

February 21, 2019

Re: Management Discussion and Analysis for the year December 31 ,2019

To: Director and Manager of the Stock Exchange of Thailand

Patkol Public Company Limited and its subsidiaries ("the Company") would like to clarify the operating results and the financial position of the Company and subsidiaries for the accounting period ended 31 December 2019, compared to the same period of the previous year as follows

Company performance For the period ended December 31, 2019

Million Baht	Consolidation method				The Company			
	2019	2018	Different		2019	2018	Different	
Sales and service income	3,637	3,824	- 187	-5%	2,851	3,300	- 449	-14%
Cost of sales and services	2,941	2,903	38	1%	2,314	2,609	- 295	-11%
Gross Profit	696	921	- 225	-24%	538	692	- 154	-22%
Other Income	115	77	38	49%	88	104	- 16	-15%
Distribution costs	359	311	48	15%	276	266	10	4%
Administrative expenses	594	650	- 56	-9%	441	509	- 68	-13%
Finance cost - Interest expenses	49	41	8	20%	34	28	6	21%
Corporate income tax	8	- 10	- 18	-180%	10	- 2	12	-600%
Earnings (Loss) for the Period	- 183	- 14	- 169	1207%	- 115	- 9	- 106	1178%
Non controlling interest	3	3	-	0%	-	-	-	0%
Net Earnings (Loss)	- 186	- 17	- 169	994%	- 115	- 12	- 103	858%

1. Sales and service income

The company has sales and service income of 3,637 million baht, a decrease of 187 million baht or 5% and a net loss of 183 million baht, an increase of 169 million baht or 1207% compared to 2018 with revenue from Sales and services of 3,824 million baht and net loss of 14 million baht, respectively.

Domestic sales revenue was 3,025 million baht, a decrease of 42 million baht or 1% mainly due to the slowdown in domestic ice machine demand. Overseas sales revenue is 612 million baht, a decrease of 145 million baht or 19%, mainly due to the slowdown in the purchase of ice machines.

2. Gross Profit

The gross profit of the Company was 699 million baht, a decrease of 225 million baht or 24% equivalent to the gross profit margin of 19% down from the gross profit margin of 24% when compared to the same period of the previous year due to the economic slow down.

3. Other Income

Other income is the revenue generated from other business operations of the Company, such as gains from exchange rate, interest income, and bad debts received afterwards. For the year 2019, the Group has other revenues totaling 115 Million baht increased by 37 million baht or 47% in the same period of last year.

4. Distribution costs and Administrative expenses

For the year 2019, the company had distribution cost and administrative expenses of 953 million baht, a decrease of 8 million baht or 0.8%.

5. Finance cost

The company had finance costs of 49 million baht, an increase of 8 million baht or 20% compared to the same period last year from long-term loan and overdraft.

6. Corporate income tax

In 2019, the Company had income tax of Baht 8 million, increased by Baht 18 million or 180% compared to the same period of last year due to the company have net loss.

Yours faithfully,

PATKOL PUBLIC COMPANY LIMITED

(Mr.Sangchai Chotchuangchutchaval)
Chief Executive Officer