



บริษัท บางกอกชีทเมทัล จำกัด (มหาชน)

149 หมู่ 6 อ.สุขสวัสดิ์ ต.บางจาก อ.พระประแดง จ.สมุทรปราการ 10130

Tel. 0-2817-5555-7, 0-2817-5440-2, Fax. 0-2817-5432, Email address: bsmc@bsm1995.com, Registration No. 0107558000229

No. BM. 2017/013

November 13, 2017

Subject Management Discussion and Analysis for quarter 3 ended September 30, 2017

To The President

The Stock Exchange of Thailand

Attachment: Auditor report and Interim Financial Statement for three-month and nine-month period ended September 30, 2017

Bangkok Sheet Metal Public Company Limited (“the Company”) would like to clarify the operating result by considering the Company’s Financial Statement for three-month and nine-month period ended September 30, 2017. The details are as follows:

Statement of Comprehensive Income for three-month and nine-month period ended September 30, 2017

Statement of Comprehensive Income	3 Months (July-September)				9 Months (January-September)			
	2017 (Million Baht)	2016 (Million Baht)	Increase (Decrease)		2017 (Million Baht)	2016 (Million Baht)	Increase (Decrease)	
			Million Baht	%			Million Baht	%
Sales and service revenues	249.13	223.83	25.30	11.30	652.51	606.65	45.86	7.56
Other revenues	1.61	1.24	0.37	29.84	4.02	2.43	1.59	65.43
Total Income	250.74	225.07	25.67	11.41	656.53	609.08	47.45	7.79
Cost of Sales and Services	202.72	171.80	30.92	18.00	535.84	470.95	64.89	13.78
Gross Profit (excluding other revenues)	46.41	52.03	(5.62)	(10.80)	116.67	135.70	(19.03)	(14.02)
Selling Expenses	11.60	10.86	0.74	6.81	33.75	29.87	3.88	12.99
Administrative Expenses	16.15	19.56	(3.41)	(17.43)	45.54	50.84	(5.30)	(10.42)
Earnings before interest and taxes	20.27	22.85	(2.58)	(11.29)	41.40	57.42	(16.02)	(27.90)
Financial cost	0.66	1.10	(0.44)	(40.00)	2.29	5.95	(3.66)	(61.51)
Earnings before taxes	19.61	21.75	(2.14)	(9.84)	39.11	51.47	(12.36)	(24.01)
Income tax expenses	2.51	2.82	(0.31)	(10.99)	5.95	8.74	(2.79)	(31.92)
Net Profit (loss)	17.10	18.93	(1.83)	(9.67)	33.16	42.73	(9.57)	(22.40)



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Revenue Structure by different product groups for three-month and nine-month period
ended September 30, 2017

Revenue	3 Months (July-September)				9 Months (January-September)			
	2017 (Million Baht)	2016 (Million Baht)	Increase (Decrease)		2017 (Million Baht)	2016 (Million Baht)	Increase (Decrease)	
			Million Baht	%			Million Baht	%
Sales revenue								
1. Metal Trucking and White Conduits	127.37	104.53	22.84	21.85	356.99	297.74	59.25	19.90
2. Communication racks, Cabinets and Enclosures	18.29	25.62	(7.33)	(28.61)	56.44	81.46	(25.02)	(30.71)
3. Electrical Switchboards and Lighting Fixtures	7.68	2.71	4.97	183.39	28.38	19.20	9.18	47.81
4. Fabrication and Metal Working	5.28	11.30	(6.02)	(53.27)	16.47	35.50	(19.03)	(53.61)
5. Mold & Die Making, Machine Tools and Equipment	7.32	4.38	2.94	67.12	22.67	9.62	13.05	135.65
6. Sheet Metal Parts, Press Parts, Machine Parts and Assembly Parts	75.95	66.72	9.23	13.83	155.79	142.63	13.16	9.23
Revenue from trading ^{/1}	6.35	4.59	1.76	38.34	12.13	14.42	(2.29)	(15.88)
Revenue from selling products	248.24	219.85	28.39	12.91	648.87	600.57	48.30	8.04
Revenue from services ^{/2}	0.89	3.98	(3.09)	(77.64)	3.64	6.08	(2.44)	(40.13)
Sales and service revenues	249.13	223.83	25.30	11.30	652.51	606.65	45.86	7.56
Other revenues ^{/3}	1.61	1.24	0.37	29.84	4.02	2.43	1.59	65.43
Total Revenues	250.74	225.07	25.67	11.41	656.53	609.08	47.45	7.79

Remark: /1 Revenue from trading such as revenue from sale of fitting, paint and more

/2 Revenue from services such as metal parts painting service for outside customer and installing equipment

/3 Other revenues derived from items such as interest income, gain (loss) from sale of asset, gain (loss) from amortization of asset, income from sale of scrap metal etc.

Sales and Service revenue

For three-months ended September 30, 2017, the Company had sales and service revenue of 249.13 million baht, increasing from the same period of the previous year by 25.30 million baht or equivalent to 11.30 percent due to the increase in sales revenue for the product group 1, group 3, group 5 and group 6 since the Company received purchasing orders for Metal Trucking and White Conduit continuously from quarter 2 from



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contractors for several projects such as Central Mahachai, Central World renovation, Ashton Silom Condominium etc. together with the Internet Cabinet for Village and mold. For Combine model and metal parts for agricultural machineries have a slightly increase in volume.

Sales revenue for product group 2 and group 4 decreased since the Company had not received the order for the new projects and some project had finished in the previous year such as the communication racks project and express way pay tolls etc.

Cost of Sales and Services

For the three-month period ended September 30, 2017, the Company had cost of sales and services of 202.72 million baht increasing by 30.92 million baht or equivalent to the 18.00 percent increase compared to the same period of the previous year since there was the increase in price of metal which is the main raw material for manufacturing.

Gross Profit and Gross Profit Margin

For the three-month period ended September 30, 2017, the Company had gross profit of 46.41 million baht, equivalent to the gross profit margin of 18.63 percent compared to the same period of the previous year which the gross profit was 52.03 million baht equivalent to the gross profit margin of 23.25 percent. The dropping of gross profit and gross profit margin was resulting from the increase in price of metal which is the main raw material for manufacturing and the Company could not adjust the selling price in some products as well as there was a price competition in the market.

Selling and Administrative Expenses

For the three-month period ended September 30, 2017, the Company had selling and administrative expenses of 27.75 million baht decreasing by 2.67 million baht or equivalent to 8.78 percent decrease compared to the same period of the previous year. This decreasing in expenses because in quarter 3 of 2016 the Company had bonus payment which has not been set the accrued payment since the beginning of the year. Meanwhile, in 2017, the Company set the accrued bonus payment every month, resulting in the decrease in bonus payment for this period. Moreover, the Company collected debt payment from debtor from allowance for doubtful account and has fewer expenses from decreasing allowance for doubtful account compared to the same period of the previous year.



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Financial Cost

The Company had the financial cost of 0.66 million baht decreasing by 0.44 million baht or equivalent to 40.00 percent decrease compared to the same period of the previous year due to the decrease in short term loans from Financial Institution.

Net Profit and Net Profit Margin

For the three-month period ended September 30, 2017, the Company had the net profit of 17.10 million baht or equivalent to the net profit margin of 6.82 percent compared to the same period of the previous year, which the net profit and net profit margin were 18.93 million baht and 8.41 percent respectively. The net profit and net profit margin decreased due to the decrease in gross profit as mentioned above.

Please be informed accordingly,

Best Regards,

(Mr. Tanin Sajjaboribun)

Chief Executive Officer

Bangkok Sheet Metal Public Company Limited