

*TRANSLATION*

29<sup>th</sup> February 2016

Subject Management Discussion and Analysis of the Consolidated Financial Statements  
for the Year 2015

To President  
The Stock Exchange of Thailand

In reference to the operating results for the year 2015 that has been certified by the Auditor, the Company's Consolidated Financial Statements had shown the profits of Baht 100.88 million, a Baht 14.36 million or 12.46% drop from the corresponding period last year. The Company would like to provide the reasons behind the decline in profits as follows:

1. Revenue from Sales increased by Baht 196.48 million or 3.78%, driven by improved sales volume growth. Cost of Sales increased by Baht 132.04 million or 3.54% and as a result, the company's Gross Profit increased by 64.44 million THB, or 4.36%;
2. Marketing support is a form of subsidy received from the Company's business partner in addition to lower concentrate price since 2014. In 2015, there was a decrease in marketing support income from overseas business partner in amount of Baht 36.04 million or 81.00%;
3. There was an increase in the gain from sales of fixed assets, mainly from the sales of land, in the amount of Baht 31.21 million or a 2,303.47%;
4. Foreign exchange gain increased by Baht 2.76 million or a 1,172.77%;
5. There was a decrease in Other Income in the amount of Baht 1.26 million or 8.44%;
6. Selling and Administrative Expenses rose by Baht 75.57 million or 5.44% as a result of an increase in Sales Promotion and Marketing Expenses and also in employees' rate of salary, welfare/compensation, to be in line with the current labor market condition in the south;
7. Finance Costs was lower by Baht 5.00 million or 14.59% as a result of a repayment in long-term loans;
8. Income Tax had increased by Baht 4.91 million or 1,784%, which had resulted in an increase in the profit of the Company's separate operating results (excluding dividend income).

As stated in the Separate Financial Statements of the year 2015, the Company's Net Profits were Baht 129.03 million, an increase of Baht 72.90 million or 129.88% from the same period last year as a result of an increase in dividend income.

## Profitability and Efficiency Ratios

Ratio	Year 2015	Year 2014
Gross Profit Margin (%)	28.57	28.41
Operating Profit Margin (%)	1.43	2.19
Net Profit Margin (%)	1.87	2.21
Return on Equity (%)	5.20	7.62
Return on Assets (%)	3.44	4.51

- Gross Profit Margin showed an increase of 0.16%. The increase was the result of a drop in the Cost of Sales of some of the products, with the second plant up and running.
- Operating Profit Margin showed a decrease of 0.76% as a result of an increase in the Selling and Administrative Expenses, as previously mentioned.
- Net Profit Margins had dropped by 0.34% as a result of an increase in the Selling and Administrative Expenses, as previously mentioned.
- Return on Equity had declined by 2.42%, as a result of a Baht 14.36 million decline in the Net Profit.
- Return on Assets had dropped by 1.07%, as a result of a Baht 14.45 million decline in the Profit before interest and income tax.

For your acknowledgement and further dissemination

Best regards,

Sec. Lt.

(Phairoch Rattakul)  
Chief Executive Officer