

(TRANSLATION)

No. Bor.Chor.Ngor. 39/2561

13 November, 2018

Re : Management Discussion and Analysis for the 3rd Quarter of 2018
To : Directors and the Manager of the Stock of Exchange of Thailand
Attachment: 1 copy of the Financial Statements and the Consolidated Financial Statements from 1 January 2018 until 30 September 2018

Thai Metal Drum Mfg. Public Company Limited (the “**Company**”) has submitted herewith the Financial Statements as of the 3rd Quarter of 2018 ended at 30 September 2018, which have been reviewed by the Certified Public Accountant.

The Company is hereby to inform the operation result for the 3rd Quarter of 2018 that the Company and its subsidiaries gained a net profit of Baht 88.54 million, increasing Baht 21.78 million or 32.63% when comparing to the same period of the last year and gained a net profit per share of Baht 0.59.

In the 3rd quarter of 2018, the Company and its subsidiaries engaged in business profits which can be described by product as below:

For the business operation of steel drum, the Company gained the total revenue with the amount of Baht 305.36 million, an increase of Baht 3.54 million or equivalent to 1.17%. Sales of steel drum decreased 11.36% but selling price per unit increased 14.14%. Cost of raw material increased 6.28%. Thus, sales cost decreased from 77.77% in 2017 to 71.31% in 2018. As a result, the profit of the Company and its subsidiaries raised with the amount of Baht 21.40 million or 44.11%.

The revenue from sales of plastic products was posted at Baht 210.01 million, an increase of Baht 34.01 million or 19.32%. The subsidiary had the increasing number of sales in term of quantity but reducing selling unit price due to the high competition of the market. Consequently the company had to lower the selling price. Therefore, sales cost increased from 90.12% in 2017 to 91.87% in 2018. The subsidiary had an increasing profit with the amount of Baht 0.19 million or 4.94%.

The Company and its subsidiaries gained the revenue from rent and service with the amount of Baht 16.21 million, increased Baht 0.16 million or 0.98%. The Company had gained other incomes with the amount of Baht 8.29 million, a decrease of Baht 1.50 million or 15.35%.

For the operation result of the past 9 months (1 January – 30 September 2018), the Company and its subsidiaries have gained the net profit of Baht 249.13 million, increasing Baht 39.78 million or 19% when comparing to the same period as of last year and posted the net profit per share at Baht 1.66.

Please be informed accordingly.

Yours Faithfully,

Mr.Nate Charanvas
Managing Director