

November 14, 2019

Subjects : Clarification of operating results for the Q3/2019

Attention : The Director and Manager of the Stock Exchange of Thailand

The Consolidated net profit of Eastern Printing Public Co., Ltd. (EPCO) for Q3/2019 is Baht 54.27 million in comparison with net profit of Baht 26.73 million for the same period previous year, an increase of Baht 27.54 million or 103.03% and for the nine-month ended of September 30, 2019 is Baht 226.07 million in comparison with net profit of Baht 184.84 million for the same period previous year, an increase of Baht 41.23 million or 22.31%.

Summary of the company's operating result and subsidiaries as follows:

Unit : Million Baht

The Operating results of	For the Quarter 3 ended September 30,				For nine-month Ended September 30,			
	2019	2018	Changes	%	2019	2018	Changes	%
Revenues :								
Revenues from sales and services	412.28	249.29	162.99	65.38	1,111.89	683.59	428.31	62.66
Other income	15.47	24.86	(9.39)	(37.77)	29.55	26.49	3.06	11.56
Total revenues	427.74	274.14	153.60	56.03	1,141.44	710.08	431.37	60.75
Expenses :								
Cost of sales and services	219.88	134.56	85.32	63.41	635.01	383.02	251.99	65.79
Administrative and selling expenses	76.44	43.14	33.30	77.19	191.24	132.13	59.10	44.73
Total expenses	296.32	177.70	118.62	66.75	826.24	515.15	311.10	60.39
Share of profit on investment in associated company	122.74	(27.61)	150.35	544.55	294.50	234.09	60.41	25.80
Finance cost	81.94	58.36	23.58	40.40	257.25	178.05	79.19	44.48
Profit before income tax	172.23	10.47	161.76	1,544.99	352.44	250.96	101.49	40.44
Income tax expenses	(1.55)	2.44	(3.99)	(163.52)	25.95	7.63	18.32	240.06
Net profit attributable to Owners of the Company	125.01	8.62	116.39	1,350.23	226.07	184.84	41.23	22.31

The main reasons for the significant changes are as follows: -

Revenue from sales and services

For the nine-month of 2019, it was Baht 1,111.89 million, increased by Baht 428.31 million or 62.66% from the increasing of printing business in come Baht 123.04 million or 41.17% compared to the same period of last year. The increase in revenue was from World Printing and Packaging Co., Ltd. (“WPP”) (Old: WPS (Thailand) Co., Ltd. (“WPS")), a subsidiary company, in which the parent company holds 99.99% (As of September 30, 2019) of it’s shares amount Baht 130.21 million. Revenue from electricity sales increased by Baht 305.25 million or 79.34% from Vietnam Project Baht 155.01 million, Japan Project Baht 123.14 million and the others project in Thailand Baht 31.82 million.

For the third quarter of 2019, it was Baht 396.63 million, increased by Baht 204.26 million or 106.18%. The main reason was from the increase of printing business income Baht 23.05 million or 34.02% compared to the same period of last year. The increase in revenue was from electricity sales increased by Baht 181.21 million or 145.41% from Vietnam Project by Baht 125.43 million and Japan Project by Baht 39.63 million.

Cost of sales

For the nine-month of 2019, it was Baht 635.01 million, increased by Baht 251.99 million or 65.79%. The main reason was from the cost of printing business increased by Baht 136.12 million compared to the same period of last year which was caused by the cost of WPP in the amount Baht 126.92 million. The power plant cost increase by Baht 115.87 million from the Vietnam Project by Baht 58.04 million and Japan Project by Baht 56.74 million.

For the third quarter of 2019, it was Baht 216.38 million, increased by Baht 105.67 million or 95.50%. The main reason was from the power plant cost increased by the Vietnam Project by Baht 48.26 million, Japan Project by Baht 25.72 million and Project in Thailand Baht 5.11 million.

Selling and administrative expenses

For the nine-month of 2019, it was Baht 191.24 million, increased by Baht 59.10 million or 44.73% from the printing business increased by Baht 19.01 million compared to the same period of last year which was caused by WPP in the amount Baht 18.60 million and increased from the record past service cost of employee benefit obligations under severance pay for employees serving 20 years or more from 300 to 400 days, according to the new labor protection law amount Baht 11.59 million. And the selling and administrative expenses from power

plant business increased by Baht 40.10 million that adjusted unrealized exchange rate loss of foreign currency in the amount Baht 39.95 million.

For the third quarter of 2019, it was Baht 62.03 million decreased by Baht 21.93 million or 26.12%. The increase from solar business in Vietnam and Japan, as well as an adjustment the unrealized exchange rate loss of foreign currency.

Financial cost

For the nine-month of 2019, it was Baht 257.25 million, increased by Baht 79.19 million or 44.48% compared to the same period of last year. This is an increase of Baht 33.06 million or 69.40% from the printing business which was caused by an issued B/E Baht 230 million, debentures Baht 1,479.10 million with interest expenses of Baht 61.31 million. From the power plant business Baht 46.14 million, which has issued debentures in the amount of Baht 2,362 million and the interest expenses from Japan project and Vietnam project.

For the third quarter of 2019, it was Baht 105.39 million increased by Baht 41.83 million or 65.81% from issued B/E and debentures and bank loans of the power plant projects in Vietnam.

Share of profits from investments in associates companies

Share of profits from investments in associated companies, the Co-Generation Combined Power Plants. In the nine-month ended September 30, 2019, the company recognized profit from investment in the associated companies in the amount of Baht 294.50 million in comparison to profit of Baht 234.09 million in the same period of last year, increased by Baht 60.41 million or 25.80%.

In the third quarter of 2019, the company recognized profit from investment in the associated companies in the amount of Baht 98.03 million in comparison to gain of Baht 101.59 million in Q2/2019, decreased by Baht 3.57 million or 3.51% as follows: -

Unit : Million Baht

Share of profits from investments in associates companies	2019	2018
<u>For Q3 ended September 30,</u>		
Profit sharing	85.88	59.21
(Plus) Foreign exchange Loss (non-incurred)	12.15	42.38
Net Profit – Q3/2019	98.03	101.59



Share of profits from investments in associates companies	2019	2018
For nine-month ended September 30,		
Profit sharing	190.56	209.64
(Plus) Foreign exchange Loss (non-incurred)	103.94	24.45
Net Profit – nine-month 2019	294.50	234.09

Please be informed accordingly,

Respectfully yours,

-Weera Louwitawas-

(Mr. Weera Louwitawas)

Chief Executive Officer