

- TRANSLATION -

KT/PB (Q-Con) 012/2019

May 9, 2019.

Attention Managing Director

The Stock Exchange of Thailand

**Subject : Management Discussion and Analysis the first quarter ended 31 March 2019**

Quality Construction Products Public Company Limited (“Q-CON”) would like to clarify the main reason that caused operating result for the first quarter 2019 changed more than 20 percent that of 2018.

Q-CON and subsidiary have profit for the period amount 60.3 Million Baht increased 45.3 Million Baht compared with the performance as the same period of 2018, there were profit for the period 15.0 Million Baht. Mainly by the increasing of Revenue from sales 17% with the increasing from domestic sales and expansion oversea market. There are gross margin rate for the period is 21%, and 14 % in 2018. As the result of the company’s gross margin increased 7% compared with the last period.

The first quarter in 2019, the company cost of distribution and administrative expense were 46.9 Million Baht compare with last period 48.8 Million, decreased 4% or 1.9 Million Baht from promotional expenses and public relations expenses.

The company has income tax expenses of 11.9 million baht due to increased profits.

At the end of March 31, 2019, the total asset 2,190.1 Million Baht were increased 103.1 Million Baht compare with at the end of December 31, 2018 increasing from temporary investment, trade receivables and inventories. Assets decreased from Land, plant and equipment, which decreased from depreciation.

There were total liabilities of 302.4 Million Baht increased by 66.8 Million Baht from trade payable, others current payable and accrued dividends.

At the end of March 31, 2019, the company has cash balance amount 283.8 Million Baht decreasing 62.6 Million Baht from December 31, 2018, the company paid in temporary investment 150 Million Baht. In order that the company has net cash flow provided by operation activities 92.5 Million Baht.

Please be informed accordingly

Sincerely yours,

*Saowaluck Suwanprateep*

(Mrs.Saowaluck Suwanprateep)

Deputy Managing Director