

## Summary of the year 2016

The major change of the company in Q3/2016 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					
	September 30,					
	Manufacturing and sales of packaging products		Investment		Total	
	2016	2015	2016	2015	2016	2015
Revenue from sale	70,649	91,373	-	-	70,649	91,373
Cost of sales and expenses	(100,182)	(119,812)	-	-	(100,182)	(119,812)
Profit (loss) from expenses	(29,533)	(28,439)	-	-	(29,533)	(28,439)
Share of profit (loss) of and associated company			2,767	1,931	2,767	1,931
Gain(loss) on sale of investment			1,930	1,507	1,930	1,507
Other income					970	2,614
Finance costs					941	1,068
Income tax (revenue) expense					(73)	7
Profit (loss) for the year					(24,734)	(23,462)

## Financial performance summary

### - Operating income

The sales revenue in Q3/2016 was 70.65 million baht, which decreased 22.68 percent compare to Q3/2015. As a result of resin prices have declined from the previous year. The need to adjust the sales price decreased by resin prices, the main raw material.

Share of profit (loss) from investment in an associated company was 2.77 million baht which was 43.29 percent increased from Q3/2015 due to associated company management with better performance and lower finance costs.

Profit on sale for investment in associated company in Q3/2016 was 1.93 million baht because of sale for investment in associated company. (Show in page 22- note)

Other income in Q3/2016 was 0.97 million baht which was a result of selling of the waste in production line and sell old equipment is not in use.

- Operating cost

Cost of sales in Q3/2016 was 67.85 million baht, which decreased 31.42 percent. As a result of the serious waste control in a production line.

Selling expenses in Q3/2016 also decreased to 2.39 million baht or 29.31 percent decreased as a result of cost control and the aware of supplies uses.

Administrative expenses in Q3/2016 increased to 17.36 million baht or 36.47 percent increased because of the loan fees, financial advisory fees and expenses Extraordinary General Meeting of Shareholders.

Management benefit expenses in Q3/2016 decreased to 3.66 billion baht or 23.12 percent decreased as a result of restructuring corporate organization.

A financial cost in Q3/2016 decreased to 0.94 million baht or 11.89 percent decreased because of the payment in accrued principle and interests. (Show in page 26- note)

- Balance Sheet and Financial Information

Total assets at Q3/2016 were 808.55 million baht which increased from 690.99 million baht at 2015 which was a result of investments in associated sold and proceeds from the capital increase of 187.57 million baht. (Show in page 22,33-note).

Interest-bearing liabilities in Q3/2016 were 58.79 million baht which increased from 52.63 million baht at 2015 year as a result of long-term loan from overseas company. (Show in page 26-note).

Net cash provided by (used in) investing activities for Q3/2016 were 59.04 million baht which increased 0.63 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.