

Date : August 9, 2019

Subject : The Explanation to SET concerning the operating result for Q2/2019 (3 month) more than 20%

Attention : The Director and Manager of the Stock Exchange of Thailand

For the Q2/2019 period ended of June 30, 2019 (3 months) operating result of the company net loss Baht 6.47 Million comparison with the previous Q2/2018's net loss of Baht 4.32 Million an increase of loss Baht 2.15 Million or 49.77%. The reasons for such decreases are:-

- Sale decreased from Baht 275.33 Million in Q2/2018 to Baht 266.36 Million in Q2/2019 an decrease Baht 8.97 Million or 3.26%.

- Cost of the sales and services from Q2/2018 was 89.50% increased to 91.75% on Q2/2019 or increased 2.25% from sales due to recorded the effect of the change severance pay by recognizing past services costs as expense immediately in the comprehensive income statement in current period amount Baht 8.25 Million.

- Selling and administrative expenses of Q2/2018 was 10.23% of sale, decreased to 9.80% in Q2/2019 decreased of 0.43% due to Q2/2018 had loss on exchange rate Baht 3.89 Million.

- Cost of finance from Baht 6.09 Million or 2.21% of Q2/2018 to Baht 5.86 Million or 2.20% in Q2/2019 decreased Baht 0.23 Million or 3.78% due to portion of more using short term fund than long term fund so that the interest rate is lower.

Please be informed accordingly.

Yours sincerely,

Mr. Jun Tomita

(Mr. Jun Tomita)
Director