

February 27, 2019

The Managing Director

The Stock Exchange of Thailand

Subject : Management Discussion and Analysis Ending 31 December 2018

Summary of operating result between 2018 and 2017

Unit: Million Baht

| | 2018 | 2017 |
|----------------------------------|----------|----------|
| Sales | 7,769.77 | 7,695.85 |
| Cost of Sales | 7,314.06 | 6,837.23 |
| Gross Margin | 455.71 | 858.62 |
| Gain on exchange rates | 87.27 | 105.44 |
| Gain (loss) on machineries | (12.41) | (0.08) |
| Other Incomes | 65.83 | 78.14 |
| Total Revenues | 7,922.87 | 7,879.44 |
| Selling & Administrative Expense | 494.47 | 507.94 |
| Finance Costs | 83.94 | 90.76 |
| Net Profit | 17.98 | 443.44 |
| Earnings per share (Baht) | 0.05 | 1.11 |

The company would like to explain the causes of changes as follows:

1. Sales Revenue increased by 73.92 million baht or 0.96% from 7,695.85 million baht in 2017 to 7,769.77 million baht in 2018. The Sales Revenue increased due to the fact that the company could offer more product variety to serve demands of both local and foreign customers.
2. Sales cost to revenue ratio increased by 5.29% (from 88.84% to 94.13%) due to increasing raw material costs as the prices of plastic resins had increased compared with the same period of the last year.
3. Other incomes decreased by 12.31 million bath, mainly coming from sales of scrap materials and tax cards income.
4. Profit from foreign exchanges decreased by 18.17 million baht (from 105.44 million baht in 2017 to 87.27 million baht in 2018) 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 decreased by 425.46 million baht (from 443.44 million baht in 2017 to 17.98 million baht in 2018) as aforesaid.

Yours Sincerely,

Kittiphat Suthisamphat
Executive Vice President