

(Translation)

November 14, 2019


Subject: Clarification for operation performance 9 months ended September 30, 2019
Attention: The President of
The Stock Exchange of Thailand

Arrow Syndicate Public Company Limited ("Company") would like to report its financial results for 9 months, which ended on September, 30 2019 with the profit of Baht 150.93 Million increased of Baht 41.87 Million or increased 38.39% compared to the same period of previous year which reported the profit was Baht 109.06 million due to the following reasons.

1. The company had sales and services revenue increased of Baht 28.80 Million or increased 2.63% compared to the same period of previous year because the government and private construction projects had been increasing lead to the increasing demand of our products.
2. The gross profit from sales and services had increased of Baht 62.15 Million or the gross profit ratio increased of 27.10% compared to the same period of previous year from several reasons such as,
 - The raw material price in global market decreased and more stable in year 2019, in addition, the company considered to increase the sell target, production efficiency, and to increase sell price to maintain net profit margin and the competitiveness level.
 - However, there are some high level of cost of sales and services of its subsidiaries, due to investment projects of its subsidiaries are not achieved target and the high competition market in services business and face with high material and labor cost of construction projects.
3. The selling expenses increased of Baht 1.60 Million or increased 3.57% of total revenue compared to the same period of previous year mostly from delivery expenses increased on sale.
4. The administrative expenses decreased of Baht 0.45 Million or decreased 0.57% compared to the same period of previous year due to the total expenses decreased from a control improved to reduce administrative expenses of the company and its subsidiaries. In addition, there are the decreased of reserve for share-based payments of Employee Stock Ownership Program (ESOP-W2 and ESOP-W3). However, the Company still investing in assets resulting in increased of depreciation.
5. The interest expense increased of Baht 2.06 Million or increased 48.21% compared to the same period of previous year because the increased debt from the financial institution to purchase raw materials, leasing assets and long-term loan for new office construction. However, the Company had financial strength and have ability to pay interest and debt.

Please be informed accordingly,

Sincerely yours,



(Mr.Tanin Tanprawat)

Managing Director