



(Translation)

16<sup>th</sup> November 2020

**Subject: Management Discussion and Analysis (MD&A) of Q3/2020, ended 30th September 2020**

To: Director and manager,

For the attention of The Directors and Managers of Stock Exchange of Thailand

Union Textile Industries Public Company Limited (“the Company”) would like to report the operating results and financial position for the third quarter ended 30<sup>th</sup> September 2020. There is a difference of more than 20% compared to the same period of the previous year. The details are as follows:

**1. Overall operating results**

(Unit : 1,000 Baht)

	<u>Q3 ended 30<sup>th</sup>September</u>		<u>% changes</u>
	2020	2019	Increase (decrease)
Sales	79,102	96,567	(18.09)
Total revenues	90,968	109,577	(16.98)
Cost of sales	74,086	120,365	(38.45)
Selling and administrative expenses	15,245	14,762	3.27
Net profit (loss)	(3,718)	(25,039)	(85.15)

- Sales and total revenue decreased due to reduction in customer's orders caused by the Covid-19 pandemic.
- Cost of sales decreased due to falling raw material prices
- Selling and administrative expenses slightly increased

**2. Financial Position**

(Unit : 1,000 Baht)

	As of 30 <sup>th</sup> September 2020	As of 31 <sup>st</sup> December 2019	Increased (decreased)
Total assets	1,271,572	1,163,366	108,206
Total liabilities	169,151	111,371	57,780
Total shareholders' equity	1,102,421	1,051,995	50,426



- Total assets increased by 108.21 million Bahts, mainly from the fair value measurement of investment in Equity Securities increased by 112.54 million Baht. In 2019 this was categorized as other long-term investments but in Q3 2020 this is categorized as Other Non-current Financial Assets in accordance with the Financial Reporting Standard TFRS 9, Financial Instruments.
- Liabilities increased by 57.78 million Bahts, from Deferred Tax liabilities which has increased by 64.98 million Bahts.
- Shareholders' equity increased by 50.43 million Bahts, due to other components of Shareholders' equity increased by 90.03 million Bahts, and Unappropriated Retained Earnings decreased by 39.60 million Bahts..
- As of 30<sup>th</sup> September 2020 the Company has a Current Ratio of 18.72 times, compared to the same period of the previous year, which was 16.69 times, the current ratio is increased due to the decrease in liabilities.

Please be informed accordingly.

Yours sincerely,

-Signature -

Mrs. Pimporn Chotirattanakul

Managing Director