

No. CC20221104ELE

November 11, 2022

Re: Clarification of the changes in operation performance for the third quarter and the nine-month period ended 30 September 2022

Attn: The President
The Stock Exchange of Thailand

Cal-Comp Electronics (Thailand) Pcl. ("the Company") would like to submit the analysis performance for the third quarter and the nine-month period ended 30 Sep 2022 compared to the third quarter and the nine-month period ended 30 Sep 2021 as follow:

1. Sales revenues

For the third quarter of year 2022, the Company's sales revenue was USD 1,344.66 million, (or equivalent to Baht 49,839.89 million) which increased by 34.98% compared to third quarter of last year.

For the nine-month period of year 2022, the sales revenues were USD 3,617.06 million (or equivalent to Baht 126,792.13 million) which increased by 27.09% compared to the nine-month period of year 2021.

The increased in sales revenue was mainly due to sales contribution from smart wearable devices and other computer peripherals products as compared to the previous year.

2. Cost of sales

For the third quarter of year 2022, the Company's cost of goods sold was USD 1,283.11 million (or equivalent to Baht 47,558.58 million) or 95.42% of sale revenues which increased from 1.31% in the third quarter of last year, and the gross margin of the third quarter of the year 2022 decreased from 5.81% to 4.58% as compared to the same period of last year.

For the nine-month period of year 2022, the cost of sales was USD 3,457.13 million (or equivalent to Baht 121,175.61 million) or 95.58% of sales revenue which increased from 94.53% in the same period of last year. The gross margin of the nine-month period of the year 2022 decreased from 5.47% to 4.42% as compared to the same period of last year.

The decreased of gross profit margin was mainly derived by the increased sales demand from some new products which are not yet breakeven as compared to same period of previous year.

3. Selling and Administrative Expenses

For the third quarter of year 2022, the Company's SG&A expenses were USD 40.24 million (or equivalent to Baht 1,491.62 million) or 2.99% of the total sales revenue which decreased from 3.66% of sales revenue over the same period last year.

For the nine-month period of year 2022, the Company's SG&A expenses were USD 123.33 million (or equivalent to Baht 4,303.13 million) or 3.41% of the total sales revenue which decreased from 4.25% during the same period of last year.

The SG&A was mainly 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 third quarter of year 2022, the Company's financial cost was USD 10.32 million (or equivalent to Baht 382.59 million), which increased by 140.85% as compared to the third quarter of the year 2021.

For the nine-month period of year 2022, the company had the financial cost USD 21.73 million (or equivalent to Baht 770.67 million), which increased by 68.07% from USD 12.93 million (or equivalent to Baht 409.79 million) as compared to the same period of last year.

The increased of the financial cost was mainly related to support the Company operation as well as impact by the averaged higher interest rate as compared to the previous year.

5. Net Profit

For the third quarter ended 30 Sep 2022, the Company's net profit was USD 8.78 million (or equivalent to Baht 325.65 million) which decreased by 45.28%, as compared to the same period of last year. The Company's net profit margin on total revenue has decreased from 1.61% to 0.65% as compared to the same period of the last year.

For the nine-month period of year 2022, the Company's net profit was USD 19.33 million (or equivalent to Baht 677.07 million), which increased by 0.11% compared to the same period of last year. The Company's net profit margin on total revenue has decreased from 0.68% to 0.53% as compared to the same period of last year.

The increased net profit was mainly in related to the increased sales revenue as well as overall improved business management even during the pandemic situation as compared to previous year.

Please be informed accordingly

Sincerely Yours,

(Mr. Khongsit Choukitcharoen)
Managing Director