

SET No. 15/2018

26 February 2018

Subject: Management's Discussion and Analysis of Adamas Incorporation Public Company Limited and its subsidiaries for the year 2017 ending 31 December 2017

Attention: President  
The Stock Exchange of Thailand

Operation result for the year ending 31 December 2017 compared with the same period of prior year.

The Company and its subsidiaries reported the consolidated total revenues for the year 2017 amounting to Baht 36.36 million, decreased by Baht 1,170.73 million. Total revenues had significant changes as below:

- Revenue from sale of land and house by the subsidiaries for the year 2017 was at of the amount of Baht 35.77 million, increased by Baht 32.22 million or 100% due to the Sittarom park life project had completely built and can be transferred in 2017.
- Profit on exchange rate was in the amount of Baht 0 Baht decreased 100% compared with the last year Due to there is no more borrowing and any repayment has done with the exchange rate of Thailand.
- Profit on sale investment in subsidiaries was in the amount of Baht 0 Baht decreased 100% compared with the last year due to The company has not traded for the year of 2017.

The Company and its subsidiaries reported the consolidated total expenses for the year 2017 amounting Baht 164.95 million, increased by Baht 134.70 million. Total expenses had significant changes as below:

- Cost of sale and selling expense of sale of land and house by the subsidiaries of the year 2017 was that the amount of Baht 30.64 million, which affected by revenue from sale of land and house.
- The selling and Administrative expense was in the amount of Baht 32.31 million, Increased by Baht 5.72 million or 21.06% compared with the last year expense. This expense was used to organize subsidiaries ( Sittarom Development Co., Ltd.) and also the expense in other organizing.
- Loss on valuation of Sittarom Life Park Udon Thani Project of the independent financial advisor. By the company has suspended the construction of the project cause to the

decreasing of the value of the project and awaiting for the land development in 2016 were overestimate, total loss is Baht 102 million as below:

- 1) Loss on impairment of goodwill in amount of 70.93 million baht.
- 2) Loss on Decrease in Inventory Value amount of 14.69 million baht.
- 3) Loss from reduction of the awaiting of land development amount of 16.39 million baht.

From above factor, the company and its subsidiaries reported a net loss of the year 2017 was at the amount of Baht 120.81 million profit decrease by Baht 1,273.89 million, compared to the same period of the last year.

Please be informed accordingly.

Sincerely yours,

**Adamas Incorporation Public Company Limited**

(Mr. Monchai Orawongpaisan)

Director