



บริษัท เอบีโก้ โฮลดิ้งส์ จำกัด (มหาชน)  
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ABICO 007/KV/2018

10 May 2018

Subject : Explanation on operation result for the Quarter ended March 31, 2018

To : Director and Manager  
Stock Exchange of Thailand

Abico Holdings Public Company Limited would like explanation about the Company's financial performance and operation result and submit our reviewed financial statements for Quarter 1/2018

Summary of the Company's for the three-month period ended March 31, 2018 compared to that of the period ended March 31, 2017 as follow:

Summary of operation result for the period ending on March 31, 2018

(1) Total income from sales, comparing with the last year, as follows:

(Unit: Million Baht)

<u>Company/business</u>	<u>For the year ending on March 31</u>		
	<u>2018</u>	<u>2017</u>	<u>Increase(decrease)</u>
Producer and distributor of ready-to-drink milk, drinks and fruit juices	167.60	107.52	60.08
Immovable property business	4.66	2.72	1.94
Agriculture and dairy farm	17.38	10.14	7.24
Total	189.64	120.38	69.26

- Business distributor of ready-to-drink milk, drinks and fruit juices had increasing income from last Q1'17 amount Baht 60.08 million, to be 56% because in Q1'2018, the Company had increase production and delivery to be 51%.

- Immovable property business had increasing income from last year, Baht 1.94 million while the space for rent increased from 2017.

- Business agriculture and dairy farm had increasing income amount Baht 7.24 million, because in dairy milk for sales increased from the same quarter last year 72%

(2) Cost of sales

The cost of sales increased from Q1'17 amounting Baht 52.45 million, to be 50%

- Cost of Producer of ready-to-drink increased Baht 46.23 million, to be 49%, the increased cost of production is consistent with the increased revenue in the milk-manufacturing business.

- Cost of goods sold in business agriculture and dairy farm increased Baht 5.62 million, to be 60% because animal feed price increased.

(3) Commission income amount Baht 4.64 million, increased from Q1'17 amount Baht 2.31 million because delivery volume increased from same quarter last year.

(4) Administrative expenses amount Baht 13.45 million, decreased from the Q1'17 Baht 0.26 million near that of Q1'17.

(5) Expense of income tax for the year ending March 31, 2018 and 2017 consisted of the followings:

	(Unit: Million Baht)	
	<u>2018</u>	<u>2017</u>
- Current period income tax	2.84	0.55
- Income tax waiting for amortization	1.24	(0.03)
Total	<u>4.08</u>	<u>0.52</u>

**Analysis of financial status**

	(Unit: Million Baht)			
<u>Assets</u>	31 March 2018	%	31 December 2017	%
Trade and other receivables	114.65	9%	92.70	7%
Inventories	132.95	10%	104.83	8%
Investment in associated company	454.39	33%	483.96	36%
Property, plant and equipment	564.29	42%	558.59	42%
Biological assets – dairy cow	44.44	3%	44.28	3%
Others	40.42	3%	61.09	4%
Total assets	<u>1,351.14</u>	<u>100%</u>	<u>1,345.45</u>	<u>100%</u>

Total assets were Baht 1,351.14 million, increasing from the year 2017, amounting Baht 5.69 million .

- Trade and other receivables increased for Baht 21.95 million, because the Company delivery product to customer with Trade receivables increased consistent with the increased revenue in the milk-manufacturing business.
- Inventories increased for Baht 28.12 million, because the Company had order to be used for the production of raw material to customers increased.
- Investment in associated company decreased for 29.57 million Baht, because share of profit of associate.
- Property, plant and equipment increased for Baht 5.70 million, because investments in equipment for 18.16 million Baht, and calculate depreciation operation amount 12.46 million Baht.

- Biological assets – dairy cow increased for Baht 0.16 million, because gain from change in fair less estimated point-of-sale cost dairy cow
- Other assets were cash and equivalent transactions to cash, deferred income tax assets and assets not used in operation.

(Unit: Million Baht)

Liabilities	31 March 2018	%	31 December 2017	%
Bank overdrafts and short-term loan	29.84	6%	10.00	2%
Trade and other payables	90.81	10%	82.25	16%
Liabilities under financial lease agreement	60.04	15%	64.58	13%
Long – term loan	257.53	60%	265.68	53%
Others	79.42	15%	77.72	16%
<b>Total liabilities</b>	<b>517.64</b>	<b>100%</b>	<b>500.23</b>	<b>100%</b>

Total liabilities were 517.64 million Baht, increasing 17.41 million Baht,

- Bank overdrafts and short-term loan increased Baht 19.84 million because its subsidiary has repayment bill of exchange.
- Trade and other payables increased for 8.56 million Baht because the Company had a order to be used for the production of raw materials to customers increased.
- Liabilities under financial lease agreement decreased Baht 4.54 million paid to financial lease agreement period.
- Long – term loan decreased Baht 8.15 million during Q1'18 the company repayment loan Baht 15.15 million and received loan increased Baht 7 million.
- Other liabilities consisted of bank overdrafts form financial institutions, deferred tax liabilities, employee benefit obligation.

Please be kindly advised.

Yours sincerely,  
Abico Holdings Public Co., Ltd.

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(Mr. Kitti Vilaivarangkul)  
Managing Director