



11 February 2020

Subject: Explanation of operating result in the financial statement ended 31 December 2019

To: President of the Stock Exchange of Thailand

With reference to the financial statement of Q3 2019/2020 period ended 31 December 2019 submitted by Eastern Polymer Group Public Company Limited (the "Company"), please be informed that:

Million Baht				
	Q3 2019/20	Q3 2018/19	Increase (Decrease)	
	Oct 19 - Dec 19	Oct 18 - Dec 18		
Revenue from sale of goods	2,427.7	2,740.4	-312.8	-11.4%
Cost of Good sold	1,724.4	2,005.5	-281.2	-14.0%
Selling and administrative expense	521.3	534.9	-13.6	-2.5%
Finance costs	7.0	8.1	-1.1	-14.0%
Share of profit from investment in associates	43.2	43.1	0.1	0.2%
Net Profit	213.4	225.2	-11.9	-5.3%

The operating result of the Company for Q3 2019/2020 (1 October 2019 to 31 December 2019), the Company earned net profit of 213.4 million Baht which was 11.9 million Baht decrease or 5.3% decrease from net profit of 225.2 million Baht in Q3 2018/2019 (1 October 2018 to 31 December 2018), all due to the significant changes as follows:

1. Total revenue from sale of goods in the number of 2,427.7 million Baht decreased by 312.8 million Baht or 11.4% from the previous fiscal year. The sale growth rates compared to the previous fiscal year are from our 3 business categories as follows:
  - Aeroflex increased 7.8%
  - Aeroklas decreased 26.0%
  - Eastern Polypack decreased 0.3%

Aeroflex's revenue from sale grow both domestic and international especially in USA and Japan that require premium products

Aeroklas's revenue from sale is reduced from Q3 2018/19 due to both domestic and international automotive business.

Overall, Aeroflex and Aeroklas experienced the fluctuation in currency during the quarter

Eastern Polypack's revenue from sale was similar to previous year, the company emphasizes marketing of both food and beverage plastic packaging in addition to the expansion in industrial made to order sector.

2. Total cost of goods sold amounting to 1,724.4 million Baht decreased by 281.2 million Baht from the previous fiscal year or 14.0% due to benefit from raw material.
3. Selling and administrative expenses decreased by 13.6 million Baht or 2.5%, the company emphasize on the controlling of selling and administrative expenses.
4. Financial cost decreased by 1.1 million Baht or 14.0 %, from lower interest cost and management in source of fund.
5. Share of profit from investment in associates increase by 0.1 million Baht or 0.2%

For your information.

Respectfully Yours,

***Mr.Pawat Vitoorapakorn***

Chief Executive Officer

Eastern Polymer Group Public Company Limited