

May 15, 2019

The Managing Director

The Stock Exchange of Thailand

Subject : Management Discussion and Analysis for the three- month period ended 31 March 2019

Summary of the 1st Quarter performance

Unit: Million Baht

	2019	2018
Sales Revenue	1,723.97	1,863.61
Cost of Sales	1,616.25	1,797.16
Gross Margin	107.72	66.45
Profit (loss) on exchange rates	31.98	72.27
Other Incomes	9.16	11.49
Total Revenues	1,765.11	1,947.37
Selling & Administrative Expenses	115.05	120.12
Finance Costs	23.44	20.98
Net Profit	10.37	9.12
Earnings per share (Baht)	0.026	0.023

The company will explain the cause of change as follow:

1. Sales Revenue decreased by 139.64 million baht or 7.49% from 1,863.61 million baht in 2018 to 1,723.97 million baht in 2019 due to sales volume decrease, from strong competition of BOPA Film.
2. Sales cost to revenue ratio decreased by 2.68% (from 96.43% to 93.75%) due to production efficiency control.
3. Sales and administrative expense decreased by 5.07 million baht (from 120.12 million baht to 115.05 million baht) due to decrease in selling expenses according to sales volume decrease.
4. Profit from foreign exchange rate decreased by 40.29 million baht (from 72.27 million baht to 31.98 million baht) due to an impact from fluctuation of exchange rate. However the company attempted to reduce financial risk by hedging against forward exchange contracts.
5. The Net Profit increased by 1.25 million baht (from 9.12 million baht to 10.37 million baht) as a foresaid.

Yours Sincerely,

Kittiphat Suthisamphat
Executive Vice President