

Message from the Chairman

2017 was still a challenging year for doing business in Thailand due to a number of factors, including global economic political uncertainty arising from policy changes in various countries, fluctuations in foreign exchange rates, as well as businesses being transformed by the digital economy. This resulted in the country's economy only growing slightly by 3.5% from last year.

Furthermore in 2017 the Company and its Subsidiary Companies had revenue from sales of Baht 4,950 million a decrease from the previous year of 5.8% due to a number of customers moving their production bases to reduce delivery times, along with contributing factors from the strength of the Thai Baht currency. However, the Company endeavored to find new customers in both the local market and foreign countries, to increase sales, and also reduce the risk of customer concentration. But it was not able to compensate fully the shortfall in sales mentioned above during the year. As a result, profit before income tax of Baht 325.2 million decreased from the previous year by 10.7 %.

Nevertheless, the Company remains committed to innovating to meet customer needs, not only for product development but also for a variety of associated services. Furthermore, management systems were developed in order to improve efficiency, and competitiveness, as well as enhancing human resource development to be able to drive and further support achieving future business growth.

Throughout the past thirty years, the Company has significantly contributed to help drive Thai economic development in terms of innovation in cosmetics manufacturing, along with promoting the extracts of local herbs, to increase business value, and also build awareness of Thai herbal products in international countries, and the world market. Thus, the Company has reaffirmed its commitment to be a global and socially responsible manufacturer of cosmetics. Additionally, in 2017 the Company was proud and honored to be the winner of many respective awards from the Stock Exchange of Thailand, such as:

- SET Awards 2017, Best Innovative Company Award.
- Outstanding SET Sustainability Award 2017 and Thailand Sustainability Investment 2017 : These awards are for outstanding companies with sustainable development, and for listed companies operating with good corporate governance, along with social and environmental responsibility.

On behalf of the Board of Directors, we would like to say thank you to all shareholders, business partners, management and employees for their participation and support of the Company's operations so that they have added economic value, and benefited society as well as the environment. Moreover, the Company is fully committed to conducting business with good corporate governance principles, so as to become a continuously sustainable organization going forward.



(Mr.Boonkiet Chokwatana)

Chairman