



บริษัท ไทยซูการ์ เทอร์มินัล จำกัด (มหาชน)

THAI SUGAR TERMINAL PUBLIC COMPANY LIMITED

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(Translation)

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Re: Management Discussion and Analysis for Q3/2018

To: President
The Stock Exchange of Thailand

The Company would like to clarify overall operation for 3 months of Q3 ended 30 September 2018 as follows

Consolidated Financial Statement								
Unit : Thousand Baht	Financial Statement for 3 months of Q3		Increase (Decrease)		Accumulated Financial Statement for 9 months		Increase (Decrease)	
	2018	2017	Amount	%	2018	2017	Amount	%
Revenues from Operation								
Revenue from sales	354,236	349,100	5,136	1.47	1,102,203	1,108,891	(6,868)	(0.62)
Revenue from rental and services	111,783	81,125	30,658	37.79	366,082	236,487	129,595	54.80
Total revenues from operation	466,019	430,225	35,794	8.32	1,468,105	1,345,378	122,727	9.12
Cost from operation								
Cost of sales	279,141	267,010	12,131	4.54	874,976	856,082	18,894	2.21
Cost of rental and services	61,522	44,918	16,604	36.97	177,918	134,949	42,969	31.84
Total cost from operation	340,663	311,928	28,735	9.21	1,052,894	991,031	61,863	6.24
Gross profit	125,356	118,297	7,059	5.97	415,211	354,347	60,864	17.18
Net Profit (Loss)	47,500	36,315	11,185	30.80	162,417	100,086	62,331	62.28
Net Profit (Loss) Ratio (%)	10.19	8.44			11.06	7.44		

*Net Profit (Loss) Ratio = Net Profit (Loss) for the Company/Total Overall Operating Income

Overall Operation for Consolidated Financial Statement

For the 3 months of Q3 - 2018, the Company and subsidiary have generated revenue from sales for 354,236 million baht when comparing with the same period of 2017, the revenue has been increased by 5.136 million baht or 1.47%, as well as the accumulated amount for 9 months of 2018 was 1,102.023 million baht when comparing with the same period 2017 decreased by 6.868 million baht or 0.62%. The mainly increased amount was caused by the increasing of the sale volume of wheat flour from **TS Flour Mill Public Company Limited (subsidiary)** and also the decreasing of sale volume of real estate from the Company.

For the 3 months of Q3 - 2018, the company has generated revenue from rental and services for 111.783 million baht when comparing with the same period of 2017, the revenue has been increased by 30.658 million baht or 37.79 as well as the accumulated amount for 9 months of 2018 was 366.082 million baht when comparing with the same period of 2017 increased by 129.595 million baht or 54.80%. The mainly increased amount was caused by the Company and **T S Warehouse Company Limited (subsidiary)** have generated port and rental services revenue increasing as well as **T S Transport and Logistic Company Limited (subsidiary)** has generated container port revenue increasing.



Cost of sale for 3 months of Q3 – 2018 was 279.141 million baht when comparing with the same period of 2017, the cost has been increased by 12.13 million baht or 4.54% and the accumulated amount for 9 months of 2018 was 874.976 million baht when comparing with the same period 2017 increased by 18.894 million baht or 2.21%. The mainly increasing of cost was caused by the increasing of sale volume of wheat flour to make the related cost of sale to be increased accordingly.

Cost of rental and services for 3 months of Q3 - 2018 was 61.522 million baht when comparing with the same period of 2017, the said amount has been increased by 16.604 million baht or 36.97% and the accumulated amount for 9 months was 177.918 million baht increased by 42.969 million baht or 31.84%. The main increasing was caused by the increasing of operation cost of warehouse including structure and equipment expenses which related to the increased revenue.

Therefore, the overall operation results for 3 months of Q3 – 2018 was 125.356 million baht when comparing with the same period of 2017 the said amount was increased by 7.059 million baht or 5.97% and the accumulated amount for 9 months of 2018 was 415.211 million baht when comparing with the same period of 2017 increased by 60.864 million baht or 17.18%

In conclusion of overall operation for 3 months of Q3 - 2018, the Company has generated net profit for 47.500 million baht when comparing with the same period of 2017 for 36.315 million baht, the net profit was increased by 11.185 million baht or 30.80% and the accumulated for 9 months, the Company has generated net profit 162.417 million baht, when comparing with the same period of 2017, net profit for 100.086 million baht increased by 62.331 million baht or 62.28%. The increasing amount was mainly caused by the Company and T S Warehouse Company Limited (subsidiary) have generated revenue from rental and transfer goods services increased from 2017 and T S Flour Mill Public Company Limited has generated revenue increasing from 2017.

Financial Statement for the Company								
Unit : Thousand Baht	Financial Statement for 3 months of Q3		Increase (Decrease)		Accumulated Financial Statement for 9 months		Increase (Decrease)	
	2018	2017	Amount	%	2018	2017	Amount	%
Revenues from Operation								
Revenue from sales	8,050	18,616	(10,566)	(56.76)	23,523	73,558	(50,035)	(68.02)
Revenue from rental and services	66,119	47,652	18,467	38.75	205,671	133,304	72,367	54.29
Total revenues from operation	74,169	66,268	7,901	11.92	229,194	206,862	22,332	10.80
Cost from operation								
Cost of sales	4,555	11,459	(6,904)	(60.25)	14,215	46,685	(32,470)	(69.55)
Cost of rental and services	23,180	18,532	4,648	25.08	75,714	65,072	10,642	16.35
Total cost from operation	27,735	29,991	(2,256)	(7.52)	89,929	111,757	(21,828)	(19.53)
Gross profit	46,434	36,277	10,157	28.00	139,265	95,105	44,160	46.43
Dividend revenue	-	42,689	-	-	-	59,291	-	-
Loss from decreased capital of subsidiary					(70,058)			
Net Profit (Loss)	26,107	55,268	(29,161)	(52.76)	(7,392)	74,096	(81,488)	(109.98)
Net Profit (Loss) Ratio (%)	35.20	83.40			(3.23)	35.82		

Overall operation for financial statement of the Company

For the 3 months of Q3 - 2018, the Company has generated revenue 8.05 million baht, when comparing with the same period of 2017 decreased by 10.566 million baht or 56.76% and the accumulated revenue for 9 months was 23.523 million baht when comparing with the same period of 2017 decreased by 50.035 million baht or 68.02%. The decreased amount was caused by the decreasing of real estate sale volume.



For the 3 months of Q3 - 2018, the company has generated rental and services revenue for 66.119 million baht, when comparing with the same period of 2017, the amount was increased by 18.467 million baht or 38.75% and the accumulated revenue was 205.671 million baht and increased by 72.367 million baht or 54.29%. The increased amount was caused by the increasing of utilization of transfer goods services from the last year.

Cost of sales for 3 months of Q3 - 2018 was 4.555 million baht, when comparing with the same period of 2017, the amount was decreased by 6.904 million baht or 60.25% and the accumulated amount for 9 months of 2018 was 14.215 million baht decreased from 2017 by 32.47 million baht or 69.55%. The decreased amount was related to decreasing of real estate sale volume.

Cost of rental and services for 3 months of Q3 - 2018 was 23.18 million baht, when comparing with the same period 2017, the amount was increased by 4.648 million baht or 25.08% and the accumulated amount for 9 months of 2018 was 75.714 million baht increased from 2017 for 10.642 million baht or 16.35% which caused by the increasing of transfer goods and services revenue.

Therefore, the overall operation results for 3 months of Q3 – 2018 was 46.434 million baht, when comparing with the same period of 2017, the amount was increased by 10.157 million baht or 28% and the accumulated amount for 9 months of 2018 the Company has generated gross profit for 139.265 million baht, when comparing with the same period of 2017, the amount was increased by 44.16 million baht or 46.43%.

In conclusion of overall operation for 3 months of Q3 - 2018, the Company has generated net profit for 26.107 million baht, when comparing with the same period of 2017, net profit was decreased by 29.161 million baht or 52.76%. The decreased amount was caused by the Company has received dividend for 42.689 million baht, when deducted from net profit for 3 months of Q3 – 2017, the Company has generated net profit from operation for 12.579 million baht, when comparing with the same period 2017, increased from 2017 by 13.528 million baht or 107.54%.

The accumulated amount for 9 months of 2018, the Company has generated net loss 7.392 million baht, when comparing with 2017 which generating net profit for 74.096 million baht, decreased by 81.488 million baht or 109.98%. The decreased amount was caused by the acknowledgement of loss from reducing capital by subsidiary for 70.058 million baht as well as the year 2017 the Company has generated revenue from dividend 59.291 million baht. In case of, the said transactions have been deducted from the net loss of 2018 and net profit of 2017, the Company will generate net profit for 62.666 million baht and when comparing with net profit of 2017 for 14.805 million baht, in the year 2018 the Company have generated revenue increasing for 47.861 million baht or 323.27%. The increased revenue was caused by the Company has generated revenue from transfer goods and other revenues increasing with including the Company has settled outstanding loan to make cost of fund reducing, the said will be affected to overall net profit increased.



Please be informed according.

Yours truly

-Signature-

(Mr. Chanachai Chutimavoraphand)
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