



Castle Peak

บริษัท คาสเซอร์พีคโฮลดิ้งส์ จำกัด (มหาชน)

CASTLE PEAK HOLDINGS PUBLIC CO., LTD.

ทะเบียนนิติบุคคลเลขที่ 0107537001056 สำนักงานใหญ่



URS is a member of Registrar of Standards (Holdings) Ltd.

**Registration number:** 0107537001056

**Date:** February 27, 2019

**Subject:** CPH Management Discussion and Analysis on operating results for year 2018 ended December 31, 2018

**To:** President.

The Stock Exchange of Thailand.

The results of operations of Castle Peak Holdings Limited (CPH) and its subsidiaries in year 2018 compared to the results for year 2017 are classified by business as follows:

	Year 2018	Year 2017
	Net Gain (loss) / THB	Net Gain (loss) THB
Garment Business	9,741,633.94	(92,962,678.28)
Real Estate Development	(14,403,001.55)	(4,305,171.15)
Other businesses	<u>(2,069,049.43)</u>	<u>(47,187.74)</u>
Total	<u>(6,730,417.04)</u>	<u>(97,315,037.17)</u>

**Garment business:**

Total sales in garment business in year 2018 were 1,537,533,390.91 Baht, compared to 1,117,248,825.04 Baht of sales year 2017. It increased 420,284,565.87 Baht or 37.62%. This resulted from the amount of orders increased. The cost of sales in year 2018 was 1,349,555,652.00 Baht, representing 87.77% of total sales. The reasons were the increasing of number of workers and machines in order to fulfill the production capacity. While, the cost of sales in year 2017 was 1,061,355,615.09 Baht, representing 95.00% of total sales. Moreover, in the year 2018, the air freight cost raised. As a result, there was the net profit amount 9,741,633.94 Baht in year 2018. Compared to year 2017, there was the net loss amount 92,962,678.28 Baht. The net profit increased 102,704,312.22 Baht.

**Property development business:**

Total sales in property development business in year 2018 were 52,616,668.85 Baht, compared to 72,853,834.00 Baht of sales in year 2017. It decreased 20,237,165.15 Baht or 27.78%. The reason was the small number of houses for sales due to most houses was under construction. Also, some buyers did not get the loans from financial institutions. Therefore, the sales dropped. The cost of sales in year 2018 was 36,610,703.76 Baht, representing 69.58% of total sales. While, the cost of sales in year 2017 was 45,096,262.01 Baht, representing 61.90% of total sales. As a result, in year 2018, there was the net loss amount 14,403,001.55 Baht. Compared to year 2017, there was the net loss amount 4,305,171.15 Baht. The net loss increased 10,097,830.40 Baht.

**Best Regards,**

**Mr. Boonchoo Pongchaloem**

**Chairman**