

May 12, 2018

Subject : Management Discussion and Analysis for quarter ended March 31, 2018

Attention : President

The Stock Exchange of Thailand

## 1. Operating Performance

### 1.1 Revenues

(Thousands Baht)				
	1 <sup>st</sup> Quarter		Change	
	2561	2560	Amount	%
Revenue from sales	367,923	327,683	40,240	12.28%
Other income	9,145	2,646	6,499	245.62%
Total Revenue	377,068	330,329	46,739	14.15%

Company total revenue of 1<sup>st</sup> quarter on year 2018 increased 14.15 percent from 1<sup>st</sup> quarter on year 2017. Revenue from sales increased 12.28 percent due to higher sale volume and higher sale volume in CNF incoterm, however most of revenue is from export sales which was affected by Thai baht appreciates against US dollar. Other income increased 245.62 percent, due to higher gain from exchange rate.

### 1.2 Cost of goods sold and expenses

(Thousands Baht)				
	1 <sup>st</sup> Quarter		Change	
	2561	2560	Amount	%
Cost of goods sold	-244,141	-231,102	-13,039	5.64%
Selling expenses	-54,924	-31,374	-23,550	75.06%
Administrative expenses	-19,711	-21,577	1,866	-8.65%
Finance Costs	-74	-8,530	8,456	-99.13%
Total	-318,850	-292,583	-26,267	8.98%

Cost of goods sold of 1<sup>st</sup> quarter on year 2018 increased 5.64 percent from 1<sup>st</sup> quarter on year 2017, due to higher sale volume and slightly lower in raw material price comparing to the same period last year.

Selling expenses of 1<sup>st</sup> quarter on year 2018 increased 75.06 percent from 1<sup>st</sup> quarter on year 2017, due to higher transportation cost from higher sale volume and higher freight cost from higher sales volume in CNF incoterm.

Administration expense of 1<sup>st</sup> quarter on year 2018 decreased 8.65 percent from 1<sup>st</sup> quarter on year 2017, due to loss from exchange rate that occurred in 1<sup>st</sup> quarter of last year.

Financial cost of 1<sup>st</sup> quarter on year 2018 decreased 99.13 percent from the same period last year, due to the repayment of long term loan.

As a result, cost of goods sold and expenses of 1<sup>st</sup> quarter on year 2018 slightly increased by 8.98 percent from the same period last year.

### 1.3 Profit

(Thousands Baht)				
	1 <sup>st</sup> Quarter		Change	
	2561	2560	Amount	%
Gross profit	123,782	96,581	27,201	28.16%
Profit before income tax	58,218	37,746	20,472	54.24%
Net profit for period	51,320	32,097	19,223	59.89%

From revenues, cost of goods sold and expenses factors, company net profit of 1<sup>st</sup> quarter ended March 31, 2018 was 51.32 million baht increased 59.89 percent from the same period last year.

Sincerely Yours,

(Ms.Orawan Sangwongkit)

Chief Financial Officer