

AD 06/2017

May 11, 2017

Subject: Interim Management's Discussion and Analysis for the first quarter period ending March 31, 2017, of company performances.

To: The President of the Stock Exchange of Thailand.

According to Salee Colour Public Company Limited ("Color") report a financial statement for the first quarter for the three-month period ended of Mar 31, 2017 to the Stock Exchange of Thailand, the company performances resulted as NET PROFIT 3.39Million Bht which decreased by 5.44Million Bht, comparing to same period last year NET PROFIT 8.83Million Bht and equivalent to 62% decreased.

Company would like to summarize the highlight for those results as follows:-

1. Company achieved 261Million Bht total Sale and service incomes during the first quarter 2017, which increased 19Million Bht over 242Million Bht at the same period counted last year, equivalent to 8% increased, as the result of business expansion against defending market share policy.
2. During the first quarter 2017, major raw materials cost was continued to increase consequence to crude oil price increased. The continuing of our defending policy to delay passing of all these cost increment to convertors still affected to lower GP by another 2 %, under high competition circumstances. Moreover, overall selling & admin cost increased by 3.4Million Bht, which was equivalent to 10% cost increased, while comparing to same period counted last year.
3. Company set up the additional 1Million Bht provision for tax-payable against profitability business plan this year, since our Cumulative Lost was entirely covered in 2016.

Yours sincerely,

Mr. Kwanchai Nuttased

Managing Director