



บริษัท ธนพิริยะ จำกัด(มหาชน)

สำนักงานใหญ่ : 329 หมู่ 8 ตำบลบ้านดู่ อำเภอเมืองเชียงราย จังหวัดเชียงราย 57100

THANAPIRIYA PUBLIC COMPANY LIMITED

Head Office : 329 Moo 8 Ban Du, Muang Chiang Rai, Chiang Rai 57100 Thailand

4 November 2019

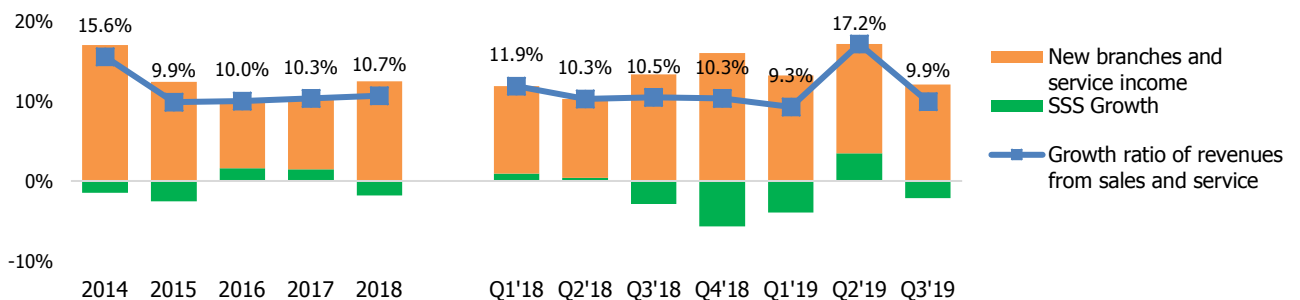
Subject Management Discussion and Analysis for the third quarter on 30 September 2019
 Attention Directors and Managers,
 Stock Exchange of Thailand

Thanapiriya Public Company Limited would like to clarify the organizational performance for the third quarter on 30 September 2019 as the following details;

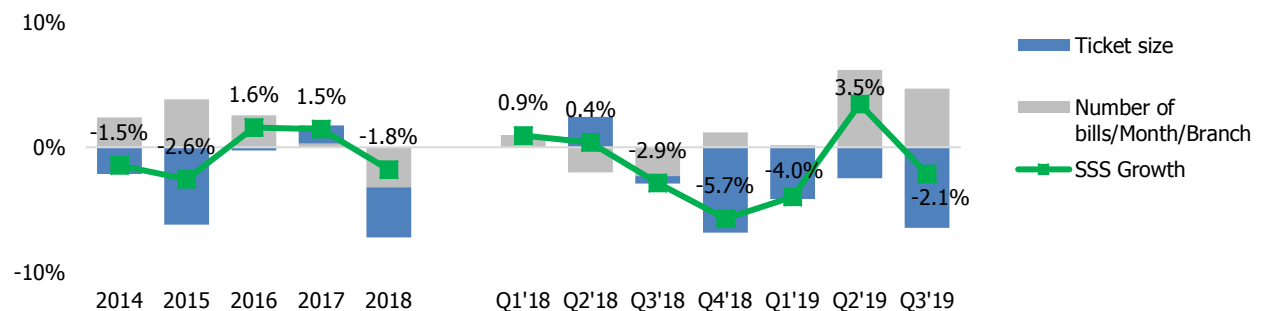
Operating performance overview for the third quarter on 30 September 2019

Unit: Million Baht	Amount			Change QoQ		Change YoY		Amount		Change YoY	
	Q3/19	Q2/19	Q3/18	Amount	%	Amount	%	9M19	9M18	Amount	%
Revenues from sales and services	484.32	503.77	440.54	-19.45	-3.86	43.78	9.94	1,449.69	1,292.90	156.79	12.13
Cost of sales and service	412.93	431.61	378.39	-18.68	-4.33	34.54	9.13	1,242.53	1,113.77	128.76	11.56
Gross profits	71.39	72.16	62.16	-0.77	-1.07	9.24	14.86	207.16	179.13	28.03	15.65
- Gross profit margin	14.74%	14.32%	14.11%					14.29%	13.85%		
Other revenues	2.82	4.04	2.43	-1.22	-30.25	0.39	15.89	9.77	7.53	2.24	29.75
Sales and administrative expenses	51.16	51.24	46.28	-0.08	-0.15	4.88	10.53	150.18	133.66	16.52	12.36
Financial cost and income tax expense	3.66	4.05	2.70	-0.39	-9.71	0.96	35.41	10.53	7.79	2.74	35.11
Net profit	19.39	20.91	15.60	-1.52	-7.28	3.79	24.30	56.22	45.20	11.02	24.38
- Net profit margin	3.98%	4.12%	3.52%					3.85%	3.48%		

Overview of revenue growth from sales and service



SSS Growth





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Revenue from sales and service

Total revenue from sales and service of third quarter 2019 was Baht 484.32 million, increased by Baht 43.78 million or 9.94% compared to same period of previous year. Total revenue from sales and service of nine-month period of 2019 was Baht 1,449.69 million, increased by Baht 156.79 million or 12.13%, This is mainly due to increase in revenue from the branch expansion compared to the same period last year.

Cost of sales and service

Total cost of sales and service of third quarter 2019 was Baht 412.93 million, increased by Baht 34.54 million or 9.13% compared to the same period of previous year. The proportion of sales and service cost was 85.26% which decreased by 0.42% from the same period of previous year. Total cost of sales and service of nine-month period of 2019 was Baht 1,242.53 million, increased by Baht 128.76 million or 11.56% compared to the same period of previous year, the proportion of sales and service cost to revenue was 85.71% which decreased by 0.44%.

Gross profit

In third quarter of 2019, the company recorded gross profit of Baht 71.39 million, increasing from the same period of previous year by Baht 9.24 million or 14.86% which the gross profit margin was 14.74%. For the nine-month period of 2019, the company recorded gross profit of Baht 207.16 million increasing from the same period of previous year by Baht 28.03 million or 15.65% which the gross profit margin was 14.29%. Such a significant increase was resulted from the higher gross profit from sales of branches compared to selling activities from the head quarter.

Sales and administrative expenses

In third quarter of 2019, the amount of sales and administrative expenses of the Company was Baht 51.16 million, increasing from the same period of previous year by Baht 4.88 million or 10.53%. For the nine-month period of 2019, the amount of sales and administrative expenses of the Company was Baht 150.18 million, increasing from the same period of previous year by Baht 16.52 million or 12.36%. Increase of expenses was identified as further selling expenses from expanded branches including employment expense from additional employees, depreciation and facility expenses. Also, the company has recorded expenses as additional liabilities of employee benefits which increased by Bath 1.21 million according to the applicable law in second quarter of 2019.

Net profit

In third quarter of 2019, the company recorded net profit in amount of Baht 19.39 million, increasing from the same period of previous year by Baht 3.79 million or 24.30% which net profit margin was 3.98%. For the nine-month period 2019, the company recorded net profit of Baht 56.22 million, increasing from the same period of previous year by Baht 11.02 million or 24.38% which net profit margin was 3.85%. The amount of net profit increased due to the increase in sales as well as an increase of gross profit margin.



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Financial position

Unit: Million Baht	As at	As at	Change	
	30 September 2019	31 December 2018	Amount	%
Total assets	847.38	839.16	8.23	0.98
Total liabilities	175.10	190.67	-15.58	-8.17
Total shareholders' equity	672.29	648.49	23.79	3.67

Assets

On 30 September 2019, the total assets of the Company were Baht 847.38 million, increased by Baht 8.23 million from the previous year or 0.98%. The major change in assets included cash and cash equivalents decreased by Baht 20.19 million, mainly due to the repayment of short-term loans under promissory notes with the drawdown at the year ended 2018, temporary investment increased by Baht 14.19 million, Land and equipment increased by Baht 22.32 million, the increase in assets mainly resulted from the expansion of the branch..

Liabilities

On 30 September 2019, the total liabilities of the Company were Baht 175.10 million, decreased by Baht 15.58 million from the previous year or 8.17%. The decreasing was due to the repayment of short-term loans from financial institutions amounting to Baht 12.00 million.

Shareholders' equity

On 30 September 2019, the total Shareholders' equity of the Company were Baht 672.29 million, increased by Baht 23.79 million from the previous year or 3.67%, which was an increase from the total comprehensive income for nine-month of 2019 amount of Baht 55.79 million and decreased by dividend payment amount of Baht 32.00 million.

Submitted for your acknowledgement.

Best Regards,

(Mr.Thawatchai Phutti-piriya)
Managing Director