

No PO.149/2559

November 4<sup>th</sup>, 2016

Re: Submittal of Financial Statements and Clarification of the Operating Performances of S&P Syndicate Public Company Limited - for Q3/2016

To: President  
The Stock Exchange of Thailand

S&P Syndicate Public Company Limited (“the Company”) and its subsidiaries would like to submit herewith the Financial Statements for the 3 Month Period and 9 Month Period, ended September 30<sup>th</sup>,2016 and 2015, together with the clarification of the Company and its subsidiaries Operating Performances as follows:

**Operating Performances for Quarter ended September 30<sup>th</sup>,2016 (3<sup>rd</sup> Quarter)**

The Company and its subsidiaries presented a Net Profit for Q3/2016 at Baht120.99 Million, a Baht 70.66 Million decrease from the same Quarter of last year, or 36.87 percent, mainly from the following causes:

**Revenues from sales and services**

The Company and its subsidiaries reported the Revenue from Sales and Services at Baht 2,119.23 Million, a Baht 74.16 Million increase from the same period of last year, or 3.63 percent increase. The revenue increase was mainly from launches of marketing activities and increase in number of branches.

**Gross Profit Margin**

The Company and its subsidiaries reported a gross profit margin decrease from 47.31 percent in Q3/2105 to 44.20 percent in Q3/2016, caused mainly from increases in raw materials cost, i.e. much higher-than-last-year prices of meats, raw material prices for moon-cakes produced and sold during the Chinese festival, and increase in labor costs.

**Expenses**

The Company and its subsidiaries reported their selling and administrative expenses at Baht 776.64 Million, an increase of 46.49 Million, or 6.37 percent, due mainly to increase in labor costs, rent increase and depreciation expenses of new branches.

## **Operating Performances for 9 Month Period ended September 30<sup>th</sup>,2016**

The Company and its subsidiaries presented a Net Profit for the 9 Month Period of 2016 at Baht 345.54 Million, a Baht 92.34 Million decrease from the same period of last year or 21.09 percent, mainly from the following causes:

### **Revenues from sales and services**

The Company and its subsidiaries reported the Revenue from Sales and Services at Baht 5,737.78 Million, a Baht 215.88 Million increase from the same period of last year, or 3.91 percent, from increase in number of branches.

### **Gross Profit Margin**

The Company and its subsidiaries reported a gross profit margin decrease from 47.08 percent for the 9 month period of 2015 to 44.87 percent for the 9 month period of 2016, caused mainly from increases in raw material costs, higher meat prices and higher prices of raw materials for moon-cake, and labor cost increase.

### **Expenses**

The Company and its subsidiaries reported their selling and administrative expenses at Baht 2,193.31 Million, an increase of 119.12 Million, or 5.74 percent, due mainly to issuances of advertising media and marketing activities to promote sales, increase in labor costs, rent increase from changes in collection method, rent of new branches, and depreciation of new branches.

For your kind consideration. Also submitted herewith the Financial Statements for further informing to investors.

Your Sincerely

(KessudaRaiva)

President

S&P Syndicate Public Company Limited