

May 15, 2017

The Managing Director

The Stock Exchange of Thailand

Subject : Management Discussion and Analysis for three month Ending 31 March 2017

Summary of the 1st Quarter performance

Unit: Million Baht

	2017	2016
Sales	2,055.79	1,576.09
Cost of Sales	1,844.15	1,479.34
Gross Margin	211.64	96.75
Gain (loss) on exchange rates	21.92	5.17
Other Incomes	19.91	19.09
Total Revenues	2,097.62	1,600.35
Selling & Administrative Expense	127.83	116.99
Finance Costs	24.24	22.96
Net Profit	101.40	(18.95)
Earnings per share (Baht)	0.25	(0.047)

The company will explain the cause of change as follow:

1. Sales Revenue increased by 479.70 million baht or 30.44% from 1,576.09 million baht in 2016 to 2,055.79 million baht in 2017 due to the increases of demand from customers and the introduction of a new production line which provided more capacity in order to serve higher demand from customers.
2. Sales cost to revenue ratio decreased by 4.15% (from 93.86% to 89.71%) because the improvement of production efficiency.
3. Sales and administrative expense increased by 10.84 million baht (from 116.99 million baht to 127.83 million baht) due to increase of sales expense in proportion to the extra sales volume.
4. Profit from foreign exchange increased by 16.75 million baht (from 5.17 million baht to 21.92 million baht) due to an impact from fluctuation of exchange rate, However the company tried to reduce financial risk by hedging against forward exchange contracts.
5. The performances increased by 120.35 million baht (from the loss of 18.95 million baht to the profit of 101.40 million baht) as a foresaid.

Yours Sincerely,

Kittiphat Suthisamphat
Executive Vice President