

November 13, 2020

Re: Management Discussion and Analysis for Quarter 3/2020 (September 30 ,2020)

To: Director and Manager of the Stock Exchange of Thailand

Patkol Public Company Limited and its subsidiaries report the operating results of the period ended 30 September 2020. The Group had sales and service income 676 million baht and net profit 14 million baht, compared to the third quarter of 2019 sales and service income was 948 million baht for and net loss 39 million baht. The operating results for the third quarter of 2020 and year 2019 are summarized below;

Million Baht	Consolidation Method				The Company			
	Q3'2020	Q3'2019	Different		Q3'2020	Q3'2019	Different	
Sales and service income	676	948	(272)	-29%	494	782	(288)	-37%
Cost of sales and services	(507)	(719)	212	-29%	(387)	(610)	224	-37%
Gross Profit	168	229	(61)	-26%	108	172	(64)	-37%
Other Income	23	2	21	1351%	32	10	22	209%
Distribution costs	(62)	(88)	26	-30%	(48)	(67)	19	-28%
Administrative expenses	(104)	(182)	78	-43%	(86)	(144)	58	-40%
Finance cost - Interest expenses	(9)	(13)	4	-31%	(6)	(9)	3	-32%
Corporate income tax	(2)	14	(16)	-112%	0	16	(16)	-99%
Earnings (Loss) for the Period	15	(38)	53	-138%	(0)	(22)	22	-98%
Non controlling interest	1	1	(0)	-17%	-	-	-	0%
Net Earnings (Loss)	14	(39)	53	-134%	(0)	(22)	22	-98%

Sales and service income

Revenue from sales and services of the company in the third quarter of 2020 totaled 676 million baht, decreased of 272 million baht or 29% compared to the third quarter of 2019. Sales and service income decrease was from Covid-19 pandemic.

Gross Profit

The gross profit of the Group was 168 million baht, decreased 61 million baht or 26% due to the high market competition.

Other Income

In the third quarter of 2020, other income was 23 million baht, increased 21 million baht or 1351% compared to the same period last year. The increase was mainly from interest income and bad debt and doubtful accounts (reversal).

Distribution costs

In the third quarter of 2020, the Group had distribution costs of 62 million baht, decreased 26 million baht. 30% compared to the same period last year. The decrease in expenses from decrease employee expenses , travelling expense due to Covid-19 pandemic.

Administrative expenses

In the third quarter of 2020, the Group had administrative expenses of 104 million baht, decreased 78 million baht or 43 % compared to the same period last year due to effective cost control mainly from employee expenses, contractor costs, travelling expense and warehouse rental cost.

Finance cost

The Group had financial costs of 9 million baht, decreased by 4 million baht or 31% compared to the same period last year due to loan and interest rate decrease.

Corporate income tax

In the third quarter of 2020, the Group had income tax 2 million baht increased by 16 million baht or 12 % compared to the same period last year due to the increase in profit of the Group company.

Yours faithfully,

PATKOL PUBLIC COMPANY LIMITED

(Mr.Sangchai Chotchuangchutchaval)
Chief Executive Officer