



Single Point Parts (Thailand) Public Company Limited
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Enclosure No.2

Information memorandum regarding disposal of assets and connected transactions of

Single Point Parts (Thailand) Public Company Limited

(Schedule 2)



Enclosure 2

Information memorandum regarding disposal of assets and connected transactions of Single Point Parts (Thailand) Public Company Limited

Account 2

20 November 2017

Subject Information memorandum regarding disposal of assets and
connected transactions of Single Point Parts (Thailand) Public Company Limited

To Shareholders of Single Point Parts (Thailand) Public Company Limited

The Board of Directors' Meeting of Single Point Parts (Thailand) Public Company Limited ("Company") No. 7/2560 dated 28 September 2017 has passed a resolution to approve the Company to partially dispose land and buildings of the Company situated at 53/1 Moo 3 Intra Industrial Park, Bang Pa-in - Nakhon Sawan Road (Motorway no. 32), Nantat Subdistrict, Inburi District, Singburi Province 16110 totaling THB 253 million to Prima Growth Company Limited ("PRIMA"). The transaction is categorized as disposal of the Company's assets according to the Notification of the Capital Market Supervisory Board No.TorChor. 20/2551(2008) Re: Rules on entering into Material Transactions Deemed as Acquisition or Disposal of Assets (and its amendment) and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Acquisition and Disposition of Assets, B.E.2547(2004) (and its amendment) (the "Notification on Acquisition or Disposal of Assets"). The size of the transaction, calculated based on Total Value of Consideration, is of the highest value of 38.49 percent of total assets, based on the consolidated financial statement ended 30 June 2017 audited by certified auditor.

During the past 6 months prior to this transaction, the Company has not entered into any disposal of asset transaction; therefore, this disposal of land and buildings to PRIMA falls under Class 2 Transaction under the Acquisition or Disposal Notification which the transaction size is higher than 15 percent but less than 50 percent.

Moreover, entering into the disposal of the Company's asset is considered as connected transaction between the Company and connected person of the Company. Thus, it is considered as connected transaction as stated in the Notification of the Capital Market Supervisory Board No.TorChor.21/2551(2008) Re: Rules on Connected Transactions and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions, B.E.2546(2003) (and its amendment) ("Notification on Connected Transactions"). The



transaction size is more than THB 20 million or accounting for 57.54 percent of net tangible asset of the Company which is greater than 3 percent of net tangible asset. As a result, the Company must obtain an approval from its shareholders prior entering the mentioned transaction and is responsible for the below detail.

- (1) Disclose information regarding disposal of the Company's asset to the Stock Exchange of Thailand (SET)
- (2) Appoint independent financial advisor to render opinions on entering into disposal of asset transaction and connected transaction and submit the opinions to SET and the Company's shareholders.
- (3) Hold shareholders' meeting to request approval to enter into such transaction and seek shareholders' vote not less than three quarter of total registered shares or total number of attending shares excluding conflicting shareholders.

Details of entering into transaction can be summarized as follows:

1. Transaction Date

After the Extraordinary General Meeting of Shareholders No. 1/2560 held on 7 December 2017 has approved the Company to enter into the transaction and all conditions precedent specified in the Asset Disposal Agreement have been fulfilled which is expected to be completed within 15 January 2018

2. Involved Parties and Relationship with the Company

Seller : Single Point Parts (Thailand) Public Company Limited

Buyer : Prima Growth Company Limited

Relationship between Involved Parties

Seller and Buyer are connected persons.

List of connected persons and relationships with the Company

Name	Relationship
Mrs.Pensri Pholpipattapong	Director of Prima Growth Company Limited and wife of Mr.Prapoth Pholpipattapong who is the Chief of Executive Committee and major shareholder of the Company
Mrs.Saisunee Chancharonjit	Director of Prima Growth Company Limited and sister of Mrs.Pensri Pholpipattapong



3 Characteristics of the Transaction

3.1 General Characteristics of the transaction

The Company will dispose land and buildings as shown in item 4 to Prima Growth Company Limited with the total value of not less than THB 253 million, which will be paid by cash

3.2 Basis used to determine the transaction value

The aforementioned transaction is considered as a disposal of assets transaction under the Notification of Acquisition or Disposal of Assets. The calculation of the transaction size is based on the audited consolidated financial statement of the Company as of 30 June 2017 of which details are provided as follows:

Calculation Basis	Calculation Method (Million Baht)	Transaction Size (%)
1. Net Tangible Assets (NTA)	Not applicable as the transaction is the disposal of land and buildings	-
2. Net Profit from Normal Business Operation	Not applicable as the transaction is the disposal of land and buildings	-
3. Total Value of Consideration Paid	Amount of consideration paid / Total asset of the Company = 253.00 / 657.35	38.49
4. Value of Securities issued in return for the assets acquired	Not applicable as the transaction is the disposal of assets and no issuance of new securities.	-

When considering the highest value calculated above, the transaction size of the disposal of assets is equivalent to 38.49% of total assets. Thus, the transaction is classified as a Class 2 transaction according to the Notification of Acquisition or Disposition of Assets. The transaction size equals to or more than 15% but not exceed 50%; nonetheless, the transaction is classified as connected transaction.

3.3 Size of the Connected Transaction

The transaction is deemed as a connected transaction under the Notification of Connected Transactions, based on the audited consolidated financial statement of the Company as of 30 June 2017. The calculation of the transaction size is illustrated below.

Calculation Basis	Calculation Method (Million Baht)	Connected Transaction Size (%)
Calculation of the connected transaction size	Amount of consideration paid / Net tangible asset of the Company = 253.00 / 439.71	57.54



The connected transaction size calculated above is larger than THB 20 million and accounted for 57.54% of the Company's net tangible asset, which is higher than 3% of the Company's net tangible asset. Therefore, the Company has the duty to disclose information memorandum to the Stock Exchange of Thailand and carry out the following steps.

- 1) Disclose information regarding disposal of assets and connected transactions of the Company to the Stock Exchange of Thailand ("SET")
- 2) Appoint an independent financial advisor to render opinions on entering into disposal of asset transactions and connected transactions to the Company's shareholders. Thus, the Board of Directors had a resolution to appoint Advance Capital Services Company Limited to be an independent financial advisor to this transaction.
- 3) Hold shareholders' meeting to obtain approval to enter into disposal of asset transactions and connected transactions with the vote not less than 3/4 of total number of shares from shareholders attending the meeting and having rights to vote, excluding conflicting shareholders.

During the past 6 months prior to this transaction, the Company has not entered into any disposal of assets and connected transaction.

4 Details of Disposed Assets

Assets	Details
Assets Location	53/1 Moo 3 Intra Industrial Park, Bangpain-Nakomsawan Road (Highway no.32), Nantan Sub District, Inburi District, Singburi
Title Deed	Title deeds no. 19510 and 31095 Total area of 10-1-65.0 Rai (4,165.0 Square Wah)
Land Owner	Single Point Parts (Thailand) Public Company Limited
Buildings	1. Plant and 2-storey office building 2. 2-storey machinery storage building 3. Water tank building 4. 2-storey waste water building 5. Reinforced concrete road 6. A fence with 2-meter height and 355-meter length
Encumbrance	The Company is currently leasing the assets to other parties.



5. Details of assets used in the business after the transaction.

Assets	Details
Assets Location	42 Moo 9 Rojana Industrial Rojana Road. (Highway no.309) Thanoo Sub District, U-Thai District, Phranakom Si-Ayutthaya
Title Deed	Title deeds no 16267 Total area of 3-1-94 Rai (1,394 Square Wah)
Land Owner	Single Point Parts (Thailand) Public Company Limited
Buildings	1. Plant and 2-storey office building 1.1 Office 1.2 Plant 1.3 Extension 2. Building guard 3. Reinforced concrete road 4. A fence with 2-meter height and 312-meter length
Encumbrance	Assets mentioned above, the Company's Board of Directors' Meeting No. 5/2016 dated on December 26, 2016, has approved to sale of which the Company still could not sell. Currently, the Company leases the assets to other persons.

Assets	Details
Assets Location	53,53/2 Moo 3 Intra Industrial Park, Bangpain - Nakomsawan Road (Highway no.32), Nantan Sub District, Inburi District, Singburi
Title Deed	Title deeds no 19511 Total area of 10-2-77 Rai (4,277 Square Wah)
Land Owner	Single Point Parts (Thailand) Public Company Limited
Buildings	1. Plant and 1-storey office building with mezzanine 2. 2 storey cafeteria 3. 1 storey plant building 4. Building guard 5. Car park 6. Reinforced concrete road 7. A fence with 2-meter height and 366-meter length
Encumbrance	- Currently, the Company used them in operating the business of Hard



	<p>Disk parts and electronic parts.</p> <p>- The company plans to relocate its factory in Ayutthaya to come together In Singburi, according to the clarifying of information in the Financial Statements Quarter 2 ended on June 30, 2017, dated October 19, 2017.</p>
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6 Total Value of Consideration and Terms of Payment

The Company will dispose land and buildings to Prima Growth Company Limited with the total value of not less than THB 253 million, which the Company will be paid by cash

7. Criteria to Determine Total Value of Consideration

The criteria used to determine the total value of consideration is based on the consensus between the Company and the Seller pursuant to the disposal of asset agreement. However, the value shall not be lower than that estimated based on the latest appraisal report prepared by TAP Valuation Co., Ltd. and Advance Appraisal Co., Ltd. Both appraisers are registered as approved independent appraisers by SEC and the reports are prepared for public use. The valuation result is shown below:

Unit: Million Baht

	TAP Valuation Co., Ltd. As of 20 September 2017	Advance Appraisal Co., Ltd. As of 22 September 2017
Cost Approach	199.02	195.82
Income Approach	240.38	232.50

8 Conditions Precedent for Entering into the Transaction

- 1) The Company shall obtain approval from the shareholders' meeting with the vote not less than 3/4 of total number of shares from shareholders attending the meeting and having rights to vote, excluding conflicting shareholders.
- 2) The Buyer is required to pledge THB 60 million within October 31, 2017.
- 3) The Company must negotiate with the lessee to proceed according to the lessee's procedure in order to register Prima Growth Company Limited as an approved vendor of the lessee. Moreover, the Company must negotiate to change the name of the Lessor in the lease agreement and/or take steps to discharge the land and buildings from any encumbrances.
- 4) The Buyer is required to pay the rest amount on the date of the assets transfer stated in the asset disposal agreement within 15 January 2018.



9. CV Expected Benefits to the Company

- 1) The Company shall receive cash and benefit from gain on disposal of asset approximately THB 60.89 million

Items	Amount (MB)	Remark
Asset Disposition	253.00	
Less Transfer Fee	2.41	
Less Specific business tax	6.60	
Sales before corporate income tax	243.99	1
Corporate income tax calculation		
Less cost after asset depreciation (as of Jan 18)	180.04	2
Profit tax before deducting accumulated deficit	63.95	3= 1 - 2
Estimated tax loss accumulated until Nov. 17	48.66	4
Profit before corporate income tax	15.29	5= 3 - 4
Corporate Income Tax (20%)	3.06	6
Net income from asset disposition	60.89	8= 3 - 6

- 2) The Company will receive proceeds from selling land and buildings unutilized in operating business involving hard disk and electronic components(current core business). Such proceeds will be used for the benefit of the Company pursuant to the use of proceeds as described in clause 10

10. Use of Proceeds from the Assets Disposal Transaction

The Company will utilize the proceeds from the disposal of assets transaction for the benefits of the Company as follows:

- 1) To invest in ordinary shares of Terabyte Net Solution Public Company Limited in the amount of not exceeding Baht 175.44 million by purchasing 87,720,000 shares, representing 51.00% of total paid-up shares that get benefit to the Company and shareholders of the Company and it helps to create more value and good return to the Company and shareholders of the Company in the long run. This is in line with the current economic situation and the direction of the industry.
- 2) Pay the transfer fee, specific business tax, and corporate income tax related to the disposition of assets totaling approximately Baht 12.07
- 3) Repayment of loans from financial institutions amounted to approximately Baht 25 million
- 4) Use as working capital of the Company and/ or subsidiaries approximately Baht 10 million
- 5) The remaining amount of Baht 30.49 million will be invested in other businesses appropriately in order to get benefit to the Company and the shareholders of the Company.



However, the purpose of the use of money may be changed as appropriate. If the purpose of use of money of the above mentioned increase or decrease in the amount of Baht 20 million, the Company will consider the matter to the Board of Directors Meeting for approval.

11. Opinion of the Board of Directors on the Connected Transaction, stated the reasonableness, the highest benefit to the company, compared with entering into an independent third party transaction. Board of Directors considered entering into the transaction, then have the opinion that. The entering into this transaction is appropriate, beneficial to the Company, and the shareholders of the Company due to the Company will receive cashes from the sale of non-operating assets related to hard disk parts and electronic parts. (The current main business) mentioned above for the benefit of other aspects. The Board of Directors therefore recommends the shareholders to approve such transaction. During the past period, the Company has attempted to contact and negotiate the sale of land and buildings to third parties. There is no outsider interested in purchasing land and buildings of the Company because of the high investment. The existing lease agreement will be expired on May 20, 2017, which will result in the buyer not earning the rental income. In addition, Prima Growth Co., Ltd. wishes to purchase land and buildings to restructure Prima Growth Co., Ltd's business so as to be in line with the economic condition of at least Baht 253 million, which is the agreed price between the Company and Buyer. This is a fair price and it is not lower than the market price appraised by the 2 independent appraisers approved by the Office of the Securities and Exchange Commission (SEC). The Board of Directors has considered the entering into the transaction and is of the opinion that the entering into this transaction is appropriate, is beneficial to the company and the shareholders of the Company. It is a transparent process. Stakeholders do not participate in decision making. In addition, the entering into the transaction with the connected person is a transaction made with regard to the interests of the Company as a whole, and has the same terms and conditions as the transactions with the outsiders. The evaluation results are as follows.

Unit: Million Baht

	TAP Valuation Co., Ltd. As of 20 September 2017	Advance Appraisal Co., Ltd. As of 22 September 2017
Cost Approach	199.02	195.82
Income Approach	240.38	232.50

12. Opinion from the Audit Committee and/or any Directors which are different from the Opinion of the Board of Directors

The Audit Committee considers and agreed with Board of Directors.



13. The Board's responsibility for the information in the documents submitted to the shareholders.

The Board of Directors is responsible for the information provided in this information. The Board of Directors has carefully monitored the information submitted to the Board of Directors, and hereby certifies that the information contained in this information is true and complete, without false statements. There are no essential facts omitted or must be specified and there are no messages that make other people wrong in the matter.

14. Qualification of Independent Financial Adviser providing opinions on the transaction

The Company has appointed Advance Capital Services Company Limited as the independent financial advisor (“IFA”) to provide an opinion on the partial disposal of land and buildings of the Company situated at 53/1 Moo 3 Intra Industrial Park, Bang Pa-in - Nakhon Sawan Road (Motorway no. 32), Nantat Subdistrict, Inburi District, Singburi Province totaling THB 253 million to PRIMA. The transaction is categorized as disposal of the Company’s assets and entering into the transaction with connected person of the Company. However, the IFA does not hold shares in and has no relationship with the Company in any way. The IFA also allows the Company to distribute its report dated 20 November 2017 (Please see the IFA’s report enclosure no. 3, attached to the notice of the Extraordinary Meeting of Shareholders No.1/2017

15. Details of the Existing Liabilities and Contingent Liabilities

- 1) The Company has THB 145 million promissory note to the Bangkok Bank Public Company Limited, Klouy Nam Thai branch
- 2) The Company has liabilities and contingent liabilities as per below detail,

(Unit: Million Baht)

Item	Consolidated / Separate Financial Statement	
	As of 30 June 2017	As of 31 December 2016
Letter of Guarantee issued by commercial banks	840	840

Letter of Guarantee was issued by commercial banks with partial deposit at bank for collateral.

- 3) On 9 September 2014, the subsidiaries have included the addendum in the conversion of waste plastic into liquid fuels production and management contract signed with the conversion of waste plastic into liquid fuels project under Hua Hin Municipality, Prachuab Khi Ri Khan Province. The addendum will extend the existing contract to 3 more years, which will make the contract expire on 28 February 2019. In addition, the subsidiaries agree to provide revenue guarantee to the hirer throughout the contract period, commencing from March 2015 to February 2019, at THB 5.10 million annually totaling THB 20.40 million. However, the Hua Hin Municipality sent a letter dated



on 11 May 2017 requesting for THB 6,800,000 of revenue guarantee, of which the subsidiaries has already paid THB 2,346,500; hence, left the outstanding of THB 4,453,500.

- 4) On 30 June 2017, the Company has signed an agreement to rent land, properties, and electric system located at 40 Moo 9 Rojana Industrial Park Estate, T.Thanoo, A.U-thai, Phranakorn Sri-Ayutthaya from Saijai Pattana Company Limited for 1 year starting from 1 July 2017 to 30 June 2018 with THB 218,000 of monthly rental rate. The contract stipulates that in case the Company wishes to extend the rental contract, the Company shall send notice to the lessor at least 30 days prior to the end of the contract and the rental rate will increase less than 10% of the rental rate specified.

16. Restructure the business

The Company plans to restructure its business by transferring part of its business, namely metal component production for electronic products and automotive to Single Point Engineering Company Limited (“SPEN”), which the Company holds 100% of registered capital. The Company will transfer assets comprising of land property plant and equipment, other assets, liabilities, licenses, BOI promotional certificate, and working staff as well as any trade agreements related to that business. An agreement has to be made and signed to transfer the business, staff, licenses, BOI promotional certificate, or other relevant matter.

Detail and important process in restructuring business by transferring part of its business to the subsidiaries is as follows.

1. The Company founded Single Point Engineering Company Limited (SPEN) on 9 December 2016
2. The Company will transfer part of its business, privilege, rights and duties according to contracts, and licenses pertaining metal component production for electronic products and automotive (transferred assets) to SPEN as per below detail.
 - 2.1 Service Agreement with customer at lens grinding plant, Sing Buri
 - 2.2 Staff at Sing Buri Plant
 - 2.3 Staff at Ayutthaya Plant
 - 2.4 Machine, equipment, other assets, licenses, BOI promotional certificate of both plants

The Company plans to complete the aforementioned process by December 2017. The transfer price of the business will equal to book value or adjusted book value or fair value depending upon class of asset and liability of business transferred on the transfer date. Moreover, the Company will still be listed in SET afterward.



17. Information relating to business operation of the Company

The Company was originally established as “Specialty Precision Part Company Limited” on 23 July 1997 with THB 232.01 million of registered capital. The Company’s main business is production-to-order of metal parts with high precision less than 5 microns, such as Sleeve and Shaft, to assemble Spindle Motor which is parts of Hard Disk Drive to distribute to manufacturers and assemblers who supply components to world leading Hard Disk Drive manufacturer and assembler. Additionally, our current machines can be utilized to produce parts of other industries, such as consumer electronic & entertainment, automotive, etc.

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17.1 Nature of business operation of the Company

The Company operates the following businesses

1. Manufacturing and production-to-order of components or devices used with electronic parts which is high precision of customers’ pre-order. For production and service of them made by metal and plastic with lathing cutting drilling screwing polishing and cleaning with pure water using machines controlled by computer system in order to have the products high accuracy (lower than 5 micron). The products are following categories:

1.1 Hard Disk Drive components

1.1.1 Components for Spindle Motor which is used in the platter movement

1.2 Non Hard Disk Drive components

1.2.1 Components for CE&E products as parts for digital camera, VDO camera, MP3, game player

1.2.2 Components for other products as parts for vehicles and air condition

2. Rent the property

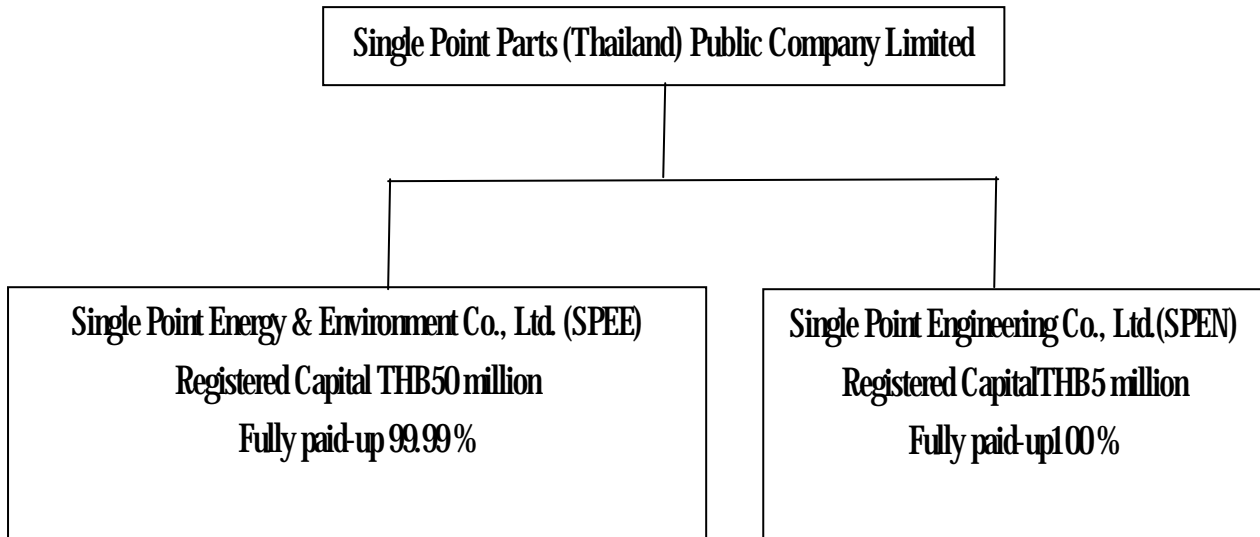
The subsidiaries operate the following businesses

1. Single Point Energy & Environment Company Limited operates alternative energy business by providing management service and importing technology of converting waste plastic into liquid fuels

2. Single Point Engineering Company Limited operates manufacture and production-to-order service of parts of machines and automotive as well as providing resources and labor service.



17.2 Shareholding Structure of the Company and its subsidiaries





17.3 Revenue Structure

Product Line	Year 2014		Year 2015		Year 2016		First Half of Year 2017	
	Million Baht	%	Million Baht	%	Million Baht	%	Million Baht	%
1. Component for Hard Disk Drive								
- Component for Pivot	486	0.94	5.21	1.04	3.22	0.76	0.86	0.43
- Component for Spindle Motor	111.35	21.44	62.72	12.51	44.30	10.48	20.63	10.24
Total	116.21	22.38	67.93	13.55	47.52	11.24	21.49	10.67
2. Component for Non Hard Disk Drive								
- Component for CE&E	26.24	5.05	7.77	1.55	11.05	2.61	4.25	2.11
- Other Components ¹	41.34	7.96	49.77	9.92	67.29	15.92	48.85	24.25
Total	67.58	13.01	57.54	11.47	78.34	18.53	53.10	26.36
3 Providing resources and labor	206.06	39.68	192.98	38.48	186.30	44.08	92.02	45.69
4 Assembly service	48.26	9.30	97.10	19.36	19.18	4.54	-	-
5 Waste-sorting service	8.75	1.69	22.20	4.43	30.25	7.16	-	-
Total Revenue from Operation	446.86	86.06	437.75	87.29	361.59	85.55	166.61	82.72
Rental income from investment property	56.38	10.86	56.38	11.24	56.50	13.37	27.88	13.84
Material sales	4.58	0.88	0.75	0.15	0.32	0.08	0.25	0.12
Scraps sales	7.72	1.49	1.85	0.37	2.07	0.49	0.60	0.30
Other income ²	3.71	0.71	4.78	0.95	2.12	0.51	6.08	3.02
Total	519.25	100.00	501.51	100.00	422.60	100.00	201.42	100.00

Note: Other Components¹ part for automotive industry and parts for other industries
 Other revenues² gain on trading securities, dividend, gain on exchange rates, gain on fixed asset disposal and interests

17.4 Nature of products and Services

Manufacturing components for Hard Disk Drive business

The Company runs production-to-order of component manufacturing to distribute to manufacturers and assemblers who supply components to world leading Hard Disk Drive manufacturer and assembler. Products comprising Hard Disk are listed below.

Spindle Motor consists of

1. Hub is a round-shape aluminium plate attached to other components to form a motor, which runs at high speed, accuracy, and low noise, for hard disk platter movement. The Company will manufacture Hub only for the first phase and customer will be charged for cutting and polishing work only. Since the customer will supply the material, the Company is able to lower the risk of price fluctuation of raw material, currency exchange, and financing cost.



2. Fluid Dynamic Bearing (FDB) consist of Sleeve, Flange, Counter Plate and Fastening FDB will be parts of Spindle Motor for hard disk platter movement in new generation Hard Disk where Ball Bearing is no longer needed. This type of Hard Disk will create noise because Spindle Motor spins much less than that using Ball Bearing because the FDB will act as lubricant instead of the Ball Bearing. FDB uses highly complex technology to replace components in a former Spindle Motor; thus the Company foresees higher potential for FDB in the future. The Company will produce FDB in all initial stage with precision less than 3 microns.

Manufacturing components for Non Hard Disk Drive business

1. Consumer Electronic & Entertainment

A ring-shape aluminium piece made from cutting, drilling and grooving process that the Company's expertise lies in. Therefore, the Company is able to manufacture high quality products that will satisfy customer such as parts for camera, video camera, MP3 player, and video game player.

2. Other products e.g. automotive parts and air conditioner

Despite products variety, order volume is not large and the Company cannot perform certain production process by itself or huge investment is required; thus, the Company seeks subcontract to perform the process instead. However, the Company is still control the production process and product quality to ensure the product quality meets production standard, accurate, and meet requirement of customers especially the precision of the product.

Rental the property business

One of the Company's customers is renting the Company's building to use for lens polishing plant. The rental period is 3 years beginning from 21 May 2017 to 20 May 2020

Alternative Energy business

The Subsidiary (SPEE) was a distributor of technology of converting plastic waste into oil to 2 local administrations, namely Rayong Municipality and Hua Hin Municipality. The subsidiary aims to become a leading firm in zero waste management to cease landfill and recycle resource by converting to fuel energy and electrical energy.

The Subsidiary (SPEN) provides operated manufacture and production-to-order service of parts of machines and automotive as well as providing resources under service agreement which the contract period lasts for 1 year starting from 1 March 2017 to 28 February 2018



18. Summary of financial statements for the past 3 years and current year up to the latest quarter.

Consolidated financial statements as at 31 December 2014, 2015, 2016 and 30 June 2017

(Unit : Thousand Baht)

	2014		2015		2016		30 June 2017	
	Baht	percentage	Baht	percentage	Baht	percentage	Baht	percentage
Assets								
Current Assets								
Cash and cash equivalents	72,078	9.44	14,267	1.97	54,178	7.87	54,310	8.26
Temporary Investment								
Marketable equity securities	851	0.11	734	0.10	-	-	-	-
Fixed Deposits at Bank	1,612	0.21	342	0.05	532	0.08	611	0.09
Total Temporary Investments	2,463	0.32	1,076	0.15	532	0.08	611	0.09
Trade and Other receivables	79,443	10.40	68,406	9.43	52,620	7.64	53,471	8.13
Short-term loans to related party	2,571	0.34	2,570	0.36	-	-	-	-
Inventories	25,685	3.36	25,827	3.56	22,466	3.26	19,379	2.95
Non-current asset held for sale	-	-	-	-	27,873	4.04	-	-
Other Current Assets	3,300	0.43	5,882	0.81	2,954	0.43	4,177	0.64
Total Current Asset	185,540	24.29	118,028	16.28	160,623	23.32	131,948	20.07
Non-Current Assets								
General Investment			-	-	-	-	50,000	7.61
Fixed Deposits at Bank	22,279	2.92	23,341	3.22	23,210	3.37	21,397	3.25
Investment Property	229,600	30.06	220,099	30.36	209,489	30.42	203,620	30.98
Property Plants and Equipment	262,581	34.38	290,274	40.03	223,340	32.43	208,645	31.74
Intangible Assets	2,411	0.31	1,638	0.23	101	0.01	87	0.01
Deferred tax assets	19,321	2.53	27,005	3.72	22,968	3.34	18,532	2.82
Other Non-Current Assets								
Refundable import duty	72	0.01	50	-	-	-	-	-
Withholding income tax	33,926	4.44	44,284	6.11	48,923	7.10	22,501	3.42
Deposit of machinery	7,104	0.93	-	-	-	-	-	-
Others	978	0.13	332	0.05	39	0.01	622	0.10
Total other non-current assets	42,080	5.51	44,666	6.16	48,962	7.11	23,123	3.52
Total Non-current Assets	578,272	75.71	607,023	83.72	528,070	76.68	525,404	79.93
TOTAL ASSETS	763,812	100.00	725,051	100.00	688,693	100.00	657,352	100.00
Liability and Shareholders' Equity								
Current Liabilities								
Bank overdrafts and short-term loans	145,000	18.98	177,476	24.48	166,792	24.22	140,000	21.30
Trade and other payables	41,651	5.46	38,469	5.30	49,268	7.15	45,478	6.92



	2014		2015		2016		30 June 2017	
	Baht	percentage	Baht	percentage	Baht	percentage	Baht	percentage
Assets acquisition payable	120	0.02	1,894	0.26	45	0.01	6,754	1.03
Accrued interest	24	-	147	0.02	160	0.02	-	-
Current portion of long-term liabilities								
Long-term loans	50,040	6.55	13,200	1.82	1,800	0.26	-	-
Liabilities under long-term lease	674	0.09	155	0.02	137	0.02	139	0.02
Other current liabilities								
Accrued withholding tax	1,172	0.15	1,116	0.15	840	0.12	474	0.07
Undue value added tax	2,034	0.27	1,348	0.19	1,091	0.16	971	0.15
Others	1,848	0.24	2,152	0.30	1,643	0.24	1,506	0.23
Total other current liabilities	5,054	0.66	4,616	0.64	3,574	0.52	2,951	0.45
Total Current Liabilities	242,563	31.76	235,957	32.54	221,776	32.20	195,322	29.72
Non-current Liabilities								
Long-term loans	11,400	1.49	2,700	0.37	900	0.13	-	-
Liabilities under long-term lease	21	-	511	0.07	374	0.05	304	0.05
Provision for long-term employee benefits	5,153	0.68	5,325	0.74	3,484	0.51	3,383	0.51
Other Non-current Liabilities	-	-	932	0.13	73	0.01	13	-
Total Non-current Liabilities	16,574	2.17	9,468	1.31	4,831	0.70	3,700	0.56
TOTAL LIABILITIES	259,137	33.93	245,425	33.85	226,607	32.90	199,022	30.28
Shareholders' Equity								
Share capital								
Authorized share capital								
232,005,000 common stocks of Baht 1 par value	<u>232,005</u>		<u>232,005</u>		<u>232,005</u>		<u>232,005</u>	
Issued and paid-up share capital								
232,005,000 common stocks of Baht 1 par value	232,005	30.37	232,005	32.00	232,005	33.69	232,005	35.29
Additional paid-in capital								
Premium on common stocks	70,123	9.18	70,123	9.67	70,123	10.18	70,123	10.67
Advance payment for shares								
Retained earnings								
Appropriated - Legal reserve	32,093	4.20	32,092	4.43	32,092	4.66	32,093	4.88
Unappropriated	170,454	22.32	145,406	20.05	127,866	18.57	124,109	18.88
Total Shareholders' Equity of the Parent	504,675	66.07	479,626	66.15	462,086	67.10	458,330	69.72



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	2014		2015		2016		30 June 2017	
	Baht	percentage	Baht	percentage	Baht	percentage	Baht	percentage
Non-controlling interests	-	-	-	-	-	-		
Total Shareholders' Equity	504,675	66.07	479,626	66.15	462,086	67.10	458,330	69.72
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	763,812	100.00	725,051	100.00	688,693	100.00	657,352	100.00



STATEMENTS OF COMPREHENSIVE INCOME as at 31 December 2014, 2015, 2016 and 30 June 2017

(Unit : Thousand Baht)

	2014		2015		2016		30 June 2017	
	Baht	percentage	Baht	percentage	Baht	percentage	Baht	percentage
Revenues								
Sales and subcontract	449,624	86.59	438,498	87.44	361,902	85.64	166,860	82.84
Rental income from investments property	56,384	10.86	56,384	11.24	56,501	13.37	27,880	13.84
Scrap sales	7,719	1.49	1,849	0.37	2,068	0.49	598	0.30
Gain on exchange rates	-	-	-	-	11	-	-	-
Gain on trading securities	-	-	-	-	239	0.06	-	-
Gain on fixed assets disposal	-	-	-	-	-	-	4,665	2.32
Others	5,528	1.06	4,782	0.95	1,884	0.44	1,414	0.70
Total Revenues	519,255	100.00	501,513	100.00	422,605	100.00	201,418	100.00
Expenses								
Cost of sales, subcontract and rental	455,532	87.73	441,221	87.98	334,406	79.13	146,240	72.61
Selling expenses	9,710	1.87	7,191	1.44	6,299	1.49	2,290	1.14
Administrative expenses	75,718	14.58	77,937	15.54	88,158	20.86	47,906	23.78
Doubtful debts	1,650	0.32	-	-	-	-	427	0.21
Losses on foreign exchange rates	-	-	105	0.02	-	-	-	-
Loss on trading securities	-	-	116	0.02	-	-	-	-
Loss on disposal of property	-	-	199	0.04	293	0.07	-	-
Directors' remuneration	1,108	0.21	805	0.16	675	0.16	439	0.22
Total Expenses	543,718	104.71	527,574	105.20	429,831	101.71	197,302	97.96
Profit (Loss) before Finance Costs and Income Tax Expenses	(24,463)	(4.71)	(26,061)	(5.20)	(7,226)	(1.71)	4,116	2.04
Finance Costs	6,234	1.2	6,882	1.37	6,397	1.51	2,724	1.35
Profit (Loss) before Income Tax Expenses	(30,697)	(5.91)	(32,943)	(6.57)	(13,623)	(3.22)	1,392	0.69
Income Tax Expenses (Revenues)	(7,139)	(1.37)	(7,726)	(1.54)	3,591	0.85	5,149	2.56
Profit (Loss) for the years	(23,558)	(4.54)	(25,217)	(5.03)	(17,214)	(4.07)	(3,757)	(1.87)
Other Comprehensive Loss for the years	(1,883)	(0.36)	169	0.30	1,784	0.42	-	-
Total comprehensive income	(25,441)	(4.90)	(25,048)	(5.00)	(15,430)	(3.65)	(3,757)	(1.87)



	2014		2015		2016		30 June 2017	
	Baht	percentage	Baht	percentage	Baht	percentage	Baht	percentage
(loss) for the years								
Profit (Loss) Attributable to								
Equity holders of the parent	(23,558)	(4.54)	(25,217)	(5.03)	(17,214)	(4.07)	(3,757)	(1.87)
Non-controlling interests	-	-	-	-	-	-	-	-
	(23,558)	(4.54)	(25,217)	(5.03)	(17,214)	(4.07)	(3,757)	(1.87)
Total Comprehensive Income								
(Loss) Attributable to								
Equity holders of the parent	(25,441)	(4.90)	(25,048)	(5.00)	(15,430)	(3.65)	(3,757)	(1.87)
Non-controlling interests	-	-	-	-	-	-	-	-
	(25,441)	(4.90)	(25,048)	(5.00)	(15,430)	(3.65)	(3,757)	(1.87)
Basic Earnings (Loss)								
Per Share (Baht)	(0.102)		(0.109)		(0.074)		(0.016)	
The number of common stocks								
used in computation								
(thousand Share)	232,005		232,005		232,005		232,005	



STATEMENTS OF CASH FLOW as at 31 December 2014, 2015, 2016 and 30 June 2017

(Unit : Thousand Baht)

	2014	2015	2016	30 June 2017
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit (loss) before income tax expenses	(30,697)	(32,943)	(13,623)	1,392
Adjustments to reconcile profit (loss) before income tax expenses to net cash provided from (used in) operation				
Depreciation-Investments property	10,957	10,945	11,263	5,536
Depreciation-Plant and equipment	32,817	38,200	38,483	16,022
Amortization of intangible assets	797	773	447	67
Interest expenses	6,154	6,776	6,397	2,712
Increase in doubtful debts-Short-term loans to related party	1,649	-	2,570	427
Unrealized (gain) loss on trading securities	(220)	116	-	-
Realized gain on disposal trading securities	-	-	(239)	-
Increase (decrease) in provision for diminution in inventories	(3,670)	2,928	(736)	(779)
Loss on destruction of inventories	-	-	-	156
Gain on disposal of non-current asset held for sale	-	-	-	(7,376)
(Gain) loss on disposal of machinery and equipment	(1,820)	199		2,711
Loss on disposal and unused equipment	708	583	1,174	-
Loss on disposal and unused intangible assets	-	-	1,113	-
Write off withholding tax	-	102	1,877	1,240
Unrealized (gain) loss on exchange rates	(59)	24	(11)	(21)
Dividend income	(26)	(20)	(17)	-
Long-term employee benefit expenses	400	674	1,375	2,161
Profit from operation before changes in operating assets and liabilities items	16,990	28,357	50,073	24,248
(INCREASE) DECREASE IN OPERATING ASSETS ITEMS				
Investments in trading securities	-	-	973	-
Trade and other receivables	9,554	11,041	15,788	(1,282)
Inventories	14,486	(6,924)	4,097	3,710
Other current assets	1,640	(2,582)	2,928	(1,223)
Other non-current assets	628	667	344	(583)
INCREASE (DECREASE) IN OPERATING LIABILITIES ITEMS				
Trade and other payables	(20,383)	(3,210)	10,809	6,941
Other current liabilities	1,982	(437)	(1,043)	(623)
Other non-current liabilities	-	932	(859)	(59)
Long-term employee benefit expenses	(388)	(291)	(986)	(2,262)
CASH RECEIVED FROM OPERATION	24,509	27,553	82,124	28,867
Interest expenses paid	(6,211)	(6,654)	(6,384)	(2,871)



	2014	2015	2016	30 June 2017
Income taxes expenses paid	(8,663)	(10,460)	(8,627)	(4,268)
Proceeds from refund of withholding tax	-	-	-	28,737
NET CASH PROVIDED FROM OPERATING ACTIVITIES	9,635	10,439	67,113	50,465
CASH FLOWS FROM INVESTING ACTIVITIES				
(Increase) decrease in short-term loans to subsidiary	(12)	-	-	-
Purchase of general investments	-	-	-	(50,000)
Decrease in fixed deposits at bank - Short-term investments	16,447	1,270	(190)	(79)
(Increase) Decrease in fixed deposits at bank - Long-term investments	(531)	(1,062)	131	1,813
Purchase of investments property	(205)	-	(653)	-
Purchase of plant, machinery and equipment	(47,747)	(55,615)	(2,639)	(5,201)
Purchase of intangible assets	-	-	(31)	(53)
Deposit of machinery and equipment	(7,104)	-	-	-
Proceeds from non-current assets held for sale disposal	-	-	-	24,543
Proceeds from machinery and equipment disposal	2,085	1,050	2,088	8,243
Proceeds from intangible asset disposal	-	-	8	-
Dividend income	26	20	17	-
NET CASH USED IN INVESTING ACTIVITIES	(37,041)	(54,337)	(1,269)	(20,734)
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase (Decrease) in bank overdrafts and short-term loans from financial institutions	112,836	32,476	(10,684)	(26,792)
Increase in long-term loans from financial institutions	-	5,400	-	-
Repayment for long-term loans from financial institutions	(55,200)	(50,940)	(13,200)	(2,700)
Repayment for assets acquisition payable	(9,623)	(120)	(1,894)	(38)
Repayment for financial leases	(1,703)	(729)	(155)	(69)
Dividend payment	(11,600)	-	-	-
NET CASH PROVIDED FROM (USED IN) FINANCING ACTIVITIES	34,710	(13,913)	(25,933)	(29,599)
Net increase (decrease) in cash and cash equivalents	7,304	(57,811)	39,911	132
Cash and cash equivalents as at January 1,	64,774	72,078	14,267	54,178
Cash and cash equivalents as at December 31,	72,078	14,267	54,178	54,310
Non-cash flows items comprise				
Increase in non-current assets held for sale from transferring property, plant and equipment	-	-	27,873	-
Increase in investments property from assets payable	-	1,445	-	-
Increase in assets under construction from transferring management services during operations	-	3,855	-	-
Increase in building improvements from transferring investments property	-	-	-	333
Increase in machinery from transferring deposit	-	7,104	-	-



	2014	2015	2016	30 June 2017
Increase in machinery and equipment from assets payable	120	449	45	6,747
Decrease advances received from non-current assets held for sale disposal		-	-	10,706
Increase in equipment from financial leases		700	-	-
Effect of adjusted actuarial from estimates employee benefit plan				
- Increase (decrease) in deferred tax assets	471	(42)	(446)	-
- Increase (decrease) in provision for long-term employee benefits	(2,354)	211	2,230	-
- Increase (decrease) in retained earnings	1,883	(169)	(1,784)	-
Decrease in retained earnings and withholding income tax from correction of accounting error		-	2,110	-

Financial Ratio

		2014	2015	2016	2017*
<u>Liquidity Ratio</u>					
Current Ratio	times	0.76	0.50	0.72	0.68
Quick Ratio	times	0.65	0.39	0.48	0.55
<u>Activity Ratios</u>					
Account Receivable Turnover	times	5.34	5.93	5.98	6.29
Average Collection Period	days	67	61	60	57
Inventory Turnover	times	40.05	38.40	29.96	25.21
Average Holding Period	days	9	9	12	14
Account Payable Turnover	times	8.78	11.01	7.88	5.94
Average Payables Payment Period	days	41	33	46	61
<u>Profitability Ratio</u>					
Gross Profit Margin	%	9.98	10.84	20.08	24.91
Operating Profit Margin	%	(4.18)	(6.36)	(2.50)	(0.87)
Net profit margin	%	(4.53)	(5.03)	(4.07)	(1.87)
Return on Equity	%	(4.67)	(5.26)	(3.73)	(0.82)
<u>Efficiency Ratio</u>					
Return on total assets	%	(3.07)	(3.39)	(2.44)	(0.56)
Return on Fixed assets	%	(4.78)	(5.01)	(3.54)	(0.86)
Total Assets Turnover	times	0.68	0.67	0.60	0.60
<u>Financial Policy Ratios</u>					
Debt to Equity Ratios	times	0.51	0.51	0.49	0.43
Interest Coverage Ratios	times	(3.92)	(3.79)	(1.13)	1.51
Dividend Payout Ratios	%	-	-	-	-

Note * Full year forecast (Annualize)



Summary of key items in financial statements and analysis on the Company's financial position and performance as well as risks may affect the Company's profit

Operation Overview

Revenue from sales and subcontract, rental income from investment property, and revenue from subsidiaries for the first half year of 2017 contributes THB 201.4 million, THB 21.7 million reduction from the same period of last year or 9.7%. The Company experiences net loss of THB 3.8 million, THB 4.8 million decrease of net loss compared to last year or 56.1%. The improvement of the Company's performance is largely due to efficiency in management and cost control in production and raw material.

A decline in total revenue compared to last year because the Company discontinues touch screen assembly of smart phone business which cause a reduction of THB 19.2 million or 100% reduction

Factors with impact-bearing on future operation

The Company manufactures electronics components for subcontract customers as well as for its own customer. Most of the products are manufactured for first tier manufacturers who have high potential, large volume of order, strong financial background, production base in Thailand, and continued investment. As a result, the Company's performance depends on capability to keep current customers and attract new ones. Change in the world economic growth and sales of its customers heavily affect the demand of products and services the Company offers.

Operating Results

Revenue

Total revenue of the Company and its subsidiaries for the year 2014 amounted to THB 519.2 million, adropdown of THB 99.1 million or 16% of the same period in previous year, comprised from

1. Total sales, subcontract and rental income from investment property of 2014 amounted to THB 506 million, a decrease of THB 91.4 million or 15.3% from previous year. The combined, decreased income resulted from the lower sales of consumer electronic & entertainment (CE & E) of THB 26.2 million, a decrease of THB 42.6 million or 61.9% of 2013, sales of auto & machine parts of THB 41.4 million, an increase of THB 7.2 million or 21.1% from previous year, the lower sales of Hard Disk Drive (HDD) THB 116.2 million, a decrease of THB 37.7 million or 24.5% of 2013, income from lens manufacturing of THB 206.1 million, a decrease of THB 49.4 million or 19.3%, income from rental of investment property and sales of raw materials THB 59.2 million, an increase of THB 1.2 million or 2.1%, sales from touch screen assembly of smart phone THB 48.3 million, an increase of THB 48.3 million from previous year or 100%, sales from subsidiaries in this period totaling THB 8.6 million, a decrease of THB 18.4 million or 68.1% of previous year.



2. Total other incomes of THB 13.2 million in this period were mainly from the sales of scrap brass and stainless from production process, profit on sale of assets, gain on exchanges rates and gain on trading securities, others income totally showing a decreased income of THB 7.7 million, or down 36.8% to 2013. The substantial decrease in these incomes was the result of the decrease in production volumes of Hard Disk Drive (HDD) and Non Hard Disk Drive (NON HDD) of 23.7 million pieces or 27.6% to 2013, resulting in a significant decrease in this year sale income from scraps.

Total revenue of the Company and its subsidiaries for the year 2015 amounted to THB 501.5million, adropdown of THB 17.7million or 16% of the same period in previous year, comprised from

1. Total revenue of the Company and its subsidiaries for 2015 amounted to THB 494.9 million, a dropdown of THB11.1 million from the same period of previous year or 2.2%, comprised of sales from consumer electronic & entertainment (CE&E) of THB7.8 million, a decrease of THB18.4 million from previous year or 70.2%, sales from auto & machine parts of THB 46.5 million, an increase of THB5.1 million from previous year or 12.3%, sales from Hard Disk Drive (HDD) of THB67.9 million, a decrease of THB 48.3 million from previous year or 41.6%, sales from lens manufacturing of THB 192.9 million, a decrease of THB 13.2 million from previous year or 6.4%, sales from rental and raw material of THB 60.5 million, an increase of THB 1.3 million from previous year or 2.2%, sales from touch screen assembly of smart phone THB 97.1 million, an increase of THB 48.8 million from previous year or 101%, and sales from subsidiary in this period totalling THB 22.2 million, an increase of THB 13.6 million from previous year or 158.1%

2. Total other incomes of THB6.6million in this period were mainly from the sales of scrap brass and stainless from production process and others income, showing a decreased income of THB 6.6million, or down 50% from previous year. The substantial decrease in these incomes derived from the decrease in production volumes of Hard Disk Drive (HDD) and Non Hard Disk Drive (NON HDD) of 17 million pieces or 27.3% from previous year, resulting in a significant decrease in this year sale income from scraps.

Total revenue of the Company and its subsidiaries for the year 2016 amounted to THB 422.6 million, a dropdown of THB 78.9 million or 15.7% of the same period in previous year, comprised from

1. Total revenue of the Company and its subsidiaries for 2016 amounted to THB 418.4 million, a dropdown of THB 76.5 million from the same period of previous year or 15.5%, comprised of sales from consumer electronic & entertainment (CE&E) of THB 11.1 million, an increase of THB 3.3 million from previous year or 42.3%, sales from auto & machine parts of THB 56.9 million, an increase of THB 17.8 million from previous year or 45.5%, sales from Hard Disk Drive (HDD) of THB 47.5 million, a decrease of THB 20.4 million from previous year or 30.0%, sales from medical parts of THB 0.9 million, a decrease of THB 0.1 million from previous year or 10.0%, sales from other parts of THB 9.8 million, a decrease of THB



0.6 million from previous year or 5.8%, sales from lens manufacturing of THB 186.3 million, a decrease of THB 6.7 million from previous year or 3.5%, sales from rental of THB 56.5 million, an increase of THB 0.1 million from previous year or 0.2%, sales from touch screen assembly of smart phone THB 19.2 million, a decrease of THB 77.9 million from previous year or 80.2%, and sales from subsidiary in this period totalling THB 30.2 million, an increase of THB 8.0 million from previous year or 36.0%

2. Total other incomes of THB 4.2 million in this period were mainly from the sales of scrap brass and stainless from production process and others income, showing a decreased income of THB 2.4 million, or down 36.4% from previous year. The substantial decrease in these incomes derived from the decrease in production volumes of Hard Disk Drive (HDD) and Non Hard Disk Drive (NON HDD) of 5.9 million pieces or 13% from previous year, resulting in a significant decrease in this year sale income from scraps.

Total revenue of the Company and its subsidiaries for the year 2017 amounted to THB 201.4 million, a dropdown of THB 21.7 million or 9.7% of the same period in previous year, comprised from

1. Total revenue of the Company and its subsidiaries for 2016 amounted to THB 194.7 million, a dropdown of THB 26.5 million from the same period of previous year or 12%, comprised of sales from consumer electronic & entertainment (CE&E) of THB 4.2 million, an increase of THB 1.3 million from previous year or 43.3%, sales from auto & machine parts of THB 37.2 million, an increase of THB 15.3 million from previous year or 69.6%, sales from Hard Disk Drive (HDD) of THB 21.5 million, a decrease of THB 0.4 million from previous year or 2.0%, sales from other parts and medical parts of THB 11.7 million, an increase of THB 5.2 million from previous year or 83.4%, sales from lens manufacturing of THB 48.0 million, a decrease of THB 45.4 million from previous year or 48.6%, sales from rental of THB 27.9 million, a decrease of THB 0.3 million from previous year or 1.1%, sales from touch screen assembly of smart phone decrease THB 19.2 million from previous year or 100%, sales from subsidiary in this period totalling THB 44.0 million, an increase of THB 16.8 million from previous year or 61.6%, and sales from raw material of THB 0.2 million, an increase of THB 0.2 million from previous year or 10.0%

2. Total other incomes of THB 0.6 million in this period were mainly from the sales of scrap brass and stainless from production process and others income. Gain from disposal of fixed asset amounted to THB 4.7 million, interest and other revenues amounted to THB 1.4 million totaling other income of THB 6.7 million, an increase of THB 4.8 million from previous year or 249.8%

Cost of Good Sold

Cost of goods sold for 2014 and 2013 was THB 455.5 million and THB 489.8 million, respectively or 90% and 82% of total sales, subcontract and rental incomes. Cost of goods sold of 2014 was up by 8% compared to 2013. The main causes were substantial increase in production cost at Ayuttaya factory due to



unoptimal production level. Fixed costs could not adequately compensate by the production volume, and was aggravated further by the decrease in total production volume.

Cost of goods sold for 2015 and 2014 was THB 441.2 million and THB 455.5 million, respectively or 89.2% and 90% of total sales, subcontract and rental incomes. Cost of goods sold of 2015 was down by 0.8% compared to 2014. The main reasons were a decrease in wages and labor costs due to a decrease in production volumes of 17 million pieces or 27.3% from previous year, and better cost control in production and raw material.

Cost of goods sold for 2016 and 2015 was THB 334.4 million and THB 441.2 million, respectively or 79.9% and 89.2% of total sales, subcontract and rental incomes. Cost of goods sold of 2016 was down by 9.3% compared to 2015. The main causes were a decrease in wages and labor costs due to a decrease in production volumes of 5.9 million pieces or 13.0% from previous year, discontinued production of touch screen assembly of smart phone, and better cost control in production and raw material.

Cost of goods sold for the first half of year 2017 and 2016 was THB 146.2 million and THB 179.8 million, respectively or 75.1% and 81.3% of total sales, subcontract and rental incomes. Cost of goods sold for the first half of year 2017 was down by 6.2% compared to 2016. The main causes were improvement in production efficiency, a decrease in wages and labor costs, discontinued production of touch screen assembly of smart phone, and better cost control in production and raw material.

Selling and Administrative Expenses

Total selling and administrative expenses of 2014 and 2013 were THB 88.2 million and THB 102.8 million respectively, which in comparison, was a decrease of THB 14.6 million or 14.3% to last year. The main decrease in total expenses was the administrative expenses. Percentage-wise, the expense increased from previous year of 17.2% to 17.4% of total sales, subcontract and rental incomes was the result of falloffs in total revenues of the Company in 2014 of THB 91.4 million or 15.3% from last year after including expenses from subsidiary.

Total selling and administrative expenses of 2015 and 2014 were THB 86.4 million and THB 88.2 million respectively, which in comparison, was a decrease of THB 1.8 million or 2% to last year. The main decrease in total expenses was the selling expenses. Percentage-wise, the expense remained at the same level from previous year of 17.4% of total sales, subcontract and rental incomes after including expenses from subsidiary.

Total selling and administrative expenses of 2016 and 2015 were THB 95.4 million and THB 86.4 million respectively, which in comparison, was an increase of THB 9.0 million or 10.4% to last year. An increase in total expenses was because the Company discontinued the production of touch screen assembly of smart phone and had to pay compensation for employee termination of THB 10.7 million and wrote off



assets and computer program not being used of THB 1.5 million. Most of selling expenses and administrative expenses decreased due to effectiveness in cost control.

Total selling and administrative expenses of the first half of year 2017 and 2016 were THB 50.2 million and THB 48.2 million respectively, which in comparison, was an increase of THB 2.0 million or 4.1% to last year. An increase in total expenses was because the Company wrote off THB 1.3 million of withholding tax that could not be refunded. In addition, the Company booked the impairment of assets, raw material, and consumables not being used of THB 3.2 million and compensation for employee termination of THB 0.7 million. Most of selling expenses and administrative expenses decreased due to effectiveness in cost control.

Gross Margin

Gross margin for 2014 was 10%, a decrease from 18% to 2013. The main attributable cause was from increase in production overhead and cost per unit, and also from the reduction in both production and sales volumes. The average realization of main product groups was decreased from previous year, all resulting in total gross margin decrease.

Gross margin for 2015 was 10.8%, an increase from previous year 0.8%. The increase in gross margin was mainly derived from management efficiency and effective control over production and cost of raw materials, a decrease in production overhead and cost per unit, all resulting in total gross margin increase.

Gross margin for 2016 was 20.1%, an increase from previous year 9.3%. The increase in gross margin was mainly derived from management efficiency and effective control over production and cost of raw materials, a decrease in production overhead and cost per unit, all resulting in total gross margin increase.

Gross margin for the first half of year 2017 was 24.9%, an increase from previous year 6.2%. The increase in gross margin was mainly derived from management efficiency and effective control over production and cost of raw materials, a decrease in production overhead and cost per unit, all resulting in total gross margin increase.

Net Loss

Net loss after tax of 2014 amounted to THB 23.6 million, comparing to profit of THB 16.5 million of previous year, an increase of loss THB 40.1 million or 243.2%.

Net loss after tax of 2015 amounted to THB 25.2 million, comparing to loss of THB 23.6 million of previous year, an increase of loss THB 1.6 million or 6.8%.

Net loss after tax of 2016 amounted to THB 17.2 million, comparing to loss of THB 25.2 million of previous year, a decrease of loss THB 8.0 million or 31.7%.



Net loss after tax of the first half of year 2017 amounted to THB3.8 million, comparing to loss of THB8.5million of previous year, a decrease of loss THB4.7 million or 55.3%

Financial Position

Assets

As of 31 December 2014, the Company had total assets of THB 763.8 million, lower than previous year by THB 6.8 million with a decrease in current assets of THB 32.6 million. The decline in total assets was a result of a decrease in net investment property (after depreciation) of THB 10.8 million, an increase in net fixed asset of THB 14.1 million, a decrease in intangible assets of THB 0.8 million, an increase in deferred tax of THB 7.6 million, and an increase in other non-current assets of THB 15.7 million.

As of 31 December 2015, the Company had total assets of THB 725.0 million, lower than previous year by THB 38.8 million with a decrease in current assets of THB 67.5 million and an increase in non-current assets of THB 28.7 million. The decline in total assets was a result of an increase in fixed deposits at bank of THB 1.0 million, a decrease in net investment property (after depreciation) of THB 9.5 million, an increase in net fixed asset (after depreciation) of THB 27.7 million, a decrease in intangible assets of THB 0.8 million, an increase in deferred tax asset of THB 7.67 million, and an increase in other non-current assets of THB 2.6 million.

As of 31 December 2016, the Company had total assets of THB 688.7 million, lower than previous year by THB 36.3 million with an increase in current assets of THB 42.6 million and a decrease in non-current assets of THB 78.9 million. The decline in assets was a result of a decrease in net investment property of THB 10.6 million, a decrease in net fixed asset of THB 66.9 million, a decrease in intangible assets of THB 1.5 million, a decrease in deferred tax asset of THB 4.0 million, and an increase in other non-current assets of THB 4.1 million.

As of 30 June 2017, the Company had total assets of THB 657.4 million, lower than end of year 2016 by THB 31.3 million with a decrease in current assets of THB 28.7 million and a decrease in non-current assets of THB 2.6 million. The decline in assets was a result of an increase in general investment of THB 50.0 million, a decrease in net investment property of THB 5.9 million, a decrease in net fixed asset of THB 14.7 million, a decrease in deferred tax asset of THB 4.4 million, a decrease in withholding tax of THB 26.4 million, and a decrease in other non-current assets of THB 1.2 million.

Liabilities

As of 31 December 2014, the Company had total liabilities of THB 259.1 million, an increase of THB 30.2 million from previous year with an increase in current liabilities of THB 80.8 million. The rise in liabilities was a result of an increase in bank overdrafts and short-term loans of THB 112.8 million, a



decrease in portion of long-term liabilities due for payment in 1 year of THB 3.0 million, a decrease in trade payable, assets payable, and other payables and asset acquisition payable of THB 30.0 million, an increase in other current liabilities of THB 1.0 million, and a decrease in non-current liabilities of THB 50.6 million of which the main items were long-term loan from financial institutions, liabilities on long-term leases, and provision for long-term employee benefits.

As of 31 December 2015, the Company had total liabilities of THB 245.4 million, a decrease of THB 13.7 million from previous year with a decrease in current liabilities of THB 6.6 million. The decline in liabilities was a result of an increase in bank overdrafts and short-term loans of THB 32.5 million, a decrease in portion of long-term liabilities due for payment in 1 year of THB 36.8 million, a decrease in trade payable, assets payable, and other payables and asset acquisition payable of THB 1.4 million, a decrease in other current liabilities of THB 0.9 million, and a decrease in non-current liabilities of THB 7.1 million of which the main items were long-term loan from financial institutions, liabilities on long-term leases, and provision for long-term employee benefits.

As of 31 December 2016, the Company had total liabilities of THB 226.6 million, a decrease of THB 18.8 million from previous year with a decrease in current liabilities of THB 14.2 million. The decline in liabilities was a result of a decrease in bank overdrafts and short-term loans of THB 10.7 million, an increase in trade payable, assets payable, and other payables of THB 8.9 million, a decrease in portion of long-term liabilities due for payment in 1 year of THB 11.4 million, a decrease in other current liabilities of THB 1.0 million, and a decrease in non-current liabilities of THB 4.6 million.

As of 30 June 2017, the Company had total liabilities of THB 199.0 million, a decrease of THB 27.6 million from end of year 2016 with a decrease in current liabilities of THB 26.5 million and in non-current liabilities of THB 1.1 million. The decline in liabilities was a result of a decrease in bank overdrafts and short-term loans of THB 26.8 million, an increase in trade payable, assets payable, and other payables of THB 2.9 million, a decrease in portion of long-term liabilities due for payment in 1 year of THB 1.8 million, a decrease in other current liabilities of THB 0.8 million, and a decrease in non-current liabilities of THB 1.1 million.

Shareholders' Equity

As of 31 December 2014, the Company had shareholders' equity stood at THB 504.7 million, a decrease of THB 37.0 million from previous year due to the comprehensive loss for 2014 of THB 25.4 million and total dividend paid during the year of THB 11.6 million.

As of 31 December 2015, the Company had shareholders' equity stood at THB 479.6 million, a decrease of THB 25.1 million from previous year due to the comprehensive loss for 2015 of THB 25.1 million. The Company had no dividend payment for this year due to the loss.



As of 31 December 2016, the Company had shareholders's equity stood at THB 462.1 million, a decrease of THB 17.5 million from previous year due to the comprehensive loss for 2016 of THB 17.2 million and an increase in adjustment of estimated employee benefit of THB 0.3 million. The Company had no dividend payment for this year due to the loss.

As of 30 June 2017, the Company had shareholders's equity stood at THB 458.4 million, a decrease of THB 17.5 million from end of year 2016 due to the comprehensive loss for the first half of year 2017 of THB 3.7 million. The Company had no dividend payment for the first half of this year due to the loss.

Liquidity

In 2014, the Company had a net loss of THB 23.6 million and obtained cash and cash equivalent of THB 72 million. The Company had current ratio of 0.76 (2013: 1.35), quick ratio of 0.65 (2013: 1.09), and debt to equity ratio of 0.51 (2013: 0.42). These ratios showed that the Company had strong financial status and high liquidity, allowing additional debts in case needed.

In 2015, the Company had a net loss of THB 25.2 million and obtained cash and cash equivalent of THB 14.3 million. The Company had current ratio of 0.50 (2014: 0.76), quick ratio of 0.39 (2014: 0.65), and debt to equity ratio of 0.51 (2014: 0.51). These ratios showed that the Company had lower liquidity in year 2015.

In 2016, the Company had a net loss of THB 17.2 million and obtained cash and cash equivalent of THB 54.2 million. The Company had current ratio of 0.72 (2015: 0.50), quick ratio of 0.48 (2015: 0.39), and debt to equity ratio of 0.49 (2015: 0.51). These ratios showed that the Company had lower liquidity in year 2016.

In the first half of year 2017, the Company had a net loss of THB 3.8 million and obtained cash and cash equivalent of THB 54.3 million. Compared to 2016, the liquidity of the Company as of 30 June 2017 are as follows: Current ratio of 0.68 (2016: 0.72), quick ratio of 0.55 (2016: 0.48) and debt to equity ratio of 0.43 (2016: 0.49).

Risk factors with impact-bearing on future operation

(1) Risk in business operation

1.1 Dependency on key customers or few customers

Since the Company only has 1 major HDD customer, the Company can risk losing significant of revenue if this customer decides to manufacture own components or subcontract to other companies instead.

The Company will expand its customer base to other industries such as Consumer Electronic & Entertainment, automotive, electric appliance, medical equipment, etc., in order to diversify business risk.



1.2 Price reduction of substitute product

Flash memory, a substitute product for Hard Disk Drive, gains its popularity among customer owing to its smaller size, less energy consumed, better shock resistance. Moreover, flash memory market is expanding because flash memory can be widely used in several facilities and entertainment devices such as mobile phone, camera, recorder, and MP3 player. However, the price per memory (Price/gigabyte) of the flash memory is relatively high. The Hard Disk Drive industry tends to develop Hard Disk with more storage, smaller size, more durable. The Company, thus, is at risk if the price of substitute reduces.

The Company monitors news and technology trend closely to be able to adjust itself quickly.

1.3 Customer move production base countries with lower manufacturing cost

Owing to competition by technology advancement, price per unit drops dramatically. Manufacturers try to adapt themselves in order to stay in business by improving efficiency in cost control and seeking production base that can offer lowest production cost. According to a study, China and Vietnam have low labor cost. Thus, the Company can be at risk if the competition gets tougher and drives manufactures to countries where production cost is lower.

1.4 Competition from other manufacturers

The Company and its competitors producing components will be competing to enhance potential and production capacity to meet higher customer demand. Hence, the Company will be exposed to risk if customer reduces subcontractors, or domestic competitor makes an investment to expand capacity in the future, or foreign competitors move production base to Thailand.

Subsequently, the Company continues to improve production process to ensure product quality and will invest in new machinery if orders can be firmly foreseen. The Company also develops staff to work effectively, reduces number of personnel to suit the order, sells unutilized machines, and delivers products on a timely manner. As a result, the Company is certain that it will be able to maintain its customer base and further expand customer base. Furthermore, competitors from abroad wishing to move their production base will face high cost of relocation, so the Company has very little chance of losing its customer.

(2) Risk in production

2.1 Dependency on key suppliers or few suppliers

The Company purchases stainless bar and brass from 6 major suppliers, accounting for 70% of total purchase. The Company, therefore, can be at risk if suppliers fail to deliver low quality of raw materials or to deliver on time. The problem of production planning and disruption in production process caused may



require the Company to switch to raw materials with different attributes, adjust cycle time of production and machine operation, and adjust equipments suitable for such raw materials.

Nonetheless, the Company evaluates supplier performance every year with criteria for example, quality of raw material and punctuality of delivery. Moreover, the Company will purchase from various suppliers, some of which are recommended by customer having been contacting and having good relationship for a long time, so the Company will benefit from both quality and price.

2.2 Price of important raw material varied upon trading price of global markets

The prices of brass and stainless bar, main raw materials, vary depending on trading price of global markets which often fluctuate all the time. As a consequence, the Company may have to bear the risk if unable to adjust the selling price of its products according to the cost.

The Company monitors price of main raw materials closely to determine proper purchase of raw materials suitable to customer's order. When price hikes to the level that the Company is unable to manage production cost, it will negotiate with customers to adjust the selling price according to the changing cost or ask the customer to procure raw materials instead. These measures will alleviate the effect of price fluctuation to the Company's operation.

2.3 Change in production technology

During the past 2-3 years, the tendency of using notebook has been decline while the demand of Solid State Drive (SSD) has been increasing and Hard Disk Drive (HDD) will be used more widely in big data storage, such as Cloud.

The Company will be at risk if fails to change or enhance production potential to changing technology trend; consequently, it may lose competitiveness and customer base to other competitors.

The Company has reduced the dependence on HDD customers and increased the production capacity of non HDD to the Company. It helps the Company less affected if there is a decrease in HDD demand.

2.4 Procurment of main raw material from abroad

The main raw materials are stainless bar, brass bar, and mold aluminium. Customers will procure mold aluminium bar domestically where as the Company will purchase stainless bar and brass bar from both domestic markets and abroad. Therefore, the Company may bear some risks if the delivery delays or raw materials are unqualified, affecting production plan and finally losing customer. Since products from the Company will be used to assemble with other components in customer's manufacturing the Company's inability to deliver the products on time may cause disruption in customer's production.



The Company typically orders raw material 1-2 months in advance. Order quantity and timing of purchase depends on customer's order in different lead times. Customer will forward procurement plan to the Company 3 months in advance and the Company has a policy to reserve raw materials at least for 2 months.

The Company has made an arrangement with raw material suppliers that if the Company finds that the quality of raw material does not meet the requirement, the Company will be able to return it and get refunded. The suppliers will be responsible for all expenses associated with returning raw materials. Additionally, if the Company later finds out that its products defect due to low quality of raw materials, the Company can claim expenses caused to raw material suppliers.

(3) Risk in finance

Purchasing main raw material and selling products in foreign currency.

Main raw materials which are brass bar, stainless bar, and aluminium bar have to be imported and most of price quotations and payments are made in Yen currency. The company, as a result, may be at risk if price of raw materials fluctuate due to currency exchange.

The Company purchases main raw materials with domestic agents and agrees to use average exchange rate during the past 3 months to calculate the price in Baht for next month.

Hence, the Company may be exposed to some risks if exchange rate fluctuates which is beyond the company's control.

Nevertheless, the Company monitors the movement of currency exchange closely and mitigates the risk by purchasing forward contract if necessary.

(4) Other risks

Flood disaster

The company was severely damaged from flood disaster in 2011, affecting production volume and sale volume. Therefore, the Company is exposed to a risk if the flood disaster occurs again.

The Company has a risk mitigation measure by moving the capacity to the second plant located in Intra Industrial Park, Namtal Subdistrict, Inburi District, Sing Buri Province, which has never been flooded before. In addition, the first plant located in Rojana Industrial Park, Thanoo Subdistrict, U-Thai District, Phranakorn Sri-Ayutthaya Province has already built high wall surrounding the industrial estate.



19. Shareholder (as at 16 October 2017)

Top 10 major shareholders are as follows:

Name - Surname	Amount of shares	Holding Percentage
1. Group of Mr. Nuttapon Seetaworarat	53,150,000	22.91
2. Group of Mr. Prapoth Pholpipattanapong	22,745,016	9.80
3. Group of Mr. Charin Sirawongtham	17,682,500	7.62
4. Miss Sumitra Ratanapuchpong	7,600,000	3.28
5. Miss Jarjira Naklada	5,986,100	2.58
6. Mrs. Jutamas Sinpattanasakul	5,955,500	2.57
7. Mr. Boonae Jittanom	5,430,200	2.34
8. Mr. Nattapong Panyavarayan	4,000,000	1.72
9. Mr. Anant Tartasirin	3,760,000	1.62
10. Miss Chulepom Chueryu	3,300,000	1.42
Other shareholders	102,395,684	44.14
Total	232,005,000	100.00

20. Board of Directors

List of board of directors according to the company's certificate consists of 7 directors as follow:

Name - Surname	Position
1. Mr. Pakom Apaphant	Chairman Independent Director and Chairman of Audit Committee
2. Mr. Prapoth Pholpipattanapong	Vice Chairman and Chairman of Executive Committee
3. Mr. Maitree Tangsarakun	Director
4. Mr. Wichien Lakratin	Director
5. Mr. Kowit Nuangsuk	Director
6. Mr. Kamol Thammanichanond	Independent Director and Audit Committee
7. Mr. Sange Sapphansaen	Independent Director and Audit Committee



Executive Committee

List of 5 Executive Committees

Name - Surname	Position
1. Mr.Prapoth Pholpipattanapong	Chairman of Executive Committee
2. Mr.Maitree Tangsarakun	Vice Chairman of Executive Committee
3. Mr.Jirawat Choomalaiwong	Committee
4. Mr.Wichien Laknatin	Committee
5. Mr. Mr.Kowit Nuangsuk	Committee

21. Pending material lawsuit or claims

- None -

22. Benefits or related transactions between listed companies and directors, executives and shareholders who directly or indirectly hold shares from 10% upwards

In 2014, 2015, 2016 and the first half of 2017, the Company and its subsidiaries have entered into related transactions with directors, executives and shareholders directly or indirectly holding 10% upwards. The transactions are normal business transactions under general trade terms which can be summarized below.

Related companies/ Relationship with the Company	Special Item	Item Value (MB)	Item Value (MB)	Item Value (MB)	Item Value (MB)
		2014	2015	2016	30 Jun 2017
1. Specialty Tech Corporation Company Limited has common shareholders and directors. <u>List of common shareholders</u> 1. Mr. Prapoth Pholpipattanapong held 6.69 percentages of the Company share <u>List of Common Director</u> 1. Mr. Prapoth Pholpipattanapong	The Company and its subsidiaries paid the purchase price to Specialty Tech Corporation Company Limited as follows:				
	- Purchase	1.55	1.18	0.69	0.20
	Outstanding	0.57	0.35	0.21	0.14
2. Advance Packaging Company Limited has common shareholders and directors. <u>List of common shareholders</u> 1. Mr. Prapoth Pholpipattanapong held 6.69 percentages of the Company share	The Company and its subsidiaries paid the purchase price to Advance Packaging Company Limited as follows:				
	- Purchase	0.14	0.09	0.05	0.02



Related companies/ Relationship with the Company	Special Item	Item Value (MB) 2014	Item Value (MB) 2015	Item Value (MB) 2016	Item Value (MB) 30 Jun 2017						
List of Common Director											
1. Mr. Prapoth Pholpipattanapong	Outstanding	0.05	0.03	0.003	0.01						
3. Prima Growth Company Limited is a related person of the company. The relationship with the Company is as follows.	The Company and its subsidiaries paid the purchase price to Prima Growth Company Limited as follows:										
<table border="1"> <thead> <tr> <th>Name</th> <th>Relationship</th> </tr> </thead> <tbody> <tr> <td>Mrs.Pensri Pholpipattanapong</td> <td>She is the director of Prima Growth Company Limited and also the wife of Mr. Prapoth Pholpipattanapong who is the director and major shareholder of the Company</td> </tr> <tr> <td>Mrs.Saisun ee Janjaroonjit</td> <td>She is the director of Prima Growth Company Limited and also the sister of Mrs.Pensri Pholpipattanapong</td> </tr> </tbody> </table>	Name	Relationship	Mrs.Pensri Pholpipattanapong	She is the director of Prima Growth Company Limited and also the wife of Mr. Prapoth Pholpipattanapong who is the director and major shareholder of the Company	Mrs.Saisun ee Janjaroonjit	She is the director of Prima Growth Company Limited and also the sister of Mrs.Pensri Pholpipattanapong	- Purchase	-	-	0.03	0.02
Name	Relationship										
Mrs.Pensri Pholpipattanapong	She is the director of Prima Growth Company Limited and also the wife of Mr. Prapoth Pholpipattanapong who is the director and major shareholder of the Company										
Mrs.Saisun ee Janjaroonjit	She is the director of Prima Growth Company Limited and also the sister of Mrs.Pensri Pholpipattanapong										
	Outstanding	-	-	-	0.003						
4. Single Point Engineering Company Limited is a subsidiary of the Company. The Company holds 100% shares.	The Company has investments and loans to Single Point Engineering Company Limited as follows:										
	- Additional Investment	-	-	5.00	-						
	Investment	-	-	5.00	5.00						
	- Additional Lending	-	-	-	4.00						
	Outstanding	-	-	-	4.00						
	The Company has office rental income interest income , other income from Single Point Engineering Co., Ltd. as follows:										
	- Office rental income			0.12	0.51						
	- Interest income on short-term loans			-	0.05						
	- Other Incomes	-	-	-	0.21						
List of Common Directors and Shareholders											
1. Mr.Prapoth Pholpipattanapong											
2. Mr.Maitree Tangsarakun											
3. Mr.Jirawat Choomalaiwong											
4. Mr.Prawin Srisutto											
5. Miss Sinitom Charawongse											



Related companies/ Relationship with the Company	Special Item	Item Value (MB)	Item Value (MB)	Item Value (MB)	Item Value (MB)
		2014	2015	2016	30 Jun 2017
	Outstanding Rental deposit	-	-	0.24	0.98
				-	0.12
	The Company has office rental income, interest income and Other income from Single Point Engineering Co., Ltd. as follows: - wages	-	-	-	6.32
5. Single Point Energy and Environmental Company Limited is a subsidiary of Company which held 99.99% shareholding	The Company has investments and loans to Single Point Energy and Environment Company Limited as follows: - Additional Investment Investment Diminution in decrease value of Investment - additional Lending - Allowance of Increase Doubtful Account Outstanding Allowance of Doubtful Account The Company has office rental income, interest income and Other income from Single Energy and Environment Company Limited - office rental income - Interest income on short-term loans Outstanding Rental Deposit Outstanding	- 43.25 (1800) 25.50 - 25.50 - - 0.06 0.30 -	- 43.25 (1800) 34.50 - 60.00 - 0.03 2.87 0.29 -	- 43.25 (1800) (5.50) - 54.50 - 0.08 3.09 - 0.006	- 43.25 (43.25) 2.50 19.00 57.00 (19.00) 0.04 1.44 1.44 0.006
6. Single Point Plating Company Limited has	The Company has investments				



Related companies/ Relationship with the Company	Special Item	Item Value (MB)	Item Value (MB)	Item Value (MB)	Item Value (MB)
		2014	2015	2016	30 Jun 2017
common director with the Company	and loans to Single Point Plating Company Limited as follows:				
<u>List of Common directors</u>	- Additional Investment	-	-	-	-
1. Mr.Prapoth Pholpipattarapong	Investment	21.50	21.50	21.50	21.50
	Diminution in decrease value of Investment	(21.50)	(21.50)	(21.50)	(21.50)
	- Additional Lending	-	-	-	-
	Outstanding	14.47	14.47	14.47	14.47
	Allowance of Doubtful Account	(11.90)	(11.90)	(14.47)	(14.47)
	Outstanding	0.10	0.10	0.10	0.10
	Allowance of Doubtful Account	(0.10)	(0.10)	(0.10)	(0.10)

23. Summaries of Material Contracts during the Past 2 Years

- None -

24. Statements indicating that the interested shareholders are not entitled to vote as well as indicating the names and the number of shares of the shareholders who are not entitled to vote

Entering into the disposal of asset transaction and connected transaction, the Company shall gain shareholders' vote not less than three quarter of total number of attending shares excluding conflicting shareholders

Name of the conflicting shareholders as at 16 October 2017

Name	Shares hold	Percentage to total share
1.Mr. Prapoth Pholpipattarapong	15,529,300	6.69

25. Opinion of the Board of Directors on the entering into connected transactions indicating the reasons and maximum benefits of the Company in comparison with entering into transactions with independent third persons

The Board of Directors has considered entering of the transaction and opines that entering into this transaction is appropriate and beneficial for the Company and its shareholders because the Company will



receive proceed from disposal of assets unutilized for Hard Disk and electronic component business (current core business), and the proceed can be used for other purposes of the Company. The Board of Directors, therefore, deems appropriate to propose the transaction be approved by the shareholders. In the past, the Company made an attempt to contact and propose to sale land and buildings of the Company to independent third persons but received no interest due to high investment required. Moreover, after the existing contract expires on 20 May 2017, PRIMA intend to purchase the land and buildings to restructure its business to changing economic condition at the price not less than THB 253 million which is agreed price between the Company and the buyer. This price is a fair value and not less than market value assessed by 2 independent appraisers approved by the Securities and Exchange Commission (SEC). The Board of Directors has considered the transaction and reckons that entering into this transaction is suitable and advantageous to the Company and its shareholders and the transaction has been under transparent approval process that conflicting parties were not involved in decision making. Thus, entering into the connected person transaction has been considered for the purpose of the Company's benefit and terms of the transaction is similar to that for independent third person.

Appraised price by independent appraisers

	TAP Valuation Company Limited (As at 20 September 2017)	Advance Appraisal Company Limited (As at 22 September 2017)
Cost Approach	THB 199.02 million	THB 195.82 million
Income Approach	THB 240.38 million	THB 232.50 million

26. Opinion of Audit Committee and/or directors of the Company which is different from the opinion of the Board of Directors in item no.25

The Audit Committee considers and agreed with Board of Directors.

27. Proxy Form with at least 2 name of a member of Audit Committee being nominated as Shareholder's Proxy

The members of the Audit Committee nominated as shareholder's proxies are Mr. Pakom Apaphant and Mr. Kamol Tammanichanond. The information of Audit Committee supporting their nomination as a proxy is contained in enclosure no.9 of the invitation to attend Extraordinary General Meeting of Shareholders No. 1/2017