



August 13, 2019

RE : Explanation of change in operating results for the second quarter of 2019 exceeds twenty percent from the previous year.

ATTN: Managing Director, Stock Exchange of Thailand

The financial statement of investment by the equity method of Union Plastic Public Company Limited in 2/2019 ending on 30 June 2019 showed a net loss of 35.92 million baht, 15.93 million baht more than the same period last year which is more than 20 percent. The company would like to explain the reason for the aforementioned changes in performance as follows:

1. The ratio of cost of sales to the sales income increased 9.05 percent and the selling and administrative expenses increased by 18.5 percent compare with the same period last year result from the company has additional long-term employee benefit liability of baht 12.5 million in accordance to the labour protection Act BE 2562 that stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation at a rate of not less than that of the last 400 days's compensation at the latest wage rate. The cost of materials used in the assembly work also increased, as compared to the same period of the previous year
2. The company total income decreased by 7.1 million baht or 4.3 percent compare with the same period last year due to the sales and service income from motorcycle and stainless steel vacuum bottle decreased as a result of customer production and sales decreased. And the competition in the plastic injection contractor market is still high, affecting the price and quantity of the new products.

We have thus informed you for your acknowledgement.

Respectfully,  
Mr. Thitivat Suebsaeng  
Acting Managing Director