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February 22, 2019

Subject: Financial Position and Operating Performance of year 2018

Attention : The Director and President of the Stock Exchange of Thailand

Financial Position and Operating Performance of year 2018

Revenue from Sales

The Company and its subsidiaries' total revenue from sales for the year 2018 totaled 1,549.52 million baht, 1,594.61 million baht, and 1,722.70 million baht for year 2016, 2017, and 2018 respectively. As can be seen, the revenue from sale increased continuously every year. In the year 2018, increased orders and the market expansion in other countries of canned sweet corn and pouched sweet corn. However, the sale price per unit decreased, the severe price competition in the market and Thai Baht strengthen. As a result revenue from sales of year 2018 did not increase as much as expected.

For domestic market, revenue from sales increase lightly due to growth of sales in Corn seeds and fresh vegetable and fruit.

#### Detail of Domestic and Export Sales

	2016	2017	2018
Export Sales			
• Canned sweet corn (RKI)	1,019.67	1,025.18	1,123.41
• Fresh vegetable and fruit (AF)	170.58	175.58	152.49
• Pouched sweet corn (RKI)	213.75	234.16	234.19
<b>Total</b>	<b>1,404.00</b>	<b>1,434.92</b>	<b>1,510.09</b>
Domestic Sales			
• Canned sweet corn (RKI)	36.20	31.88	40.58
• Seeds (SCP)	66.64	85.79	72.97
• Others (RKI)	16.92	8.77	71.35
• Pouched sweet corn (RKI)	10.57	5.86	7.74
• Fresh vegetable and fruit (AF)	15.19	27.39	19.96
<b>Total</b>	<b>145.52</b>	<b>159.69</b>	<b>212.60</b>
<b>Total domestic and export sales</b>	<b>1,549.52</b>	<b>1,549.61</b>	<b>1,722.69</b>

#### Costs of Sale

The company has cost of sales of 1,089.83 million baht, 1,196.69 million baht, and 1,343.99 million baht in year 2016, 2017, and 2018 respectively. The cost of sales to revenue from sale ratio is 70.33%, 75.05% and 78.02%, for year 2016, 2017 and 2018 respectively. This ratio increased because the unit sale price decrease as mentioned above. Also, Sweet corn price and can packaging price, which are major portion of costs, increased in year 2018.

#### Gross profit

The company has gross profit of 459.69 million baht, 397.92 million baht and 378.71 million baht in year 2016, 2017 and 2018 respectively. Gross profit margin is 29.67%, 24.95% and 21.98% for year 2016, 2017 and 2018 respectively. due to the severe competition in the market, as a result decrease in sales price per unit and Thai baht strengthen against US Dollar (which is major currency in sale price) and effect from the cost increased.

## SG&A

SG&A of the Company consisted of salary and wages, Overtime payment, employees' benefit, management fee, maintenance fee, utility expenses and etc. The company has SG&A of 225.42 million baht, 233.49 million baht and 238.23 million baht in year 2016, 2017 and 2018 respectively. SG&A ratio is 14.55%, 14.64% and 13.83% for year 2016, 2017 and 2018 respectively. Selling expenses increased as same as sales. Although the Company will has been better administration for cost of sales and control expenses than previous year, as a result to revenue recognition and gross profit was decrease.

## Net Profit (Loss) for the Period (Attributable to Equity Holders of the Company)

The company has net profit (Attributable to Equity Holders of the Company) of 191.60 million baht, 141.82 million baht and 119.66 million baht in year 2016, 2017 and 2018 respectively. Net Profit margin is 12.37%, 8.89 and 6.95% for year 2016, 2017 and 2018 respectively. The reason for decrease in net profit are Thai baht strengthen against US Dollar, decrease in sale price and increase in cost of sales, which mentioned and explained above.

Please be informed accordingly.

Sincerely yours,

Miss Sineemas Sotpiparnukul

Chief Executive Officer