

Date : February 26, 2018  
 Subject: Management Discussion and Analysis for the year ended December 31, 2017  
 To : Managing Director  
 The Stock Exchange of Thailand

Kuang Pei San Food Products Public Company Limited would like to clarify for year 2017 based on the company financial statement. The main items were as followed:

<b>Unit : Million Baht</b>	<b>2017</b>	<b>2016</b>	<b>%Increased (Decreased)</b>
Total Revenues from sales and services	1,471.69	1,387.47	6.07
Total Expenses	1,375.31	1,305.77	5.33
Finance Costs	23.78	26.51	(10.30)
Profit before Income Tax Expenses	84.23	70.81	18.95
Income Tax (Expense)	(13.33)	(13.09)	1.83
Net Profit	70.90	57.72	22.83
Equity	176.43	105.50	67.23

The Profit for the 2017 was 70.90 million baht, while in the year 2016 net profit was 57.72 million baht increased 13.18 % and equity for the year 2017 was 176.43 million baht related to the year 2016 was 105.50 million baht to be increased 70.93 million baht (67.23%) the reason are

### **Operating results**

- The Company realized 1,471.69 million baht for revenue from canned seafood products and food services and others 11.63 million baht in the year 2017 which compared to revenue from canned seafood products and food services of the year 2016 was 1,387.47 million baht and others 15.63 million baht increased by 84.22 million baht or (6.07%). While the cost of sales and services was 1,068.36 million baht in the year 2017 compared to cost of sales and services was 1,006.73 million baht in the year 2016, increased by 61.63 million baht or (6.12%) because the cost of sales and services were increased by the same direction of the revenue. The sales expenses amount 160.02 million baht in the year 2017 compared to the year 2016 amount 150.31 million baht or increase by 9.71 million baht (6.46%) and the administrative expenses amount 146.93 million baht in the year 2017 compare to the year 2016 amount 148.73 million baht or decrease 1.80 million baht (1.21%) because selling and administrative expenditures in this year were stable while the revenue was higher than last year, the reasons are the company have the corporate good governance and used the reasonable expenditure budget. The net profit in the year 2017 was 70.90 million baht because the company can operate to decrease expenditure and have lower cost of finance.

**Balance Sheet**

- Total assets at December 31, 2017 was 856.60 million baht compared to December 31, 2016 which was 811.33 million baht.
- Total liabilities at December 31, 2017 was 680.18 million baht which was decreased 25.69 million baht or (3.63%) compared to December 31, 2016 which was 705.83 million baht because of the payment of debt restructuring.
- Total Shareholders' Equity at December 31, 2017 was 176.43 million baht which was increased by 70.93 million baht compare to December 31, 2016 which was 105.50 million baht.

According to the year 2017 the company has less liabilities amount 25.69 million baht and has positive equity amount 176.43 million baht because of the debt restructuring and net profit from operating of this year amount 70.90 million baht.

Please be inform accordingly.

Your sincerely,

(Mr.Taweesak Naraipratan)  
Chief Operating Officer