



Our ref. KWG 41/2017

12 May 2017

The President

The Stock Exchange of Thailand

King Wai Group (Thailand)  
Public Company Limited  
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138/108 Nares Road, Sipsaya,  
Bangrak, Bangkok 10500, Thailand  
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บริษัท คิง ไว กรุ๊ป (ประเทศไทย)  
จำกัด (มหาชน)  
ชั้น 30 อาคารจิวเวลเลอร์ เซ็นเตอร์  
138/108 ถนนนเรศ แขวงสี่พระยา  
เขตบางรัก กรุงเทพมหานคร 10500  
โทร: 02-237-1999  
โทรสาร: 02-237-2666

**Re: Explanation of difference in operating results for the 1<sup>st</sup> Quarter ended 31 March 2017**

Dear Sir,

The unaudited consolidated financial statements of King Wai Group (Thailand) Public Company Limited for the 1<sup>st</sup> quarter ended 31 March 2017 recorded of Baht 15.5m on loss before finance cost and tax which Baht 9.1m better than the same period last year.

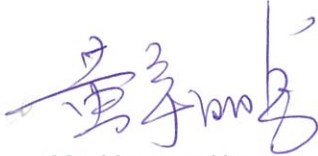
**For the three-month period ended 31 March (Unit: Million Baht)**

	<b>2017</b>	<b>2016</b>	<b>Percentage changed</b>
<b>Turnover</b>	34.2	59.4	(42.4%)
<b>Gross Profit</b>	11.0	14.8	(25.7%)
<b>Loss before finance cost and tax</b>	(15.5)	(24.6)	37.0%
<b>Loss for the period</b>	(34.4)	(36.5)	5.8%
<b>Loss attribute to equity holders of the Company</b>	(28.3)	(29.4)	3.7%

The performance improvements are mainly due to the following:

- (i) higher exchange gain of Baht 10.3m from the Singapore dollar currency loan;
- (ii) lower selling expenses of Baht 1.6m as a result of decrease in special business tax;
- (iii) lower administrative expenses of Baht 0.6m due to staff costs;
- (iv) the above are partially offset by higher finance cost of Baht 7.0m; and
- (v) lower gross profit of Baht 3.8m due to lower turnover.

Yours faithfully,



Mr. Yupeng Huang  
Chief Executive Officer

