

Date : February 28, 2020

Subject : The Explanation to SET concerning the operating result for the year 2019 more than 20%

Attention : The Director and Manager of the Stock Exchange of Thailand

For the year 2019 period ended of December 31, 2019 operating result of S.Pack & Print Public Company and Its Subsidiary in Statement of Comprehensive Income net profit 8.88 Million Baht in comparison with the previous year 2018 net profit of 1.31 Million Baht increase of 7.57 Million Baht or 577.86%. The reasons for such increases are:-

- Sale decreased from 1,111.09 Million Baht in 2018 to 1,076.93 Million Baht in 2019 a decreased of 34.16 Million Baht or 3.07% due to even through rubber glove industry expand production line but frozen foods, canning have not raw materials and electronics, electricity supply industry not growth due to economic slowdown.

- Cost of the sales and services of 2018 was 88.84% decreased to 88.13% at 2019 or decreased 0.71% from sales due to good efficiency on management cost of goods sold.

- Selling and administrative expenses of 2018 was 8.84% of sale, increased to 9.26% in 2019 an increase of 0.42% from sale due to personnel expenses increased by severance pay rate for employees who have worked for an uninterrupted period of 20 years or more are entitled to receive compensation at a rate of not less than the last 400 days from the past 300 days by The Labor Protection Act (No.7), B.E. 2019.

- Cost of finance decreased from 24.38 Million Baht from 2018 to 22.27 Million Baht in 2019 decreased 2.11 Million Baht due to decreased on using fund from financial institutions.

Please be informed accordingly.

Yours sincerely,

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(Mr. Yutaka Ito)  
President