13 August 2020

The Director and Manager

The Stock Exchange of Thailand

93 Rachadapisek Road

Dindaeng, Dindaeng, Bangkok

Dear Sir:-

Subject : Management's Discussion and Analysis of Financial Results for Q2'2020

The company would like to disclose the information concerning the operating result for the 2nd quarter of 2020 compared to the same period of previous year. The details are as follows:-

1. The Business Operation

1.1 Net Sales

For Q2'2020, the company's net sales amounted to Baht 428.99 million, an increase of Baht 11.35 million or 2.72% compared to Q2'2019. The increase in sales resulted from sales volume from export. While the selling price decreased due to the price competition. The proportion of sales: 72.48% came from domestic and 27.52% came from export.

1.2 Cost of sales

In Q2'2020, cost of sales was Baht 410.60 million, an increase of Baht 152.90 million or 3.87% compared to Q2'2019. This was because sales volume was higher than the same period last year.

1.3 Other Income

Other income was Baht 1.43 million, a decrease of Baht 5.34 million. The decrease was from interest revenues, loss on exchange rate and the decreased of revenue from sales of scrap and other incomes, which are uncertain.

1.4 Expenses

The operating expenses amounted of Baht 35.16, a decrease of Baht 7.10 million, mainly due to the provision for employee benefits related to the revision of post-employment benefit plan, which was calculated by an independent actuary and recorded the past service cost as expenses in the statement of comprehensive income in Q2’2019. While the other expenses increased as sales volume increased

As a result, the company reported a net loss of Baht 15.90 million and net loss of Baht 14.24 million in Q2’2020 and 2019, respectively.

2. The Financial Position

2.1 Assets

As at 30 June 2020, the total assets are worth Baht 1,679.99 million, representing a decrease of Baht 116.90 million or 6.51% from 31 December 2019. The main reason was the decrease of inventories from the quantity decreased.

2.2 Debt to Equity Ratio

As at 30 June 2020, the company’s debt to equity ratio was 0.12, down from the previous year due to payment of trust receipts.

Yours faithfully,

(Mr.Akamin Nganthavee)

Managing Director