

## Summary of the year 2016

The major change of the company in Q2/2016 since 2012-2013 was about the new plant setup at Soongnern district. In addition, this new arrangement invested on production machines which increased the production capacity from 180 tons to 300 tons per month and also waste reduction which conformed to the expansion of customer base. Moreover, the new machines are also result on modernizes the existing products to be more durable and improve higher quality standard. The overall results of 2 business segments, Manufacturer and distributor of plastic packaging and business investment can be shown as below.

	Financial statements in which the					
	Equity method is applied (In Thousand Baht)					
	For three month ended June 30,					
	Manufacturing and sales of packaging products		Investment		Total	
	2016	2015	2016	2015	2016	2015
Revenue from sale	69,400	77,970	-	-	69,400	77,970
Cost of sales and expenses	(87,407)	(105,708)	-	-	(87,407)	(105,708)
Profit (loss) from expenses	(18,007)	(27,738)	-	-	(18,007)	(27,738)
Share of profit (loss) of and associated company			12,343	1,753	12,343	1,753
Gain(loss) on sale of investment			344	173	344	173
Other income					202	991
Finance costs					(1,347)	(1,118)
Income tax (revenue) expense					(72)	10
Profit (loss) for the year					(6,393)	(25,949)

## Financial performance summary

### - Operating income

The sales revenue in Q2/2016 was 69.40 million baht, which decreased 10.99 percent compare to Q2/2015. As a result of a prolonged drought season.

Share of profit (loss) from investment in an associated company was 12.34 million baht which was 604.11 percent increased from Q2/2015 due to a increasing in real estate projects sold.

Profit on sale for investment in associated company in Q2/2016 was 0.34 million baht because of sale for investment in associated company. (Show in page 22- note)

Other income in Q2/2016 was 0.20 million baht which was a result of selling of the waste in production line.

- Operating cost

Cost of sales in Q2/2016 was 68.01 million baht, which decreased 19.69 percent. As a result of the serious waste control in a production line.

Selling expenses in Q2/2016 also decreased to 2.77 million baht or 14.28 percent decreased as a result of cost control and the aware of supplies uses.

Administrative expenses in Q2/2016 increased to 12.84 million baht or 4.79 percent increased because of restructuring corporate organization.

Management benefit expenses in Q2/2016 decreased to 3.78 billion baht or 31.69 percent decreased as a result of restructuring corporate organization.

A financial cost in Q2/2016 increased to 1.35 million baht or 20.48 percent increased because of the payment in accrued principle and interests. (Show in page 26- note)

- Balance Sheet and Financial Information

Total assets at Q2/2016 were 664.62 million baht which decreased from 690.99 million baht at 2015 which was a result of investments in associated sold. (Show in page 22-note).

Interest-bearing liabilities in Q2/2016 were 63.71 million baht which increased from 52.63 million baht at 2015 year as a result of short-term loans from related parties. (Show in page 26-note).

Net cash provided by (used in) investing activities for Q2/2016 were 31.61 million baht which decreased 9.42 million baht from 2015 due to losing in operation before changes in operating assets and liabilities was reduced; moreover, the company took action not only on a receivables management but also inventory management.

### **Outlook for 2016**

The company has achieved to keep the major customers base; however, in 2016 the company has to emphasize on waste reduction and control in the production line for the most efficiency. Furthermore, the company has to focus on not only increasing in gross income, but also channel of distribution and consideration of the new business investment to improve the further profit.