

- Translations -

At. ICHI-016/2019

November 11th, 2019

Subject: Report on operating results of Quarter 3 and the nine months of year 2019, ended
September 30th, 2019.

To: The President,
The Stock Exchange of Thailand

Ichitan Group Public Company Limited ("the Company") reported on operating results of Quarter 3
and the first nine months of year 2019, ended September 30th, 2019 as following;

Revenue

In Quarter 3/2019, the Company had earned sales revenue of 1,135.4 million baht, dropped 8.2% from the same quarter of previous year that had earned 1,237.2 million baht, in regard to export sales decreased by 34.7% because partner countries occurred economic slowdown situation. Notwithstanding the proportion of domestic sales increased by 8.3% due to improve marketing activities strategy and the ability to distribute products to traditional trade market more.

And, the period of 9M/2019 and 9M/2018, were 4,099.8 million baht and 3,891.7 million baht respectively, increasing by 208.1 million baht or 5.3% due to increase on domestic sales of 12.1%. Domestic sales grew from new product category and improves marketing activities strategy. Export sales decreased by 8.3% due to economic slowdown in partner countries.

Cost of sales

In Quarter 3/2019, the Company had cost of sales was 931.4 million baht or 82.0% of sales, while as the same quarter of previous year was 1,074.3 million baht or 86.8% of sales, the proportion decreased due to effective cost management.

For the period of 9M/2019 and 9M/2018 were 3,318.6 million baht and 3,289.5 million baht , or equivalent to cost of sales to revenue of 80.9% and 84.5% respectively, the proportion cost decreased due to effective cost management.

Distribution Costs

In Quarter 3/2019 and Quarter 3/2018, the Company had distribution cost equal to 91.2 million baht and 102.8 million baht respectively. The ratio of distribution cost to sales in Quarter 3/2019 was 8.0%, which decreased from the same period of previous year, which was 8.3% because effective promotion budget planning.

For the period of 9M/2019 and 9M/2018, the distribution costs were 331.4 million baht and 412.7 million baht respectively, or equivalent to 8.1% and 10.6% of sales revenue respectively. The distribution costs decreased because effective promotion budget planning.

Administrative Expenses

In Quarter 3/2019 and Quarter 3/2018, the Company had administrative expenses were 38.2 million baht and 31.4 million baht respectively, and the ratios of administrative expenses to sales were 3.4% and 2.5% respectively which slightly increased.

For the period of 9M/2019 and 9M/2018, the Company had administrative expenses were 115.3 million baht and 102.1 million baht, or equivalent to 2.8% and 2.6% of sales revenue respectively which slightly increased.

Finance Costs

The Company had finance cost in quarter 3/2019 was 8.1 million baht which decreased from the same quarter of previous year was 14.4 million baht because reduction of loan from financial institutions.

For the period of 9M/2019 and 9M/2018, the finance costs were 30.0 million baht and 46.5 million baht. Finance costs decreased because reduction of loan from financial institutions.

Share of profit (loss) of investment in joint venture

The Company had earned share profit of investment in joint venture in quarter 3/2019 of 1.2 million baht which improved from the quarter 3/2018 that had share of loss (11.6) million baht. The share of loss from investment decreased by 12.8 million baht due to improve the business strategy to distribute more products and succeeded in selling new products.

For the period of 9M/2019 and 9M/2018, the Company had share of loss (10.0) million baht and (98.4) million baht respectively. Share of loss of investment decreased by 88.4 million baht due to improve the business strategy and succeeded in selling new products.

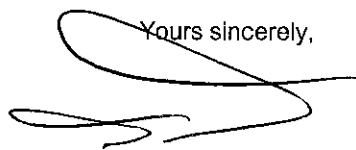
Net Profit

In Quarter 3/2019, the Company had earned net profit of 72.6 million baht or equivalent to net profit margin of 6.4% as compared to the same quarter of last year that net profit earned 23.7 million baht or equivalent to 1.9% of sales revenue, as a result net profit increased by 206.3% from the same quarter of previous year.

For the period of 9M/2019, the Company had earned net profit of 323.6 million baht or equivalent to net profit margin of 7.9% as compared to the same quarter of last year that net profit earned 26.2 million baht or equivalent to 0.7% of sales revenue, as a result net profit increased by 1,133.0% from the same period of previous year.

Please be informed accordingly.

Yours sincerely,



(Mrs. Eng Passakornnatee)

Senior Executive Vice President

Ichitan Group Plc.