



11 August 2017

Subject: Explanation of operating result in the financial statement ended 30 June 2017

To: Directors and Managers of the Stock Exchange of Thailand

With reference to the financial statement of Q1 2017/2018 period ended 30 June 2017 submitted by Eastern Polymer Group Public Company Limited (the "Company"), please be informed that:

Million Baht				
	Q1-2017/2018 Apr 17 - Jun 17	Q1-2016/2017 Apr 16 - Jun 16	Increase (Decrease)	
Revenue from sales of goods	2,382.38	2,358.64	23.74	1.01%
Revenue from service	1.29	1.87	-0.59	-31.32%
Total revenue	2,383.66	2,360.51	23.16	0.98%
Cost of goods sold	1,651.27	1,582.74	68.54	4.33%
Cost of service	0.99	1.40	-0.41	-29.54%
Total cost	1,652.26	1,584.13	68.12	4.30%
Selling and administrative expenses	450.39	409.48	40.91	9.99%
Finance costs	3.63	14.71	-11.09	-75.35%
Net profit	286.53	381.10	-94.57	-24.81%

The operating result of the Company for Q1 2017/2018 (1 April 2017 to 30 June 2017), the Company earned net profit of 286.53 million Baht which was 24.81% decreased from net profit 381.10 million Baht in Q1 2016/2017 (1 April 2016 to 30 June 2016), all due to the significant changes as follows:

1. Total revenue from sale of goods in the number of 2,382.38 million Baht was increased by 23.74 million Baht or 1.01% from Q1 of the previous fiscal year. The sale growth rates compared to the Q1 of the previous fiscal year are from our 3 business categories as follows:
 - Aeroflex increased 7.31%
 - Aeroklas increased 2.60.%
 - Eastern Polypack decreased 8.02%

Revenue from sale of Eastern Polypack softens due to domestic consumption.
2. Total cost of goods sold amounting to 1,651.27 million Baht was increased by 68.54 million Baht from the Q1 of the previous fiscal year or 4.33%. The cost increased more than the increasing of sales as a result of upwardly adjust in raw material price and soften economic of scale of the plastic packaging business.

3. Selling and administrative expenses was increased by 40.91 million Baht or 9.99% mainly cause by additional expenses of shop expansion, marketing and development of the new international business of automotive part and accessories.
4. Financial cost was decreased by 11.09 million Baht or 75.35%, according to the lower debt balance and exchange gain/loss on loans.

For your information.

Respectfully Yours,

Mr. Pawat Vitoorapakorn

Chief Executive Officer

Eastern Polymer Group Public Company Limited