

November 14, 2017

Subject : Management Discussion and Analysis of 3rd quarter ended September 30, 2017

Attention : President

The Stock Exchange of Thailand

Operating Performance

1. Revenues

	Three-month (Thousands Baht)		Change	
	2017	2016	Amount	%
Revenue from sales	386,117	379,886	6,231	1.64%
Other income	5,313	4,286	1,027	23.97%
Total Revenue	391,430	384,172	7,258	1.89%

Company revenue slightly increased 1.89 percent from the same period of last year, due to higher selling price and higher sale volume in CNF incoterm, while lower unit sold and appreciation of Thai baht against US dollar.

2. Cost of goods sold and expenses

	Three-month (Thousands Baht)		Change	
	2017	2016	Amount	%
Cost of sales	(249,227)	(240,069)	(9,158)	3.81%
Selling expenses	(59,370)	(37,601)	(21,769)	57.89%
Administrative expenses	(18,565)	(10,576)	(7,989)	75.53%
Finance costs	(6,927)	(10,009)	3,082	-30.79%
Total	(334,089)	(298,255)	(35,834)	12.01%

Cost of goods sold increased 3.81 percent from the same period of last year, while sales volume decrease, due to higher raw material cost.

Selling expenses increased 57.89 percent from the same period of last year, due to higher transportation cost from higher sales volume in CNF incoterm.

Administrative expenses increased 75.53 percent from the same period of last year, due to higher bonus estimation and higher expense from 2nd production line project recruitment.

Financial cost decreased 30.79 percent, due to the repayment of long term debt.

As a result, cost of goods sold and expenses increased 12.01 percent from the same period of last year.

3. Profit

	Three-month (Thousands Baht)		Change	
	2017	2016	Amount	%
Gross profit	136,890	139,817	(2,927)	-2.09%
Profit before income tax	57,341	85,917	(28,576)	-33.26%
Profit for the period	53,815	82,548	(28,733)	-34.81%

From revenues, cost of goods sold and expenses factors, company net profit of 3rd quarter ended September 30, 2017 was 53.82 million baht decreased 34.81 percent from the same period of last year.

Please be informed accordingly.

Sincerely Yours,

(Ms.Orawan Sangwongkit)

Chief Financial Officer