

No. CC20180803ELE

August 14, 2018

Re: Clarification of the changes in operation performance for the second quarter and the first half ended 30 June 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 second quarter and the first half ended 30 June 2018 compared to the second quarter and the first half ended June 30, 2017 as follow:

1. Sales revenues

For the second quarter of year 2018, the Company's sales revenue was Bt. 26,711.36 million, which increased by 9.03% compared to second quarter of last year.

For the first half of year 2018, the sales revenues were Bt. 51,301.44 million which increased by 2.91% compared to the first half of year 2017.

The increased sales revenue was mainly derived from the hard disk drive and PCBA products as compared to previous year.

2. Cost of sales

For the second quarter of year 2018, the Company's cost of sales was Bt. 25,430.04 million or 95.20% of sales revenue which increased from 93.53% of sales revenue in the second quarter of last year. The gross margin of second quarter of year 2018 decreased from 6.47% to 4.80% as compared to the same period of last year.

For the first half of year 2018, the cost of sales was Bt. 49,241.07 Million or 95.98% of sales revenue which increased from 94.15% in the same period of last year. The gross margin of the first half of year 2018 decreased from 5.85% to 4.02% as compared to the same period of last year.

The decrease of gross profit margin was mainly due to differences in product mix and the impact from currencies appreciation as compared to same period of previous year.

3. Selling and Administrative Expenses

For the second quarter of year 2018, the Company's SG&A expenses was Bt. 1,074.65 million or 4.02% of the total sales revenue which decreased from 4.47 % during the second quarter of year 2017.

For the first half of year 2018, the Company's SG&A expenses was Bt. 2,171.22 million or 4.23% of the total sales revenue which increased from 3.99 % during the same period of last year.

The SG&A was mainly in related to the consolidated expense of supporting the Company itself and its overseas subsidiaries as well as marketing and managing expense to support existing customers.

4. Financial Cost

For the second quarter of year 2018, the company had financial cost of Bt. 182.78 million which increased by 37.90% from Bt. 132.54 million as compared to the second quarter of year 2017.

For the first half of year 2018, the company had the financial cost Bt. 346.32 million which increased by 43.67% from Bt. 241.05 million as compared to the same period of last year.

The increased of financial cost was mainly in proportional to the Company's sales revenues and supporting operation as compared to same period of previous year.

5. Net Profit

For the second quarter of year 2018, the Company's net profit was Bt. 67.66 million, which decreased by 74.90% as compared to the same period of last year. Nonetheless, the Company net profit margin on total revenue has decreased from 1.10% to 0.25% compared to the same period of last year.

For the first half of year 2018, the Company's net loss was Bt. 196.12 million, which decreased by 129.22% compared to same period of last year. Nonetheless, the Company net profit margin on total revenue has decreased from 1.35% to -0.38% as compared to the same period of last year.

The decreased net profit was mainly impacted by the currencies appreciation during first half year as compared to the same period of last year. Nonetheless, the Company has continuing in enhance its performance and has shown improvements during second quarter onward.

Please be informed accordingly

Sincerely Yours,

(Mr. Khongsit Choukitcharoen)

Managing Director