extra item was tax income from deferred tax assets amounting to THB 272 million.

Exhibit 8 : Consolidated Profit & Loss Statement comparison of FY2018 and FY2017

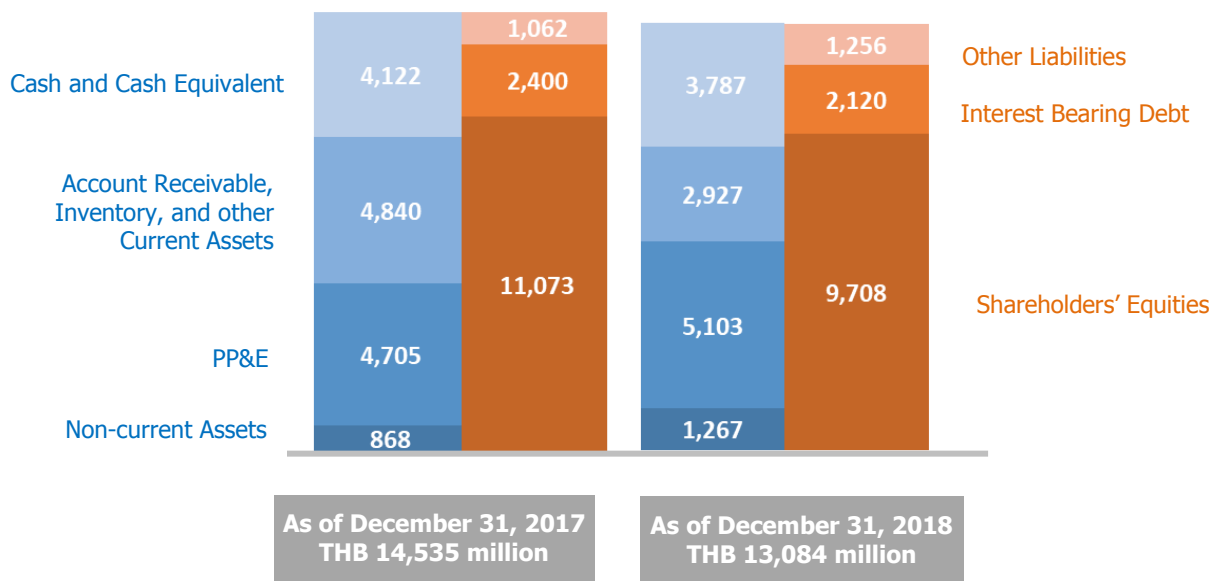
	FY2018		FY2017		YoY	
	MB	%	MB	%	MB	%
Sale Revenue	16,225	100	19,472	100	(3,247)	(17)
Feedstock	(12,075)	(74)	(15,131)	(78)	3,056	(20)
Net Realizable Value (NRV)	(2)	(0)	(2)	(0)	-	n.a.
Product to Feed Margin	4,148	26	4,339	22	(191)	(4)
Variable Costs	(1,936)	(12)	(1,693)	(9)	(243)	14
Fixed Costs	(556)	(3)	(555)	(3)	(1)	0
Stock Gain/(Loss)	(461)	(3)	(662)	(3)	201	(30)
SG&A	(368)	(2)	(342)	(2)	(26)	8
Other Income	96	1	52	0	44	85
EBITDA	923	6	1,138	6	(215)	(19)
Depreciation and Amortization	(520)	(3)	(564)	(3)	44	(8)
EBIT	403	2	574	3	(171)	(30)
Net Financial Costs	(24)	(0)	(57)	(0)	33	(58)
FX Gain/Loss ⁽¹⁾	6	0	(80)	(0)	86	(108)
Share of Profit/(Loss) from investment	102	1	87	0	15	17
Income Tax Expenses	0	0	(2)	(0)	2	(100)
Net Profit bef extra items	487	3	521	3	(34)	(7)
Extra item net of tax ⁽²⁾	(1,648)	(10)	-	-	(1,648)	n.a.
Net Profit after extra items	(1,161)	(7)	521	3	(1,682)	(323)

Notes : (1) Including Gain/(Loss) from FX and Derivatives

(2) Extra items were expenses from raw materials derogation amounting to THB 2,004 million net of tax income from deferred tax assets amounting to THB 356 million.

Statement of Financial Position

Exhibit 9 : Consolidated Financial Position as of December 31, 2018 and as of December 31, 2017



Assets

As of December 31, 2018, the company had total assets of THB 13,084 million, decreased from December 31, 2017 by THB 1,451 million due to reasons as follow

- a decrease in current assets of THB 2,249 million, which was mainly due to the lower account receivable of THB 595 million because of the declining of methyl ester and natural fatty alcohols price from the end of previous year.

- a decrease in inventory of THB 1,288 million mainly from the expenses of raw materials derogation and a declining of non-current assets of THB 300 million, which was mainly due to an increase in capital utilization from initial public offering ("IPO") for investment in Methyl Ester Plant 2 project.

- an increase in non-current assets of THB 798 million, attributed from the increasing of PP&E value of THB 841 million which mainly came from investment in Methyl Ester Plant 2 project, offsetting by depreciation of non-current assets of THB 443 million and increase in deferred tax asset of THB 355 million.

Liabilities

As of December 31, 2018, the company had total liabilities of THB 3,376 million, a decrease of THB 86 million or 2% from December 31, 2017, mainly attributable to a decrease in long-term loan. As a result, long-term loan was paid, and the company had lower account payable to construction due to payable from construction of Methyl Ester Plant 2 offering higher account payable, attributed from purchasing of crude palm oil to reserve raw materials for Methyl Ester Plant 2 production.

Shareholder's equities

As of December 31, 2018, the company had total shareholders' equity of THB 9,708 million, decreased from December 31, 2017 by THB 1,365 million or 12% because of net loss in FY2018 amounting to THB 1,161 million. Whereas, there was the dividend payment of THB 204 million as the company's BOD approved resolution for the 2H2017 performance.

Statement of Cash Flows

The company had cash from operating activities of 1,039 THB million which included 1) the cash from net profit before extra items of THB 487 million, and other operating activities of THB 552 million which attributable to a decrease from accounts receivable; 2) Cash flow spending for investing activities of THB 509 million, which was spent on obtaining PP&E for THB 912 million, mainly due to investment in Methyl Ester Plant 2 project. While, a decrease in deposits with financial institutions of THB 300 million and the receiving of dividend from TEX amounting to THB 91 million; and 3) Cash Flow spending for financing activities of THB 559 million, which was from annual dividend payment, long-term loan principal repayment and interest payment.

Key Financial Ratios

Exhibit 10: Key Financial Ratios comparison of FY2018 vs. FY2017

Key Financial Ratios	FY2018	FY2017
Current ratio(x)	4.4	6.9
EBITDA to sales revenue (%)	5.7	5.8
Net profit to sales revenue (%)	(7.2)	2.7
Return on total assets (%)	(10.5)	4.7
Return on equity (%)	(11.2)	5.5
Debt to equity(x)	0.3	0.3
Interest bearing debt to equity(x)	0.2	0.2
Interest bearing debt to EBITDA(x)	2.3	2.1

Notes:

Current Ratio(Times)	=	Current assets divided by current liabilities
EBITDA to sales revenue (%)	=	EBITDA divided by sales revenue
Net Profit to sales revenue (%)	=	Net profit divided by sales revenue
Return on total assets (%)	=	Net profit divided by average total assets
Return on equity (%)	=	Net profit divided by average equities attributable to owners of the company
Debt to equity(Times)	=	Total debt divided by shareholders' equities
Interest bearing debt to equity(Times)	=	Interest bearing debt divided by shareholders' equities
Interest bearing debt to EBITDA(Times)	=	Interest bearing debt divided by EBITDA