



ELECTRONICS INDUSTRY PUBLIC COMPANY LIMITED



TH97/10561QM TW0017276EM IATF 0060636
SGS TH07/1033

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- Translation -

Ref. EIC-AD035/2018

November 13, 2018

Subject Management Discussion and Analysis for the Six-Month Period Performance Ending September 30, 2018

To President
The Stock Exchange of Thailand

The Board of Directors of Electronics Industry Public Company Limited (the "Company") No. 9/2018 convened on November 13, 2018 has passed a resolution to certify the financial statements and the performance for six-month period ending September 30, 2018 which has been audited by the Auditor.

The overall of the Company's performance and financial status can be summarized as follows:

Income Statement

Unit: Thousand Baht

Performance (Income Statement)	Q3.2018	Q3.2018	Increase/(decrease)	%
Income				
Income from Sale of Goods	140,004	151,554	(11,550)	(7.62)
Income from Service	81,443	-	81,443	100.00
Cost of Sale of Goods	(108,549)	(99,489)	(9,060)	(9.11)
Cost of Service	(42,149)	-	(42,149)	100.00
Gross Profit	70,749	52,065	18,684	35.89
Reversal of doubtful debt	4,640	3,170	1,470	46.37
Other Income	5,859	3,210	2,649	82.52
Profit before Expense	81,248	58,445	22,803	39.02
Sale Expense	(8,072)	(5,225)	(2,847)	54.49
Administrative Expense	(38,128)	(32,421)	(5,707)	17.60
Directors and Executives' Remuneration	(11,842)	(10,193)	(1,649)	16.18
ขาดทุนจากการจำหน่ายเงินลงทุนในบริษัทย่อย	-	(25)	25	(100.00)
Profit (loss) from Exchange Rate	(1,700)	(5,582)	3,882	(69.54)
Profit (loss) before Finance cost and Income Tax	21,506	4,999	16,507	330.21
Finance Cost	(5,577)	(1,493)	(4,084)	273.54
Profit (loss) before Income Tax	15,929	3,506	12,423	354.34
Income Tax Expense	(10,495)	-	(10,495)	100.00
Annual Net Loss	5,434	3,506	1,928	54.99
Comprehensive Profit (loss) for Period	5,434	3,506	1,928	54.99

In the 3rd quarter of 2018, the Company had income from the sale of goods and provision of services which increased from Baht 151.55 million to Baht 221.45 million by Baht 69.83 million or equivalent to 92.38% when compared with the same period of the previous year as a result of a reduction in income from the billboard rental service invested by the Company in October 2017 in the amount of Baht 81.44 million, and the income from the sale of goods in the amount of Baht 11.55 million or equivalent to 7.62%. The cost of sale of goods and provision of services increased by Baht 51.30million from the previous year or equivalent to 51.56%. The said increase was caused mainly by the cost of billboard rental service of Baht 42.15million.

Gross profit in the 3rd quarter of 2018, when compared with the same period of the previous year, increased from Baht 52.07 million to Baht 70.75 million by Baht 18.68 million or 35.89%. The increase was caused mainly by the income from the billboard rental service which had gross profit at a rate of 48.25 %.

Other income in the 3rd quarter of 2018, when compared with the same period of the previous year, increased by from Baht 3.21 million to Baht 5.86 million by Baht 2.65 million or 82.52%. The increase was caused mainly by the income from interest on the fund invested in the short-term bill of exchange.

Sale Expense

The Company's sale expense in the 3rd quarter of 2018 was Baht 8.07 million or 3.65% of the total income from the sale of goods and provision of services. When compared with the same period of the previous year where the sale expense was equivalent to Baht 5.22 million, it increased by Baht 2.85 million or 54.49%. In this regard, the sale expense increased mainly because of the business of billboard rental service invested by the Company during the end of the previous year.

Administrative Expense

In the 3rd quarter of 2018, the administrative expense was in the amount of Baht 38.14 million or 17.22% of the total income of the sale of goods and provision of services. It increased by Baht 5.72 million when compared with the same period of the previous year where the administrative expense was equivalent to Baht 32.42 million. In this regard, the administrative expense increased mainly because of the business of billboard rental service invested by the Company during the end of the previous year.

Loss from Disposition of Fund Invested in Subsidiary

In the 3rd quarter of 2018, the Company suffered the loss from the disposition of investment fund that decreased by Baht 0.03 million when compared with the same period of the previous year as in the 3rd quarter of 2017, the loss was caused by the disposition of the investment fund in Thai Prime Investment Co., Ltd.

Loss from Exchange Rate

In the 3rd quarter of 2018, the Company suffered the loss from exchange rate in the amount of Baht 1.70 million or 1.21% of the sale of goods. The loss reduced from the same period of the previous year due to the fluctuation of the Thai Baht.

Finance Cost

The Company's financial cost in 3rd quarter of 2018 was at Baht 5.58 million increasing at Baht 4.08 million that was compared with the same quarter of previous year which of the financial cost being equivalent to Baht 1.49 million. As the increase portion was divided to the interest under the financial lease agreement at Baht 2.80 million, and the interest payable of the Company and the Subsidiary was reduced at Baht 1.28 million.

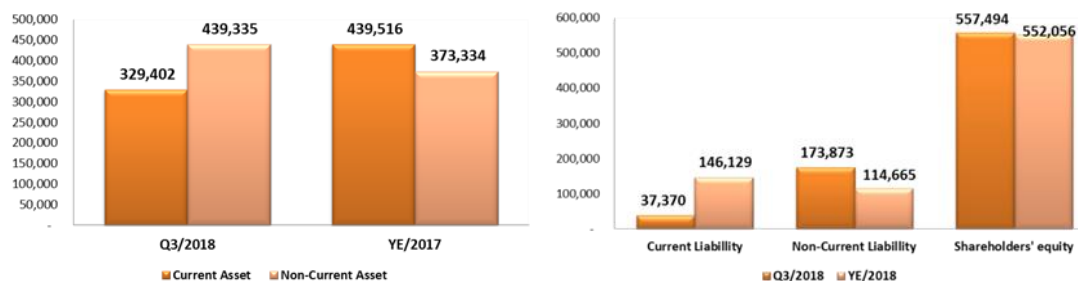
Income Tax Expense

In the 3rd quarter of 2018, the Company had income tax expense in the amount of Baht 10.50 million which incurred from deferred tax asset in the amount of Baht 2.64million and corporate income tax of the subsidiaries in the amount of Baht 7.86million.

Net Profit (Loss)

The Company's net profit (loss) in the 3rd quarter of 2018 and the 3rd quarter of 2017 was equivalent to 5.70 and 3.51 respectively, which were equivalent to the rate of net profit(loss) at 2.57 and 1.58 % of the total income of the Company respectively. The main factor which resulted in a substantial difference between the net profit(loss) and the rate of net profit (loss) in the 3rd quarter of 2018 and the performance in the 3rd quarter of 2017 was the income which increased from the business of billboard rental service.

Financial Statements



The Company's total assets as of September 30, 2018 was equivalent to Baht 773.15 million which decreased by Baht 39.70 million which consisted of current assets of Baht 329.40 million which decreased by Baht 110.11 million from the end of the previous year and non-current assets of Baht 443.75 million which increased by Baht 70.41 million from the end of the previous year as a result of a decrease in cash and cash equivalent of Baht 81.24 million, temporary investment fund of Baht 84.57 million, account receivable of Baht 5.99 million, deposit at financial institutions used as collateral of Million 2.06 Baht, intangible asset of Baht 0.07 million, the deferred income tax reducing by Baht 7.48 million, the inventory increasing by Baht 8.68 million, the prepaid shares payment and the interest receivable increasing by Baht 53 million, the deduction of the depreciation for the building and equipment – net increasing by Baht 74.70 million, and other assets increasing by Baht 5.32 million.

The Company's the total liabilities as of 30th September, 2018 was reduced by Baht 55.40 million or 383.31% that consisted of the current liabilities at Baht 37.37 million reducing by Baht 118.76 million from the

previous year end, and the fixed liabilities at Baht 178.02 million increasing by Baht 63.36 million from the previous year end. The main factor is arisen from the reduction of account payable and overdraft. In addition, the account payable under the financial lease agreement was increased as well as the rental fee of the factory building of EIC Semi was adjusted under the new lease agreement.

The Company's equity as of September 30, 2018 was Baht 557.76 million which increased by Baht 5.70 million or 0.81% from the end of the previous year as a result of the profit in the 3rd quarter of 2018.

Sincerely yours,

(Mr. Kusol Sangkananta)

Director/Chief Executive Officer