



Bor. Hor. 043/2017

13th November 2017

**Attention: President
The Stock Exchange of Thailand**

Subject: Report of 3rd Quarter 2017 Financial performances (Revised)

The Company is pleased to report 3rd Quarter 2017 unaudited but reviewed consolidated financial performance of its Group.

Reference to the unaudited but reviewed financial statements ended 30th September 2017, Net Profit After Tax for the 3rd quarter 2017 stood at Baht 401 million compared to Net Profit After Tax of Baht 316 million in the corresponding period of 2016. Details of the Company's performance are as follows:

- 1 Sales and services stood at Baht 5,164 million, reflecting an increase of 7.74% from the same period of last year, was mainly attributable to the increase of selling price while the sales volume of asphalt product slightly increased by 0.85% compared to the same period of prior year.

Cost of sales and services in the 3rd quarter 2017 stood at Baht 4,543 million or 87.97% (91.30% in corresponding quarter in 2016) of sales and services before the allowance for diminution in value of inventory and hedging, The improvement of gross profit margin was mainly due to the increase of asphalt products sales together with low inventory crude cost brought forward from the 2nd quarter. Brent price increased from 47.92\$/bbl at the end of last quarter to 57.54\$/bbl. However, the Company managed to maintain a stable margin in the tough and challenging market conditions.

- 2 Selling and administrative expenses stood at Baht 35.7 million and Baht 291.3 million representing 0.69% and 5.64% of sales and services respectively. Comparatively, these expenses in the same period of 2016 stood at Baht 66.8 million and Baht 189.6 million or 1.39% and 3.96% of sales and services. The company is committed to controlling overhead expenses while improving the operating gross profit margin.
- 3 There was a recovery of doubtful account during 3rd quarter 2017 of Baht 53.9 million mainly from customers of an overseas subsidiary in China. There was no net increase in allowance for doubtful accounts for domestic sales. The allowance for doubtful accounts was based on the Company's policy for any debt outstanding more than 1 year to be fully provided.
- 4 The Group's cashflow generated from operations stood at Baht 729.60 million compared to Baht 474.85 million in corresponding period in 2016. This cashflow reflects robust cash generation ability from the Company and subsidiaries operations.



- 5 The Group's consolidated debt to equity ratio (D/E ratio) remained low at 0.51 comparing to 0.56 in corresponding period in 2016 due to decrease in long-term loan.
- 6 Financial expense in the 3rd quarter 2017 increased to Baht 25.92 million from Baht 19.19 million when compared with the same period of prior year due to the increase in interest rate.
- 7 Net Profit After Tax of Baht 401 million for the 3rd quarter 2017 represented earning per share of Baht 0.26 (par value of Baht 1 each) compared to Baht 0.20 per share in corresponding quarter of 2016 attributable to the equity shareholders of the Company.

Please circulate the above information to the public accordingly.

Sincerely yours,

Mr. Chaiwat Srivalwat
Managing Director