



Ref.No.Bor.Chor. 009/2018

February 28th, 2018

Subject : : Performance Statement for year ended 31 December 2017

Attention : The President, The Stock Exchange of Thailand

According to the separate financial statements and consolidated financial statements subsidiaries for the year ended 31 December 2017, Sub Sri Thai Public Company Limited ("The company") and its subsidiaries had the Net Loss of 21.37 million Baht which had decreased 118.22 million Baht or 84.69% compared with amount of The Net Loss of 139.59 million Baht of the operating result for the year ended 31 December 2016, mainly from loss on fair value adjustment of investment properties amounted 26.09 million Baht and impairment loss on assets amounted 155 million Baht in year 2016 and others. The company would like to clarify the operating result as follows :

1. The sales , service income and other income for the year ended 31 December 2017 by segment (according to note to consolidated interim financial statements for the year ended December 31, 2017) are as the following :
 - Warehouse and Wharf business had total sale and sevice income of 328 million Baht compared with amount of total sales and service income of 325 million Baht for the year ended December 31, 2016 which had increased 3 million Baht or 1% from rental revenue and document storage services.
 - Food and Beverage business had total sale of 2,694 million Baht compared with amount of total sales income of 2,708 million Baht for the year ended December 31, 2016 which had decreased 14 million Baht or 1% from economic slowdown which directly affects the consumers' spending.
 - Fashion business had total sale of 137 million Baht compared with amount of total sales income of 181 million Baht for the year ended December 31, 2016 which had decreased 44 million Baht or 24% due to effect of economic , intense competition and rapid changes of consumer behavior.
 - Other income had total other income of 153 million Baht compared with amount of total other income of 115 million Baht for the year ended December 31, 2016 which had increased 38 million Baht or 33% from sale member card, sale of premium goods , franchise and other revenues.



2. The cost of sales and services
 - 2.1) The cost of sales 1,152 million Baht compared with amount of total cost of sales 1,175 million Baht for the year ended December 31, 2016 which had decreased 23 million Baht or 2% from decreasing of sales income and well-stabilized under the effective collaboration between purchasing department, logistics department, marketing department, and branch employees through the application of effective procurement and inventory management systems, by proportion of cost of sales per total revenue of year 2016 and year 2017 35.22% and 34.65% respectively.
 - 2.2) The cost of services 248 million Baht compared with amount of total cost of sales 239 million Baht for the year ended December 31, 2016 which had increased 9 million Baht or 4% increasing from employee expenses , by proportion of cost of services per total revenue of year 2016 and year 2017 7.16% and 7.45% respectively.
3. The selling and administrative expenses (SG&A)
 - 3.1) The selling expenses 1,463 million Baht compared with amount of total selling expenses of 1,461 million Baht for the year ended December 31, 2016 which had increased 2 million Baht , by proportion of selling expenses per total revenue of year 2016 and year 2017 43.78% and 44% respectively.
 - 3.2) The administrative expenses 419 million Baht compared with amount of total administrative expenses of 384 million Baht for the year ended December 31, 2016 which had increased 35 million Baht or 9% increasing from remuneration of management and employees at office, administrative expenses, other expenses, and company recorded the extra transaction fee in 4Q/17 re: the ordinary share acquisition of Societe Langonnaise des Vins et Hotelleries SAS ("SLVH") 19 million Baht, by proportion of administrative expenses per total revenue of year 2016 and year 2017 11.51% and 12.59% respectively.
4. In the year 2016, The company arranged for appraisal of the fair value for the investment properties based on the appraisal value calculated by an independent appraiser using the income approach (according to TAS 40 (revised 2015) Investment Property). The company recorded loss on fair value adjustment of investment properties of total 26.09 million Baht .
5. Impairment loss on assets had decreased 155 million Baht due to the company arranged for appraisal of the recoverable amount of its assets for Fashion business (according to TFRS 36 (revised 2015) impairment of assets). The appraisal found that the recoverable amount of the assets was lower than their the book value and the company recorded impairment loss in the year ended December 31, 2016.



6. Finance cost 80 million Baht compared with amount 100 million Baht for the year ended December 31, 2016 which had decreased 20 million Baht or 20% is primarily due to the partial debt repayment.
7. Tax income (expense) (5) million Baht compared with amount of Tax income (expense) of 24 million Baht for the year ended December 31, 2016 which had increased 30 million Baht due the reversal of deferred tax (deferred tax liabilities) on impairment loss on assets in year 2016.

Please be informed accordingly.

Yours Sincerely

Sub Sri Thai Public Company Limited.

(Mr. Supasith Sukhanindr)

Managing Director