



(Translation)

Re: BOD.SET 009/2020

May 12, 2020

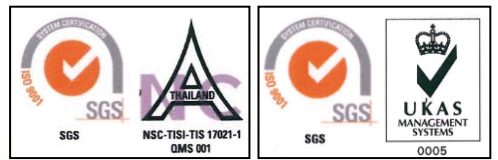
Subject: Clarification on the Change in operating results for the three month period ended 31 March 2020 over 20% compared with the same period of the previous quarterly.

To: The President
The Stock Exchange of Thailand

Not yet recovered from the economic fever, world trade war Pushed to become infected with a new strain of the corona virus The IMF expects that Thailand's 2020 GDP will fall by -6.7%, which is close to the Tom Yam Kung crisis. There are measures to stop living at home to stop the infection to stop the transmission of the corona virus 2019 for the nation. Money from various budgets has been pulled back to help those who are affected by the outbreak. Entrepreneurs stop operating, resulting in lost sales target.

For the first quarter of 2020 The Company recognizes revenue from the production line installation project and the production line test for the whole system installation, which is expected to be installed in May 2020, resulting in the operating results for the three-month period ended 31 March 2020 is as follows;

- Sales decreased from 136.65 million Baht for the first quarter of 2019 to 40.59 million Baht for the first quarter 2020, representing 70.30%, which is a result of measures to stop living at home to stop the infection to stop the transmission of the new corona virus 2019.
- Cost of sales decreased from 124.02 million Baht for the first quarter of 2019 to 47.01 million Baht for the first quarter of 2020, representing 62.10% due to the lack of sales target, causing the company to bear the fixed costs from incomplete operations full capacities as a result, the gross profit margin decreased from 9.24% for the first quarter of 2019 to -15.82% for the first quarter of 2020.
- Other incomes decreased by 37.59% from the same period of the previous quarter. Due to the decrease in exchange rate profits.
- Selling expenses decreased by 18.99% from the same period of the previous quarter. Since in the first quarter of 2019 there is a mortgage of land to guarantee the project
- Administrative expenses for the first quarter of 2020 reduced by 30.10% due to the customs department expenses in the first quarter of 2019 is 6.30 million Baht.
- Finance costs increased by 37.59% from the same period of the previous quarter. Since it is necessary to use the funds for the production line project, borrowing outsiders and using overdraft lines with relatively high interest rates.



- At the end of the first quarter 2020, the Company had total assets of 766.62 million Baht, decreased by 13.06% from the balance of the previous year due to receiving payment from debtors 110.54 million Baht and depreciation 9.03 million Baht. Total liabilities decreased 18.96% due to payment of trade payable 69.13 million Baht and loans 12.25 million Baht. Shareholders' equity decreased by 6.69% due to operating losses for the first quarter of 2020, amounting to 28.26 million Baht.
- As of 31 March 2020, the company has recognized revenue of 212.56 million Baht, representing 83.58% of the work completed in the project to establish the production line and test the production line, the contract value of 255.00 million Baht, the project duration ending October 19, 2020

Please be informed accordingly.

Sincerely yours,

-Mr. Surachet Kamolmongkolsuk-

(Mr. Surachet Kamolmongkolsuk)

Managing Director