

Translation

Sor.Lor.Nor. 220/2019

November 5, 2019

Subject : Explanation and Analysis of Operating Result for the 3rd Quarter of 2019

**To : Director and Manager
Stock Exchange of Thailand**

According to the Financial Statement for the 3rd Quarter as at 30th September 2019, the operation of the company had the result differed over 20% compared to the year 2018 which can be explained as follows:-

The net profit of the Company for the three - month period had the amount of 124 million Baht or equivalent to 2.38 Baht per share, which had been increased from the year 2018 for the amount of 84 million Baht or equivalent to 208.5%. The basic earnings per share had been increased from the year 2018 for the amount of 1.61 Baht per share and the net profit for nine-month period had the amount of 285 million Baht or equivalent to basic earnings per share of 5.48 Baht, which had been increased from 2018 for the amount of 111 million Baht or increased by 63.84% and had the basic earnings per share increased from the year 2018 for the amount of 2.14 Baht per share.

The main reasons for the different of the net profit are as follows:-

- The Sales and Service Income of the Company for the three - month period and nine - month period for the amount of 871 million Baht and 2,575 million Baht, which increased by 17.55% and 15.80% respectively when compared to 2018. It was due to the increase from product mix of the high price products and increase of the new products sales from previous year.

- The Administrative expenses of the Company for the three - month period and nine - month period for the amount of 50 million Baht and 173 million Baht, which increased or equivalent by 17.53% and 33.05% respectively compared to 2018. It was due of the Government had amendments to the law relating to the legal severance pay rates as the Labor Protection Act (No. 7) B.E. 2562. The Company reflects the effect of the change by recognising past service costs as expenses in the income statement of the second quarter of 2019 for the amount of 35.9 million Baht.

Yours faithfully,

(Mr. Panthep Supachaiyakit)

President