

No.CM.1/61/112

November 14, 2018

Subject Management Discussion and Analysis of Chonburi Concrete Product Public Company Limited for the quarter ended September 30, 2018

Attention President  
The Stock Exchange of Thailand

Attachment: Auditor report and Financial Statement for the quarter ended September 30, 2018

Chonburi Concrete Product Public Company Limited ("the Company") would like to declare the Company's performance by considering the Company's consolidated financial statements for the quarter ended September 30, 2018. The Company recorded a loss attributed to equity holders of the parent of THB 46.91 million, compared to the same period of the previous year which recorded a profit attributed to equity holders of the parent of THB 5.48 million. The details are as follows:

1. For quarter 3 of 2018, the Company had total revenue of THB 682.80 million, increasing by THB 49.66 million or rose 7.84 percent compared to the same period of the previous year. The total revenue was seen as the revenue stream from the Company of THB 453.53 million, increasing by THB 41.88 million or rose 10.17 percent. For the Company's subsidiaries' revenue of THB 229.27 million, increasing by THB 7.78 million or rose 3.51 percent since there were the increase in sales volume and sales price.

2. For quarter 3 of 2018, the Company had total cost of goods sold and services of THB 581.51 million which was accounted for 5.44 percent of its gross profit margin, in contrast, the same period of the previous year's total cost of goods sold and services was THB 576.78 million which was 7.78 percent of gross profit margin. The decrease of gross profit margin was the result of increase in main raw manufacturing material for quarter 3 of 2018 as the sales price is improving continuously.

3. For quarter 3 of 2018, the Company recorded THB 52.48 million for sales and administrative expenses, increasing by THB 9.32 million or rose 21.59 percent compared to the same period of the previous year since the Company set the allowance for doubtful account of THB 6.00 and administrative expenses of the subsidiary increased corresponding to the sales of THB 3.32 million.

4. For quarter 3 of 2018, the Company had the financial expenses of THB 12.54 million, increasing by THB 2.20 million or rose 21.31 percent compared to the previous year's balance of THB 10.34 million due to the additional debt for improving machineries and factories.

5. For quarter 3 of 2018, the company set provision for corporate income tax penalty from the Revenue Department of THB 77.06 million. The company is in the process of appealing the tax assessment.

Remark:        1) Gross profit and gross profit margin are based on the income from core business's activities such as revenue from sales and rental and service's income.  
                    2) Decimal numbers shown in this management discussion and analysis are likely to be different from the Company's financial statements due to the rounding to 2-digit and unit changed to million baht.

Please be informed accordingly,

Best regards

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(Mr. Pratheep Theepakornsukkasem)

Chairman of the Board of Directors

Chonburi Concrete Product Public Company Limited