



บริษัท ฟอ์จูน พาร์ท อินดัสตรี จำกัด (มหาชน)

FORTUNE PARTS INDUSTRY PUBLIC COMPANY LIMITED

11/22 หมู่ 20 ถนนนimitใหม่ ตำบลลำลูกกา อำเภอลำลูกกา จังหวัดปทุมธานี 12150

11/22 Moo 20, Nimitmai Road, Lamlukka, Lamlukka, Pathumthani 12150 Thailand

Tel : (662) 993-4970-7 Fax : (662) 993-4978-9, (662) 993-4982 www.fpi.co.th e-mail : info@fpi.co.th

ทะเบียนเลขที่ บมจ.
0107547000508



Ref. FPI.006/2017

20 February 2017

Subject : Management Discussion & Analysis of Performance Results Yearly Ending 31 December 2016

To : Board of Directors and President of The Stock Exchange of Thailand

Fortune Parts Industry Public Company Limited (“FPI” or “The Company”) would like to submit the annual financial statements (audited) for the year ended 31 December 2016 which has been audited by certified public auditor as follows :

Overall performance results of the Company for the year ended 31 December 2016, compared to the same period of the previous year were as highlighted below ;

	<u>2016</u>	<u>2015</u>	<u>% Change</u>
Sales and Service Income	1,986.34	1,818.94	+9.20
Cost of sales and Services	1,449.23	1,376.52	+5.28
Selling and Administrative Expenses	197.78	196.63	+0.58
Financial Cost	34.60	39.90	-13.28
Net Profit	287.27	193.07	+48.79

Revenue from sales increased by Baht 166 million as the following details:

Zone	<u>2016</u>	<u>2015</u>	<u>Increase/(Decrease)</u>	<u>%</u>
Domestic	287	287	-	-
Asia	898	824	74	+9
South America	329	266	63	+24
Africa	199	246	(47)	-19
Australia & New Zealand	160	77	83	+108
Others	110	117	(7)	-6
Total	1,983	1,817	166	9

1. Sales increased from Asia Zone such as Saudi Arabia.
2. Sales from South America Zone increased from customer Bicimoto group, representing auto parts many countries in South America.
3. Sales from Australia and New Zealand zone increased from OEM project of Suzuki and Toyota brand sold to EGR.
4. Sales from Africa Zone decreased due to sales declines in Lybya and Algeria because of the political situation and currency fluctuations.
5. Gross profit increased due to sales from OEM project, which have higher margin (about 47%) also increased the gross margin from grille to increase. Due to the last year, unit cost from plating line higher than the year 2016 because of preventive maintenance plating line during the year.
6. Financial cost of the Company decreased due to financial cost and cheaper financing compared to the same period of previous year.
7. Net Profit of the Company increased due to the Company also have revenue portion from OEM increased from 12 % of Sales in 2015 to 16% in 2016 or up to 33% compared to the same period of previous year

Financial Position (in comparison to as at 31 December 2015)

Overall financial position of The Company as at 31 December 2016, compared to the statement of financial position as at 31 December 2015, increased from Baht 2,359.15 million to Baht 2,428.73 million, increased by Baht 69.58 million or 2.95% due to factors as summarized below ;

Total Assets

As at 31 December 2016, total assets was Baht 2,428.73 million, increased by Baht 69.58 million from the ended 31 December 2015 mainly due to cash and cash equivalents short term loan from financial institutions decreased due to the repayment of packing credit and short term loans- letter of credit that matured during the year, inventory increased from OEM project for EGR and finished goods from steel bumper grille and lamp, Other non-current assets increased due to account receivable from fixed asset which is due in the next 2-3 years, property, plant and equipment increased from investment injection mold and auto painting line with robotic system.

Total Liabilities

As at 31 December 2016, total liabilities was Baht 1,339.58 million, increased by Baht 73.73 million from the ended 31 December 2015, mainly from the accounts payable increased due to the purchase of raw materials and components to produce finished products OEM and steel bumper and light from China. Other current liabilities increased due to deposit in advance payment for OEM and received from other customers, to prevent the risk of receiving payment. Long-term loans decreased from payment of trust receipts from import machinery at the end of 2015

Shareholders' Equity

As at 31 December 2016, shareholders' equity was Baht 1,089.15 million increased by Baht 143.31 million from Baht 945.84 million as at 31 December 2015 mainly due to the net profit from operating for the period by Baht 286.71 million, dividend paid by Baht 157.93 million, shares to be issued from exercise of warrants increased by Baht 1.02 million and received advance from share subscription by Baht 14.53 million.

Please be informed accordingly.

Yours sincerely,

-Mr.Sompol Tanadumrongsak
Managing Director