

No. 025/2019

30 July 2019

Subject Management Discussion and Analysis 2018

To President
The Stock Exchange of Thailand

Chuo Senko (Thailand) Public Company Limited (the “Company”) would like to explain the Company’s result of operations and financial position for periods ended 31 December 2018 as follows:

Analysis of Operating Results

The Company group (Consolidated Financial Statement) had net loss for the period of Baht 31.56 million, decreased by Baht 19.08 million or 37.68 percent when compared with net loss at the same period last year in an amount of Baht 50.64 million.

During the year 2018, the Company group had service income in an amount of Baht 5.00 million when compared with no service income at the same period last year and the Company group had other income in an amount of Baht 2.92 million, decreased by Baht 2.29 million, 43.95 percent when compared with other income at the same period last year in an amount of Baht 5.21 million.

The Company group had main cost of services which is employee expenses in sale and marketing department in an amount of Baht 2.48 million, the proportion of cost of services to the service income were 49.60 percent and administrative expenses of the Company group in an amount of Baht 35.77 million, decreased by Baht 25.55 million or 41.66 percent when compared with the expenses at the same period last year in an amount of Baht 61.32 million due to the re-organization of the Company group and the decrease in the main expenses such as employee expenses and rental fee.

Analysis of Financial Position

As at 31 December 2018 and 31 December 2017, the Company group had assets of Baht 17.38 million and Baht 65.92 million, decreased by 48.54 million. Meanwhile, the Company group had liabilities as at 31 December 2018 in an amount of Baht 51.01 million, decreased by 52 million when compared with liabilities as at 31 December 2017 in an amount of Baht 103.01 million as a result of the cancellation of all bank overdraft line and other credit facilities with the bank and withdrawal of the fixed deposits which is a collateral of Baht 46.60 million to repay bank overdrafts.

As at 31 December 2018 and 31 December 2017, the Company group had shareholder’s equity of Baht -33.63 million and Baht -37.09 million. The increase of net loss during the period affects the decrease of shareholder’s equity and in August 2018.

Please be informed accordingly.

Yours Sincerely,
Chuo Senko (Thailand) Public Company Limited

(Tan Vutithum)
Chief Executive Officer