

November 14, 2017

Subject: Management Discussion and Analysis for Q3/2017

To: Managing Director

The Stock Exchange of Thailand

The company would like to report the operation results for the company and subsidiary for 3rd quarter of 2017 ended 30 September 2017. The company net profit of Baht 28.14 million when compared with the same period of year 2016 posted net profit of Baht 7.95 million due to the following reasons.

1. The Company and its subsidiaries had revenue from sales and services amounted of Baht 500.88 million compared with the same period of year 2016 Revenue from sales and services amounted of Baht 502.63 million in revenue from sales and services decreased by Baht 1.75 million because
 - 1.1 The company had revenues from leather business for the car seat from existing customers who had orders increased in 3rd quarter of 2017. The company had total sales and services revenues of Baht 486.78 million and net profit was Baht 41.01 million, increased compared to 3rd quarter of 2016, Sales and services totaled Baht 340.69 million and net profit was Baht 28.28 million.
 - 1.2 Revenues increased from electricity distribution for 3rd quarter of 2017 in the amount of Baht 10.95 million. For the export of woodchip, there was no income in this quarter.

2. The Company's cost of sales and services in the amount of Baht 408.89 million representing 81.63 percent of its revenue from sales and services. As a percentage of cost of sales and services decreased compared to the same quarter last year which cost of sales and services amount of Baht 412.41 million or 82.05 percent of its revenue from sales and services due to lower raw material costs movies from the purchase of raw materials from suppliers directly.

3. The Company's selling and administrative expenses of 3rd quarter of 2017 in the amount of Baht 57.87 million or 11.55 percent of its revenue from sales and services. Decreased compared to same quarter which selling and administrative expenses of Baht 75.84 million or 15.09 percent. The company had decrease in selling and administrative expenses of Baht 17.97 million due to in 3rd quarter of 2017, the company did not export woodchip. In 3rd quarter of 2016 the company had export expenses of Baht 16.81 million.

Please be informed accordingly.

Your Sincerely,

(Miss Somruetai Paithoonrangsarid)

Accounting and Finance Manager