

No. Tapac 6/2018

March 19, 2018

Subject: Explanation about TAPACO Plc.'s Financial Performance Q1/2018 ended January 31, 2018.

To : The President of the Stock Exchange of Thailand

As TAPACO Pcl. (“TAPAC”) submitted its reviewed consolidated financial statements of Q1/2018 ended January 31, 2018 to the Stock Exchange of Thailand, TAPAC would like to provide additional explanation in regard to its financial performance of Q1/2018 in which it had total net profit of 30.244 Million Baht, decrease from that of the same period of last year at 21.68% which was 38.618 Million Baht. This was due to:

1. TAPAC and its subsidiary’s Net Sales & Services Income in Q1/2018 is at 220.566 Million Baht, decrease from the same period of last year which was 280.754 Million Baht. However Gross Profit Margin from Net Sales & Services Income is at 31.66%, increase from the same period of last year which was 25.40%. This is due to increase of Sales of Plastic Injection Parts & Mold and decrease of Sales of Properties.
2. The Subsidiary’s Construction Revenue in Q1/2018 is at 335.147 Million Baht, increase from the same period of last year which was 295.317 Million Baht. However, Gross Profit Margin of Construction Revenue is Q1/2018 is at 8.51%, decrease from the same period of last year which was 11.46%. This is due to Temperature in Sweden is significantly low that cause of Construction Progress Delay and Higher Cost (such as Wages).
3. TAPAC and its subsidiary’s Finance Costs in Q1/2018 is at 4.827 Million Baht, decrease from the same period of last year at 33.02% which was 7.027 Million Baht, due to the company use of fund from Capital Increase to repay of Short & Long Term Loan from Financial Institute.

Yours Faithfully,

Mr.Soros Tangnaitham
Managing Director
Tapaco Public Co., Ltd.