

Summary of the year 2016

The major change of the company in 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)					
	Manufacturing and sales of packaging products		Investment		Total	
	2016	2015	2016	2015	2016	2015
Revenue from sale	298,863	323,292	-	-	298,863	323,292
Cost of sales and expenses	(385,642)	(432,943)	-	-	(385,642)	(432,943)
Profit (loss) from operations	(86,779)	(109,651)	-	-	(86,779)	(109,651)
Share of profit (loss) of and associated company			20,697	(19,781)	20,697	(19,781)
Declining in equity's from Investment in associates			-	(21,300)	-	(21,300)
Gain(loss) on sale of investment			(1,760)	1,909	(1,760)	1,909
Other income					2,694	30,490
Finance costs					5,955	4,888
Income tax (revenue) expense					(207)	(4)
Profit (loss) for the year					(70,896)	(123,217)

Financial performance summary

- Operating income

The sales revenue in 2016 was 298.86 million baht, which decreased 7.56 percent compare to 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 20.70 million baht which was 204.63 percent increased from 2015 due to associated company management with better performance and provision for impairment in 2015, nearly full already and lower finance costs.

Loss on sale for investment in associated company in 2016 was 1.76 million baht because of sale for investment in associated company. (Show in page 39- note)

Other income in 2016 was 2.69 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 2016 was 293.71 million baht, which decreased 14.21 percent. As a result of the serious waste control in a production line.

Selling expenses in 2016 also decreased to 10.11 million baht or 19.54 percent decreased as a result of cost control and the aware of supplies uses.

Administrative expenses in 2016 decreased to 54.46 million baht or 4.75 percent decreased as a result of cost control and the aware of supplies uses.

Loss from the sale and impairment on assets in 2016 was 11.64 million baht as a result of the old machines and parts are not in use.

Management benefit expenses in 2016 decreased to 15.71 billion baht or 24.61 percent decreased as a result of restructuring corporate organization.

A financial cost in 2016 increased to 5.95 million baht or 21.82 percent increased because of long-term loan from overseas company. (Show in page 44- note)

- Balance Sheet and Financial Information

Total assets at 2016 were 769.47 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 39,51-note).

Interest-bearing liabilities in 2016 were 44.69 million baht which decreased from 52.63 million baht at 2015 year as a result of loan payment. (Show in page 44-note).

Net cash provided by (used in) investing activities for 2016 were 72.45 million baht which increased 18.09 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 2017

The company has achieved to keep the major customers base; however, in 2017 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.