

No. CC20190204ELE

February 27, 2019

Re: Clarification of the changes in operation performance for the year ended 31 December 2018

Attn: The President  
The Stock Exchange of Thailand

Cal-Comp Electronics (Thailand) Plc. ("the Company") would like to submit the analysis performance for the year ended 31 December 2018 compared to the year ended 31 December 2017 as follow:

1. Sales revenues

For the year 2018, the Company's sale revenues were Bt. 112,966.79 million, which increased 5.68% from last year. The increased of sales was mainly due to the increased in set-top-box products and computer peripherals such as hard disk drives and PCBA products as compared to previous year.

2. Cost of sales

For the year 2018, the Company's cost of goods sold was Bt. 107,611.73 million or 95.26% of sale revenues which increased from 94.50% in year 2017, and the gross margin decreased from 5.50% in 2017 to 4.74% in 2018. The decreased of gross profit margin was mainly due to differences in product mix and the impact from currencies appreciation as compared to previous year.

3. Selling and Administrative Expenses

For the year 2018, the Company's SG&A expenses were Bt. 4,247.97 million or 3.76% of the total sales revenue which was decreased from 3.95% of sales revenue over the same period last year. The SG&A is within reasonable range which was mainly in related to the consolidated expense of supporting the Company itself and its overseas subsidiaries' operation as well as marketing and managing expense to support existing customers.

4. Financial Cost

For the year 2018, the Company's financial cost was Bt. 818.90 million, increased for 51.02% from year 2017. The increased of financial cost was mainly in related to support the Company's and its subsidiaries' operation as well as the global economic uncertainties which causing the financing cost is slightly higher during the year of 2018 as compared to previous year.

5. Net Profit

For the year 2018, the Company's net profit was Bt. 231.56 million which decreased by 74.28%, and the Company's net profit margin decreased from 0.84% to 0.21% as compared to same period of previous year.

The decreased net profit was mainly impacted by the currencies appreciation especially during the first half of the year as compared to the same period of last year. However, the Company has continuing in enhanced its performance and has shown improvements under its business operation consideration for the second half of the year and is still aiming for an upgrade performance in the new coming years.

Please be informed accordingly

Sincerely Yours,

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(Mr. Khongsit Choukitcharoen)  
Managing Director