



(TRANSLATION)

AF. 025 / 2017

August 10, 2017

Subject Explanation of the operating performance for 3-month period ended June 30, 2017.

To Managing Director

The Stock Exchange of Thailand

The Operating results of the company and its subsidiaries for the 3-month period ended June 30, 2017 as in the consolidated financial statement has net loss 3.40 Million Baht, increase of 21.29 Million Baht or 119.01% comparing to the last year. Loss attributable to equity holders of the parent is 5.61 million baht increase of 20.59 Million Baht or 137.42% comparing to the same period last year, this is caused by followings:

#### **Revenues**

1. Total sales of 192.34 Million Baht was 23.28 Million Baht or 13.77% increase from increase from the same period last year. Additional income from 2 subsidiaries is 1. AVF increase over the same period of the previous year 13.66 million baht from BRAND ECCO, KEEN and 2. PTX increase from the same period last year 10.03 million from foreign customers BAKNER injection model STEP STEAK, plucking finger rubber. Domestic customers increased from plastic injection, cable box mini (New Model) and Automotive parts.

2. Dividends received 0.022 million baht, Decrease from the same period a year before, 0.33 million baht. 93.71 percent because dividends received from Thaitakaya Co.,Ltd. reduced 0.30 million and Sahapat properties Co.,Ltd. decreased 0.03 million baht.

3. Gain on disposal of assets, 0.78 million baht. Decrease from the same period a year before, 9.87 million baht. 92.65 percent because in the quarter 2 years 2016. The company profits from the sale to a third party the amount of 10.60 million baht.

4. Other income 3.35 million baht Decrease from the same period last year and 5.82 million baht or 63.46 per cent due to in Q2 2016 profits from sales of investments of LAO 6.18 million baht.

#### **Expenses**

1. Cost of sales and hire of work totaling 174.45 Million Baht increase over the same period of the previous year 24.32 million baht or 16.20% percent mainly resulted from types of raw natural rubber Synthetic rubber and chemicals increased proportionally order.



2. The allowance for doubtful accounts is 0.13 million baht. Decrease from the same period a year before, 2.39 million baht or 94.68 percent due in Q2 2016, the Company sold its investment by LAO recorded an allowance for doubtful accounts of Accounts receivable from the sale of machinery, 2.50 million baht by the preparation of the consolidated financial statements.

3. Reversal of provisions for litigation The decrease from the same period last year by 10.88 million baht due to Q2 2016 Reversal of provisions for litigation in the amount of 12 million baht and 2 subsidiaries have a provision for the litigation of 1.13 million baht.

4. Loss arising from change in fair value of biological assets increase of 0.16 million baht from the adjustment of cost over the fair value of biological assets.

5. The financial cost 1.67 million baht ,down from the same period a year before, the 1.82 million baht or 52.19 per cent due to subsidiary company “ICF” pay loan repayment to financial institutions.

The consolidated financial statements of the group of businesses pose net loss of 3.40 million baht Equity holders of the parent net loss of 5.61 million baht. The net loss per share is calculated at 0.010 baht per share. The financial statement of the exclusive business shows the net profit of 2.36 million baht. The net profit per share is calculated at 0.004 baht per share.

Please be informed accordingly.

Yours faithfully,

(Mr. Sommat Khunset)

Managing Director