

No. CC20200505ELE

May 12, 2020

Re: Clarification of the changes in operation performance for the first quarter ended 31 March 2020

Attn: The President
The Stock Exchange of Thailand

Cal-Comp Electronics (Thailand) Plc. ("the Company") would like to submit the analysis performance for the first quarter ended 31 March 2020 compared to the first quarter ended 31 March 2019 as follow:

1. Sales revenues

For the first quarter ended 31 March 2020, the Company's sale revenues were USD 691.81 million (or equivalent to Baht 22,005.03 million), which decreased 18.17% from last year.

The decreased sales revenue was mainly derived from both computer peripherals and telecommunication products such as set-top-box, the hard disk drive products and printer products as compared to previous year. The COVID-19 epidemic situation has influenced and caused China's and Malaysia's supply chain to be temporary closed down during the period which therefore caused material shortage and postponed the production for the Company and the customers.

2. Cost of sales

For the first quarter ended 31 March 2020, the Company's cost of goods sold was USD 663.71 million (or equivalent to Baht 21,111.47 million) or 95.94% of sale revenues which increased from 95.26% in year 2019, and the gross margin decreased from 4.74% in 2019 to 4.06% in 2020.

The decrease of gross profit margin was mainly due to differences in product mix and the impact derived from the new factory in China just started its operation which has not yet reach breakeven..

3. Selling and Administrative Expenses

For the first quarter ended 31 March 2020, the Company's SG&A expenses were USD 36.11 million (or equivalent to Baht 1,148.57 million) or 5.22% of the total sales revenue which increased from 4.02% of sales revenue over the same period last year.

The increased SG&A 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 as compared.

4. Financial Cost

For the first quarter ended 31 March 2020, the Company's financial cost was USD 5.43 million (or equivalent to Baht 172.57 million), decreased by 35.49% from year 2019.

The decrease of financial cost was mainly in related to support the Company's and its subsidiaries' operation as well as impact by the averaged lowered interest rate as compared to previous year.

5. Net Profit

For the first quarter ended 31 March 2020, the Company's net profit was USD 2.83 million (or equivalent to Baht 90.11 million) which increased by 21.74%, and the Company's net profit margin increased from 0.28% to 0.41% as compared to same period of previous year.

The increased of net profit was mainly derived from an overall improved business management from during the period as compared previous year.

Please be informed accordingly

Sincerely Yours,

(Mr. Khongsit Choukitcharoen)
Managing Director