

- Translation -

No: SN.056/2017

November 16, 2017

Subject: Clarification of Operating Results and Financial Status for 2017, ended 30 September 2017

Attention: President

The Stock Exchange of Thailand

Oishi Group Public Company Limited and subsidiaries clarify consolidated operating results and consolidated financial statements for 2017, ended September 30, 2017 as the followings;

According to the Board of Directors' Meeting of Oishi Group Public Company Limited No. 1/2016, which was held on 25 February 2016, has approved the change in the Company's accounting period from 1 January and ending on 31 December of every year to 1 October and ending on 30 September of every year effective from 2016 onwards, in which the 2016 fiscal year will be starting on 1 January 2016 and ending on 30 September 2016, consisting of 9 months. Then, continue with 12 months, starting from 1 October 2016 and ending on 30 September 2017 for this year, and every year onwards.

For the benefit of the users in comparing and analyzing the financial information, the company clarify the operating results and financial status for the twelve-month period ended 30 September 2017 comparing with the twelve-month period ended 30 September 2016. Please see note 33 of financial statements for the year ended 30 September 2017, which disclosed the statements of income for the twelve-month period of 2017.

Sales

Total sales revenue of the company for the twelve-month period ended 30 September 2017 was Baht 13,551 million, slightly decreased by 0.4% or Baht 31 million from 2016, which had total sales revenue of Baht 13,637 million. Sales revenue from beverage business decrease by 0.4% while sales revenue from food business decreased by 0.8%. The proportion of beverage business sales revenue to food business sales revenue was 52:48.

Sales revenue of beverage business was Baht 7,054 million, slightly decreased by 0.4% or Baht 31 million from 2016, which had sales revenue from beverage business of Baht 7,085 million. The main reason is from negative growth in both RTD tea market and Pure RTD tea market by 10.8% and 5.7%, respectively. However, The company maintain leadership position with the highest market share in both RTD tea market and pure RTD green tea market of 45.8% and 48.0%, respectively,

Sales revenue of food business was Baht 6,497 million, slightly decreased by 0.8% or Baht 55 million from 2016, which had sales revenue from food business of Baht 6,552 million, mainly due to sluggish economic which affect consumer's spending and closing of non-performing restaurant branches.

Cost of sales

Total cost of sales of the company for the twelve-month period ended 30 September 2017 was Baht 8,388 million or 61.9% of total sales, lower than 2016, which had total cost of sales 63.7% of total sales due to cost efficiency from both beverage and food businesses.

Selling Expenses

Selling expenses of the company for the twelve-month period ended 30 September 2017 was Baht 1,650 million, decreased by 0.8% or Baht 13 million from 2016, which had selling expenses of Baht 1,663 million. Selling expense in terms of percentage of total sales in 2017 maintain at 12.2% comparing to 2016.

Administrative Expenses

Administrative expenses of the company for the twelve-month period ended 30 September 2017 was Baht 2,095 million, decreased by 3.3% or Baht 71 million from 2016, which had administrative expenses of Baht 2,166 million, mainly from good controlling on fixed expenses.

Net Profit (Loss)

Net profit of the company for the twelve-month period ended 30 September 2017 was Baht 1,443 million, increased by 28.5% or Baht 320 million from 2016, which had net profit of Baht 1,123 million. Net profit in terms of percentage of total sales in 2017 was 10.6%, increased from 8.2% in 2016, mainly due to cost efficiency and improving on administrative expenses of both beverage and food businesses.

Financial Status

Assets

Total assets as at the end of September 2017 was Baht 9,707 million, increased by Baht 429 million or 4.4% from the year end of 2016. Current assets increased by Baht 923 million, mainly due to increase in cash and cash equivalents and trade accounts receivable, netted with decrease in inventories and other current assets. Non-current assets decreased by Baht 495 million, mainly due to decrease in property, plant and equipment.

Liabilities

Total liabilities as at the end of September 2017 was Baht 4,116 million, comprised of interest bearing debts Baht 2,013 million, which are bond Baht 2,000 million and finance lease liabilities Baht 13 million, and non-interest bearing debts Baht 2,103 million. Total liabilities decreased by Baht 553 million or 13.4% from the year end of 2016, mainly due to decrease in current portion of long term loan from financial institutions.

Shareholders' equity

Total equity as at the end of September 2017 was Baht 5,591 million, increased by Baht 982 million or 17.7% from the year end of 2016, due to increase in net profit for the period, netted with dividend payment.

Sincerely yours,

(Mrs. Nongnuch Buranasetkul)
President & CEO

CC: Secretary General, Office of the Securities and Exchange Commission