

Date : February 28, 2019

Subject : Management Discussion and Analysis for the year ended December 31, 2018

To : Managing Director

The Stock Exchange of Thailand

Kuang Pei San Food Products Public Company Limited would like to clarify for year 2018 based on the company financial statement. The main items were as followed:

Unit : Million Baht	2018	2017	%Increased (Decreased)
Total Revenues from sales and services	1,252.51	1,471.69	(14.89)
Total Expenses	1,234.85	1,375.31	(10.21)
Finance Costs	21.13	23.78	(11.41)
Profit before Income Tax Expenses	22.45	84.23	(73.35)
Income Tax (Expense)	(10.45)	(13.33)	(21.61)
Net Profit	22.44	70.90	(68.35)
Equity	190.50	176.43	7.97

The Profit for the 2018 was 22.44 million baht, while in the year 2017 net profit was 70.90 million baht decreased 48.46 % and equity for the year 2018 was 190.50 million baht related to the year 2017 was 176.43 million baht to be increased 14.07 million baht (7.97%) the reason are

Operating results

- The Company realized 1,252.51 million baht for revenue from canned seafood products and food services and others 25.93 million baht in the year 2018 which compared to revenue from canned seafood products and food services of the year 2017 was 1,471.69 million baht and others 11.63 million baht decreased by 204.88 million baht or (13.81%). While the cost of sales and services was 938.85 million baht in the year 2018 compared to cost of sales and services was 1,068.36 million baht in the year 2017 decreased by 129.51 million baht or (12.12%) because the cost of sales and services were decreased by the same direction of the revenue. The sales expenses amount 145.44 million baht in the year 2018 compared to the year 2017 amount 160.02 million baht or decreased by 14.58 million baht (9.11%) and the administrative expenses amount 150.56 million baht in the year 2018 compare to the year 2017 amount 146.93 million baht or increase 3.63 million baht (2.47%) because administrative expenditures in this year were increased because of the increased Salaries and Wages. The net profit in the year 2018 was 22.44 million baht because the company has the increased of cost of sales and services.

Balance Sheet

- Total assets at December 31, 2018 was 776.72 million baht compared to December 31, 2017 which was 856.60 million baht. Because liabilities was decreased.
- Total liabilities at December 31, 2018 was 586.22 million baht which was decreased 93.96 million baht or (13.81%) compared to December 31, 2017 which was 680.18 million baht because of the payment of debt restructuring and decreasing of trade payables.
- Total Shareholders' Equity at December 31, 2018 was 190.50 million baht which was increased by 14.07 million baht compare to December 31, 2017 which was 176.43 million baht.

Please be inform accordingly.

Your sincerely,

(Mr.Taweesak Naraipratan)
Chief Operating Officer