

No. 009/2562

7 August 2019

Subject : Management Discussion and Analysis for the second quarter of 2019  
Ended June 30, 2019

To : President  
The Stock Exchange of Thailand

Moong Pattana International Public Co., Ltd. ("The Company") would like to report the operating results for the second quarter, ended June 30, 2019 which have already been audited by the Independent Auditor. Significant changes are summarized as the following:

- 1) Sales revenues in Q2/2019 at Baht 182.0 million, an increase of Baht 9.3 million from Baht 172.7 million in the same period of the previous year or an increase of 5.4%. The Increased in sales revenue are mainly due to increasing of baby and mom products, including higher sales through E-commerce and Laos-exporting channels.
- 2) Cost of sales in Q2/ 2019 increased by Baht 2.1 million from Baht 99.1 million in Q2/2018 to Baht 101.2 million or increased by 2.1%. Percent increasing of cost less than sales growth was driven by growth of premium quality products in baby and mom category.
- 3) Selling and administrative expense in Q2/2019 was Baht 94.1 million compared to Baht 87.7 million. An increasing Baht 6.4 million or 7.3% was mainly came from change in considered a post-employment benefit plan amendment and the Company has additional long-term employee benefit liabilities of Baht 2.2 million as The Labor Protection Act (No.7) B.E.2562 and increasing of advertising and promotion expenses of Baht 4.3 million.
- 4) Share of income from investment in associated company decreased by Baht 12.2 million or 56.6% from Baht 21.6 million in Q2/2018 to Baht 9.4 million in Q2/2019.

During the period, the Company has adopted TFRS 15 - Revenue from Contracts with Customers by using the full retrospective method of adoption. Trades spending per contracts are recognized as deductions against revenue from sales, instead of selling expense.

As a result of the factors mentioned above, the company had net profit (equity method) of Baht 2.6 million which decreased by Baht 32.9 million from Baht 35.5 million that including gain on selling Investment Property in Q2/2018.

Please kindly be informed.

Sincerely yours,



Mrs. Sureeporn Anuvatudom  
Joint Chief Executive Officer