

(Translation)

May 15, 2019

Ref: SET-2019-008

Re: Management Discussion and Analysis for Quarter 1' 2019

Attn. to: President

The Stock Exchange of Thailand

Filter Vision Public Company Limited and its subsidiaries (Hereinafter called "The Group") would like to submit Management's discussion and analysis for the Quarter 1' 2019 with the summary as follows:-

1. Nature of operations of the Group

The Group has principally engage in distribution of product and equipment, design, assembly and installation, and maintenance service of pure water treatment system; including operate clinical business which dialysis services for kidney patients who receive replacement therapy with dialysis by dialysis machinery (Dialysis Center) and distribution of medical equipment as well as medical service concerning health and esthetics.

2. Overview of operating results in the Quarter 1'2019.

From 2018 to the first quarter of 2019, the global economy still has risk factors from international political and economic tensions. Including uncertainty from the US economic policy Therefore, the overall of the world economy is growing at a slower rate. While the Thai economy continues to grow at a slow rate as well Although the economy of the country relies heavily on the export sector But still received good results from the government's economic stimulus measures That helps to take care of the cost of living, making household consumption better as a result in the first quarter of year 2019, the group has revenue from sales of products and services has increased from the previous year in the amount Baht 38.34 million, and predicted that the new government will continue the government's policy which is expected to affect the demand for products and services in the retail wholesale business group restaurants and hotels and accommodation services will increase significantly and will be the important driving for revenue from sale and service as increased to continually

Filter Vision Public Company Limited (Hereinafter called "The Company") still has carried on offering new products continuously. The Company also organized the marketing activities to educate the water quality, which is consistent with the business model of the customer group continuously. Include activities to promote and educate cleaners and disinfectants to target customers in order to realize the importance and improve the quality of goods and services as well.

At the same time, the subsidiaries consist of, Irving Corporation Limited has distributed products and equipment design and installation of systems related to water treatment systems for medical services. In

the past, the sales of dialysis solution continually increased, KT Medical Services Co., Ltd. has provides health care facilities for patients with end-stage renal disease treated with hemodialysis machine ("Hemodialysis Center"). Currently, there are 6 Hemodialysis Center (with 75 dialysis machines), 1 hemodialysis center in Bangkok, 3 hemodialysis centers in northeastern and 2 hemodialysis centers in western, which patients are increase as continuously to fully capacity. And, continue to focus on expanding hemodialysis center. Medical Vision Co., Ltd. has distributed medical equipment. In the first quarter year 2019, has recognized from installation of Pneumatic Tube Carrier Systems 5 projects. And, Hi Healthcare Center Co., Ltd. operate medical service concerning healthcare and esthetics under trademark "Wuttisak Clinic", which start operate the franchise business on February 10, 2018, In the past period, has been able to continuously generate cash sales in each branch.

3. Analysis of Operating Results

Profit & Loss Statements (MB)	for the Quarter 1 Ending 31 Mar		+ / (-)	%
	2019	2018		
Revenues from sales and services	182.43	144.09	38.34	26.61%
Gross profit from sales and services	37.25	22.59	14.66	64.90%
Other income	1.20	3.13	(1.93)	(61.66%)
Selling and distribution expenses	(8.94)	(6.15)	2.79	45.37%
Administrative expenses	(27.44)	(24.96)	2.48	9.94%
Net profit before finance costs and corporate income tax	2.07	(5.39)	7.46	138.40%
Finance costs	(2.28)	(0.81)	1.47	181.48%
Corporate income tax	0.11	(0.10)	(0.21)	(210.00%)
Net profit for the Period	(0.10)	(6.30)	(6.20)	(98.41%)
Other comprehensive income - net of tax	0.00	0.00	-	-
Total Comprehensive income for the Period	(0.10)	(6.30)	(6.20)	(98.41%)

Profit Sharing for the Period				
- The Company's Equity	(0.73)	(6.33)	(5.60)	(88.47%)
- Non-controlling Interest	0.63	0.03	0.60	2,000.00%

Total Revenues (Revenues from sales and services and other income) increased by Baht 36.41 million or 24.73% from the same quarter of last year, which can be divided into business segments as per information in following table:

Revenue by Business Segments	for the Quarter 1 Ending 31 Mar				Growth Rate	
	2019		2018		MB	%
	MB	Portion (%)	MB	Portion (%)		
1. Industrial and OEM (B1) ¹	37.27	20.43%	16.43	11.40%	20.84	126.84%
2. Commercial and residential (B2) ¹	66.10	36.23%	62.13	43.12%	3.97	6.39%
3. Medical services (B3) ²	79.06	43.34%	65.53	45.48%	13.53	20.65%
รวมรายได้	182.43	100.00%	144.09	100.00%	38.34	26.61%

¹B1, B2: Filters Vision Public Company Limited (Herein after "The Company").

²B3: Irving Corporation Ltd., KT Medical Services Co., Ltd., Medical Vision Co., Ltd. and Hi Healthcare Center Co., Ltd. (Herein after "The Subsidiaries").

3.1 Revenues from sales and services

In the first quarter of 2019, the Group had revenue from sales of goods and services increased by Baht 38.34 million or 26.61% from the same period last year, which can be described by business segment as follows:

Industrial and OEM (B1)

Revenue in this segment increased by Baht 20.84 million or 126.84% compared to the same period last year. Due to the adjustment the business strategy to focused on the large project. And the quality of service and products which support the needs of the customers as efficiency. As a result, in Quarter 1' 2019, has orders in large projects, such as the wastewater treatment equipment installation project. While in the first quarter of 2018, the large project income has just begun to increase, therefore only the normal product sales

Commercial and residential (B2)

Revenue from this segment increased by Baht 3.97 million or 6.39 % compared to the same period of last year. Mainly from preventive maintenance income with the needs of customer in food and beverage business who want to maintain the standards and quality of water to use in production process. While the revenue from the sale of products and installation of the water system has growth as similar with the previous year. As a result, the revenue in this group is growth as not significantly when compared from the previous year.

Medical services (B3)

Revenue from this segment increased by Baht 13.53 million or 20.63% from the same period last year. Due to, the revenue of KT Medical Services Co., Ltd. (KT Medical service's Hemodialysis Center) still increase from the previous year at Baht 6.94 million or 52.98 per cent. Due to, increase the 2 hemodialysis centers in 2018, and the number of dialysis patients has increase as continuously to fully and the revenue of Medical Vision Co., Ltd. increase from the previous year at Baht 6.91 million or 288.03 per cent. Due to, increase installation and maintenance services for pneumatic tube carrier systems in the hospital, has been completed to install 5 projects As a result, the revenue in this segment has grown when compared with the previous year.

3.2 Gross Profit

The Group had gross profit in the first quarter of 2019 and 2018 amounting to 37.25 million baht and 22.59 million baht respectively and the gross profit margin was 20.42 percent and 15.68 percent respectively. The gross profit increased from Medical Vision Co., Ltd. has realized revenue from the installation of pneumatic tube carrier systems for 5 projects, which is a business that is a segment with a gross profit level. more

3.3 Other income

Other income decreased by 1.93 million baht or 61.66 percent from the previous year, mainly due to sales promotion from foreign supplier.

3.4 Selling and distribution expenses

The Group has sales and distribution expenses increased by 2.79 million baht or 45.37 percent from the previous year mainly from commissions of existing business groups and new business groups to stimulate sales and services to increase. Therefore resulting in higher selling expenses

3.5 Administration expenses

The Group's administrative expenses increased by 2.48 million baht or 9.94 percent from the previous year, mainly from administrative expenses of new businesses that started operate medical service concerning healthcare and esthetics business when On February 10, 2018, In addition, the group have adjusted employee and management remuneration as usual every year. Therefore resulting in higher administrative expenses

3.6 Operating results

For the first quarter of 2019, the company had a net loss decreased by 6.20 million baht or 98.41 percent compared to the same period of the previous year. Because of the company's performance which has a large water system project In addition, Medical Vision Co., Ltd. has recognized revenue from the installation of the pneumatic tube carrier systems to 5 such projects, resulting in increased profits covering expenses.

4. Financial position

Statement of Financial Position – Consolidated (Million Baht)	As at		Increase (Decrease)	%
	March 31, 2019	December 31, 2018		
Assets	980.31	954.82	25.49	2.67%
Liabilities	309.33	283.75	25.58	9.01%
Shareholders' equity	670.98	671.07	(0.09)	(0.01%)
Issued and fully paid-up common share (Million Share)	565.14	565.14	0.00	0.00%
Par (Baht)	0.50	0.50	0.00	0.00%

4.1 Assets

The total assets in the first quarter of 2019 increased from the end of 2018 in the amount of 25.49 million baht or 2.67 percent. Significant changes included cash and cash equivalents, which decreased by 3.26 million baht. From receiving short-term loans and long-term from financial institutions in the amount of 12.74 million baht, receiving advance payment of 8.82 million products. And payment to buy property and bonus payments to employees and executives for the year totaling 20.64 million baht. In addition, trade and other receivables increased by 18.36 million baht (due to many business expansion) and inventories increased by 10.51 million baht

4.2 Liabilities

The total liabilities In the first quarter of 2019, an increase of 25.58 million baht or 9.01 percent from the end of 2018. Significant changes included bank overdrafts and short-term loans from financial institutions. Increased by 9.55 million baht, trade and other payables decreased by 3.75 million baht, advance received for goods Increased by 8.83 million baht, advance income increased by 3.52 million baht and long-term loans from financial institutions increased by 1.11 million baht (from additional loans for the purchase dialysis machines)

4.3 Shareholders' equity

Overview of shareholders' equity in the first quarter of 2019 decreased from the end of 2018 in the amount of 0.09 million baht or 0.01 percent, which came from the operating results in the first quarter of 2019, the whole amount.

5. Company's direction in 2019

Overall significant events are as follows.

5.1 KT Medical Services Co., Ltd. operates a hemodialysis center to patients with chronic kidney disease. Present, patient who replacement therapy with dialysis with dialysis machines was increased steadily to fully capacity. Currently, there is still a plan for increasing the hemodialysis unit continuously. In the 2nd quarter of 2019, the two additional hemodialysis centers will be opened in the northern region and western region with 16 dialysis machines and increasing 8 dialysis machines in the existing hemodialysis unit within the

same quarter in order to support the increasing number of patients currently which is in accordance with the business goals.

5.2 Irving Corporation Limited, distribution a dialysis solution product which has ordered as continually in present. And the installation of purified water treatment system for hemodialysis unit. Currently, has ordered from 4 Projects, amount Baht 4.81 million and expected that some project to be completed in the 2nd quarter of 2019.

5.3 Medical Vision Company Limited provides installation and maintenance services for pneumatic tube carrier systems in the hospital, currently, accepting orders from 2 additional government customers amount a total of 9.36 million baht which the project was completed in the 2nd quarter of 2019.

5.4 Hi Health Care Center Company Limited, operated medical service and medical beauty treatment clinic under the brand "Wuttisak Clinic", which start operate the franchise business on February 10, 2018. The results from the past one year experience led to the business strategy to suit the business environment in each area. Therefore believe that the revenue from sales and services will increase continuously including to reduce the cost of sales and services that are currently available and will result in good business performance.

5.5 Continuously introducing new products which are energy-saving innovations for air conditioners (WATER INT PAD: Water Intelligent), in the past can sell such products which the quality and efficiency of the products resulting in the year 2019, the company received orders from a local customer to install such products with a cooling machine at the factory building with a value of 10.50 million baht which is expected to be installed and complete in the 2nd and 3rd quarter of 2019.

5.6 Business segment Industrial and OEM (B1) continue marketing strategies that focus on expanding the business in big project work. Currently, three orders have been received from customers totaling 99.72 million baht, which is expected to be complete in the 2nd and 3rd quarter of 2019.

Sincerely Yours,

Wijit Techakasem

(Dr.Wijit Techakasem)

Managing Director