



(Translation)

12 November 2019

Subject: Management Discussion and Analysis (MD&A) of Q3/2019, changed exceed 20% compared to the same period of the previous year.

To: Director and manager
The Stock Exchange of Thailand

Union Textile Industries Public Company Limited (“the Company”) would like to clarify on the operating results and financial position, in which the equity method is applied, for the third quarter ended 30 September 2019, changed exceed 20% compared to the same period of the previous year, clarify as follows;

1. Overall operating results

(Unit : 1,000 Baht)

	<u>Q 3 ended 30 September</u>		<u>% changes</u>
	<u>2019</u>	<u>2018</u>	<u>Increase (decrease)</u>
Sales	96,567	203,415	(53)
Total revenues	109,760	218,153	(50)
Cost of sales	120,365	194,227	(38)
Selling and administrative expenses	14,762	14,420	2
Net profit (loss)	(25,039)	20,349	(223)

- Sales and total revenues decreased as a result of less sales due to customers' decreased orders.
- Cost of sales decreased, as a result of sales decreased.
- Selling and administrative expenses slightly increased'
- The net loss came from the result of sales decreased and having reversal of allowance for diminution in value of inventories and cotton prices trend expected to lower than cotton costs.



2. Financial position

(Unit : 1,000 Bath)

	<u>As of 30 September 2019</u>	<u>as of 31 December 2018</u>	<u>increased (decreased)</u>
Total assets	1,163,110	1,082,750	80,360
Total liabilities	105,294	124,490	(19,196)
Total shareholders' equity	1,057,816	958,260	99,556

- The total assets increased as a result of, in Q2 of 2019, having changes in status of the investment from investment in associated company to other long-term investment, by measuring the fair value of the remaining investments from the sales.
- The total liabilities decreased main reason came from trade and other payables decreased...
- The total shareholders' equity increased came from unappropriated retained earnings increased.

3. Analysis of financial status

As of 30 September 2019, the Company had current ratio 16.69:1 times and Debt to Equity ratio equal to 0.10:1 times, compared to those of the same period of the previous year which were 10.90:1 and 0.08:1 times, respectively, indicating that the Company still stable financial status and capable to pay trade liabilities.

Please be informed accordingly.

Yours sincerely

- Signature -

Mrs. Pimporn Chotirattanakul

Managing Director