



Always Thinking Beyond
ซึ่ลึคคิต เพื่่ออนาคต เพื่่อคุณ

Management Discussion and Analysis

For the quarter and nine-month period ended
September 30th, 2017

Investor Relation

Email : investorrelation@seliccorp.com



Executive Summary

- Q3 revenue growth year on year at 15.03% with the amount of 153.29 million Baht compared to the same period resulted in 9 month period revenue of 434.32 million Baht with the growth of 4.05% year on year.
- Gross profit reports growth for the 3rd quarter at 1.49% year on year while the 9 month period shows the dip of 6.98% year on year.
- Net profit by quarter end reports at 15.37 Million Baht, down 45.05% compared to last year.

Statement of Income	For 9 months			Quarter		
Unit : Million Baht	2017	2016	%YoY	Q3/2017	Q3/2016	%YoY
Sales - Net	434.32	417.42	4.05%	153.29	133.26	15.03%
Other income	2.39	2.85	-16.34%	0.06	0.67	-91.07%
Total Revenue	436.71	420.28	3.91%	153.35	133.93	14.50%
Cost of Sales	318.09	292.48	8.76%	114.4	94.93	20.51%
Gross Profit (Excluding Other Revenue)	116.23	124.94	-6.98%	38.9	38.33	1.49%
Net Profit	15.37	27.97	-45.05%	2.96	6.16	-51.95%

Operating performance overview

Sales revenue

For the 9 month period, sales revenue reports at 434.32 million Baht with 4.05% increase compared to the same period of 2016. For the quarter 3 of 2017, sales revenue increase by 15.03% from Q3/2016 of 133.26 million Baht to 153.29 million Baht, an increase of 20.03 million Baht. This is due to the strong demand from both domestic and international markets.

Costs and Gross profit

Cost of sales has been gone up with the increase of 8.76% from 292.48 million Baht to 318.09 million Baht in the first 9 months of 2017. That causes the drop of gross profit from 124.94 million Baht to 116.23 million Baht mainly impacted from the stronger Thai Baht and the increase of cost for raw materials.

For the quarter 3/2017, gross profit can be maintained with slight increase of 1.48% year on year or 38.90 million Baht



Net Profit

Ending of 9 month period, net profit amounted to 15.37 million Baht which decrease from the same period of last year.

This is as per company's direction and planned earlier to invest in human resources which is the key factor of growth for the business contributed in higher administrative expense.

Other factor is according to company's brand and communication strategy to build higher brand awareness and visibility in the market. In the past 9 month, the company have had participated in exhibiting in the world and Asia tradefair events such as Interpack 2017 at Dusseldorf and Process and Packaging Asia 2017 and the latest Pack and Print 2017. Those such activities strongly build company visibility not only in terms of brand awareness but additionally company's brand image both domestically and internationally.

Cost and Expenses	For 9 months		
Unit : Million Baht	2017	2016	%YoY
Selling Expense	12.4	11.13	11.41%
Administrative Expense	87.14	77.93	11.82%

Domestic vs International market

Sales revenue from international continue to grow from last quarter and for the 9 month period amounted for 186.02 million Baht with increase of 9.69% year on year.

Statement of Income	For 9 months			Quarter		
Unit : Million Baht	2017	2016	%YoY	Q3/2017	Q2/2017	%QoQ
Domestic Sales	248.30	247.84	0.19%	85.16	77.40	10.02%
International Sales	186.02	169.58	9.69%	68.14	66.00	3.24%

Adhesive sales*(Breakdown for Selic Corp Public Company Limited Only, excluding related company.

Statement of Income	For 9 months			Quarter		
Unit : Million Baht	2017	2016	%YoY	Q3/2017	Q2/2017	%QoQ
Solvent	253.29	264.4	-4.20%	85.40	82.09	4.03%
Hotmelt	136.73	108.66	25.83%	52.43	47.25	10.96%
Water Based	29.04	21.03	38.09%	10.38	9.15	13.44%
Other	10.20	19.13	-46.68%	3.11	2.96	5.07%



Aligned with adhesive market demand, hotmelt and waterbased demonstrate the high growth in the first 9 month period of this year compared. Hotmelt indicates 25.83% and water based has a strong growth of 38.09%. Whereas Solvent shows decrease of 4.20%



Ek Suwatthanaphim

(Chief Executive Officer)
Selic Corp PCL.