

May 14, 2020

Re: Management Discussion and Analysis for the period ended March 31 ,2020

To: Director and Manager of the Stock Exchange of Thailand

Patkol Public Company Limited and its subsidiaries ("the Company") would like to clarify the operating results and the financial position of the Company and subsidiaries for the accounting period ended 31 March 2020, compared to the same period of the previous year as follows

Company performance For the period ended March 31, 2020

Million Baht	Consolidation method				The Company			
	Q1'2020	Q1'2019	Different		Q1'2020	Q1'2019	Different	
Sales and service income	980	796	184	23%	780	653	127	19%
Cost of sales and services	(781)	(645)	(136)	21%	(656)	(537)	(119)	22%
Gross Profit	199	151	48	32%	124	116	8	7%
Other Income	24	9	15	167%	36	19	17	89%
Distribution costs	(93)	(97)	4	-4%	(76)	(77)	1	-1%
Administrative expenses	(134)	(139)	5	-4%	(127)	(113)	(14)	12%
Finance cost - Interest expenses	(13)	(11)	(2)	18%	(8)	(8)	-	0%
Corporate income tax	(2)	(1)	(1)	100%		-	-	0%
Earnings (Loss) for the Period	(19)	(88)	69	-78%	(51)	(63)	12	-19%

Sales and service income

Revenue from sales and services of the company in the first quarter of 2020 totaled 980 million baht, an increase of 184 million baht or 23% compared to the first quarter of 2019 because company emphasis on sales to target customers and improve sales effectiveness to serve the needs of customers

Gross Profit

The gross profit of the Company was 199 million baht, an increase of 48 million baht or 32%

equivalent in the same period last year. Which is in accordance with the sales proportion of the company in the year 2020 increased. While the gross profit margin is almost the same.

Other Income

Other incomes include revenue from other operations of the company such as profits from exchange rates, interest income and bad debts reversal. In the 1st quarter of 2020, the Group has increased other incomes amount to 15 million baht or 167 percent in the same period last year

Distribution costs

For first quarter of the year 2020, the company had distribution cost of 93 million baht, a decrease of 4 million baht or 4% equivalent in the same period of last year the most of the reduced expense are staff expenses.

Administrative expenses

For first quarter of the year 2020, the company had administrative expenses of 134 million baht, a decrease of 5 million baht or 4% equivalent in the same period of last year the most of the reduced expense are staff expenses and the inventory rental.

Finance cost

The company had finance costs of 13 million baht, an increase of 2 million baht or 18% compared to the same period last year from long-term loan that started paying interest since the 3rd quarter of 2019.

Corporate income tax

For first quarter of the year 2020, the Company had income tax of Baht 2 million, decrease d by Baht 1 million or 100% compared to the same period of last year due to the company have increased of sale and service revenue.

Yours faithfully,

PATKOL PUBLIC COMPANY LIMITED

(Mr.Sangchai Chotchuangchutchaval)
Chief Executive Officer