

November 8, 2019

Re: Management Discussion and Analysis for Quarter 3/2019 (September 30 ,2019)

To: Director and Manager of the Stock Exchange of Thailand

Patkol Public Company Limited and its subsidiaries ("The group") report the operating results for the third quarter of year 2019 of the company and its subsidiaries in the consolidated financial statements for the three-month period ended 30 September 2019 which have been reviewed. The group had sales and service income 948 million baht and net loss 38 million baht, compared with the third quarter of 2018 sales and service income at 872 million baht for and net profit at 25 million. By order of the operating results for the third quarter of 2019 and year 2018 are summarized below.

Million Baht	<u>Consolidation method</u>				<u>The Company</u>			
	Q3/2019	Q3/2018	Different		Q3/2019	Q3/2018	Different	
Sales and service income	948	872	76	9%	782	752	30	4%
Cost of sales and services	-719	-672	47	7%	-610	-610	-	-
Gross Profit	229	200	29	15%	172	142	30	22%
Other Income	-	-	-	-	10	13	-3	-23%
Distribution costs	-88	-66	22	34%	-67	-55	12	22%
Administrative expenses	-182	-145	37	26%	-144	-117	27	23%
Finance cost - Interest expenses	-13	-11	2	19%	-8	-7	1	15%
Corporate income tax	14	-2	-16	-800%	15	-1	-16	-1,600%
Earnings (Loss) for the Period	-38	-24	14	59%	-22	-25	-3	-12%
Non controlling interest	1	-	1	100%	-	-	-	-
Net Earnings (Loss)	-37	-25	13	52%	-22	-25	-3	-12%

Sales and service income

Sales and service income for the Third quarter of 2019 totaled 948 million baht, increase 76 million baht or 9% from the third quarter of 2018 due to increasing in sales of Patkol Public Company Limited and subsidiaries in the cold storage production.

Gross Profit

The group's gross profit margin was 229 million baht in the third quarter of 2019, increase of 29 million baht or 15% from the same period of last year mainly came from increasing of revenue and greater control cost of project.

Distribution costs

In the third quarter of 2019, the group's cost of sales was 88 million baht, increase 22 million baht or 34% compared to the same period of last year due to changed the employee benefits compensation as labor law from 300 days to 400 days.

Administrative expenses

In the Third quarter of 2019, the group's administrative was 182 million baht, increase 37 million baht or 26% compared to the same period of last year due to changed the employee benefits compensation as labor law from 300 days to 400 days.

Corporate income tax

In the third quarter of 2019, the group had income tax refund of 14 million baht as a result from increasing in employee benefit compensation.

Yours faithfully,

PATKOL PUBLIC COMPANY LIMITED

(Mr.Sangchai Chotchuangchutchaval)
Chief Executive Officer