

Date : November 13, 2018  
 Subject : Management Discussion and Analysis for the Quarter 3/2018  
 To : Managing Director  
 The Stock Exchange of Thailand

Kuang Pei San Food Products Public Company Limited would like to clarify for Quarter 3/2017 based on the company financial statement. The main items were as followed:

<b>Unit : Million Baht</b>	<b>2018</b>	<b>2017</b>	<b>%Increased (Decreased)</b>
Total Revenues	323.89	354.34	(8.68)
Total Expenses	318.60	335.68	(5.09)
Finance Costs	5.23	5.90	(11.36)
Profit before Income Tax Expenses	2.62	15.24	(82.81)
Income Tax Expensed	1.75	(2.76)	4.51
Net Profit	4.37	12.48	(64.98)
Equity	200.89	144.21	39.30

The Profit for Quarter 3/2018 was 4.37 million baht, while in Quarter 3/2017 net profit was 12.48 million baht decreased 64.98% and equity for Quarter 3/2018 was 200.89 million baht related to Quarter 3/2017 was 144.21 million aht to be increased 39.30% the reason are

**Operating results**

- The Company realized 323.89 million baht for revenue from canned seafood products and food services and others in the Quarter 3/2018 which compared to revenue of Quarter 3/2017 was 354.34 million baht, decreased by 30.75 million baht or (8.68%). While the cost of sales and services was 243.21 million baht in Quarter 3/2018, compared to cost of sales and services was 259.48 million baht in Quarter 3/2017, decreased by 16.27 million baht or (6.27%) because the cost of sales and services were decreased by the same direction of the revenue. The sales expenses amount 39.71 million baht in Quarter 3/2018 compared to Quarter 3/2017 amount 43.20 million baht or decrease by 3.49 million baht (8.08%) and the administrative expenses amount 35.69 million baht in Quarter 3/2018 compare to Quarter 3/2017 amount 33.0 million baht or increase 2.69 million baht (8.15%) selling and administrative expenditures in this quarter were increased. The net profit in Quarter 3/2018 was 4.37 million baht decreased from the same quarter of last year because the sales income was decreased and in this quarter, we have recorded the tax payment and increasing of labor expenses. For the nine months period ended at September 30, 2018 the company have net profit 24.46 million baht compared to the same period at September 30, 2017 we have net profit 38.70 million baht decreasing 14.24 million baht (36.80)%

**Balance Sheet**

- Total assets at September 30, 2018 was 842.60 million baht compared to December 31, 2017 which was 856.60 million baht. Because of cash was decreased from prepayment the rawmaterial for production plan.
- Total liabilities at September 30, 2018 was 641.71 million baht which was decreased 38.47 million baht or (5.66%) compared to December 31, 2017 which was 680.18 million baht because of payment for the debt to the debtor.
- Total Shareholders' Equity at September 30, 2018 was 200.89 million baht which was increased by 24.46 million baht compare to December 31, 2017 which was 176.43 million baht.

According to Quarter 3/2018 the company has less liabilities and has positive equity because of the debt restructuring and we have the net profit in every quarter.

Please be inform accordingly.

Yours sincerely,

(Mr.Taweesak Naraipratan)  
Chief Operating Officer