



November 14, 2016

Subject: Explain for operation results for the Quarter 3 ended 30 September, 2016

To: President,  
The Stock Exchange of Thailand

CPL Group Public Company Limited (hereinafter refer to as “the Company”) is pleased to report the operation for the for the three-month period ended 30 September 2016. [The company had net loss Baht 0.81 million, which decreased from prior year that had net profit at Baht 1.64 million decreased 148.99%](#). The main reasons are as follow;

1. The Company had revenue from sales of Baht 380 million while the previous year was Baht 525 million. However, the management team realizes this matter and uses this timing to improve products, inventory management, and develop new business that could be a good affect and strengthened CPL in long-term.

2. The Company could manage the fluctuation of currency translation well. For this period, the Company gained on exchange rate amounted to Baht 3.9 million while making loss Baht 21.44 million last year.

3. The Company had loss on investment in associate amounted to Baht 6.72 million. The associated company is now engaging in the installation of machinery and equipment and is expected to continue at full production within this year. However, the associated company will allow the Company to manage raw material source better without the need to stock a lot of inventory like in the past. Also, it can help managing of raw materials to meet the needs of customers, which will help in cost management as well.

For the operation as of 30 September 2016, both assets and liabilities were increased from the previous period. For assets, it increased from cash and cash equivalents and short-term loan to associate. On the other hand, liabilities from normal business operation also increased from short-term borrowings and trade and other payables. However, it did not have any significant impact to the Company in terms of a



**CPL GROUP PUBLIC COMPANY LIMITED.**

聯誠股份有限公司

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financial risk management because the Company still has ability to pay interest as in liquidity perspective. Moreover, the debt to equity ratio was at 0.67 times which means that it accounted for only 0.67 times of equity.

Please be informed accordingly.

Sincerely Yours,

(Mr Suwatchai Wongcharoensin)

Director and Company Secretary