

May 14, 2018

The Managing Director

The Stock Exchange of Thailand

Subject : Management Discussion and Analysis for three month Ending 31 March 2018

Summary of the 1st Quarter performance

Unit: Million Baht

	2018	2017
Sales	1,863.61	2,055.79
Cost of Sales	1,797.16	1,844.15
Gross Margin	66.45	211.64
Gain (loss) on exchange rates	72.27	21.92
Other Incomes	11.49	19.91
Total Revenues	1,947.37	2,097.62
Selling & Administrative Expense	120.12	127.83
Finance Costs	20.98	24.24
Net Profit	9.12	101.40
Earnings per share (Baht)	0.02	0.25

The company will explain the cause of change as follow:

1. Sales Revenue decreased by 192.18 million baht or 9.35% from 2,055.79 million baht in 2017 to 1,863.61 million baht in 2018 due to sales volume decrease which was affected by the turnaround maintenance of the plants in Quarter 1/2018.
2. Sales cost to revenue ratio increased by 6.72% (from 89.71% to 96.43%). The main factors were that the price of raw material has been increased during Quarter 1/2018, together with the decrease in production volume.
3. Sales and administrative expense decreased by 7.71 million baht (from 127.83 million baht to 120.12 million baht) due to decrease in sales expense according to sales volume decrease.
4. Profit from foreign exchange increased by 50.35 million baht (from 21.92 million baht to 72.27 million baht) due to an impact from fluctuation of exchange rate. However the company attempted to reduce financial risk by hedging against forward exchange contracts.
5. The performances decreased by 92.28 million baht (from 101.40 million baht to 9.12 million baht) as a foresaid.

Yours Sincerely,

Kittiphat Suthisamphat
Executive Vice President