



28 May 2020

Subject: Explanation of operating result in the financial statement ended 31 March 2020

To: Directors and Managers of the Stock Exchange of Thailand

With reference to the audited financial statement of FY 2019/2020 period ended 31 March 2020 submitted by Eastern Polymer Group Public Company Limited (the “Company”), please be informed that:

			Million Baht	
	FY 2019/20	FY 2018/19	Increase (Decrease)	
	Apr 19 - Mar 20	Apr 18 - Mar 19		
Revenue from sale of goods	10,217.4	10,579.2	-361.8	-3.4%
Cost of Good sold	7,243.8	7,687.7	-443.9	-5.8%
Selling and administrative expense	2,051.2	2,105.0	-53.8	-2.6%
Finance costs	30.1	40.0	-9.9	-24.7%
Share of profit from investment in associates	126.8	174.8	-48.0	-27.5%
<b>Net Profit</b>	<b>999.3</b>	<b>903.2</b>	<b>96.1</b>	<b>10.6%</b>

The operating result of the Company for FY 2019/2020 (1 April 2019 to 31 March 2020), the Company earned net profit of 999.3 million Baht which was 96.1 million Baht increase or 10.6% increase from net profit of 903.2 million Baht in FY 2018/2019 (1 April 2018 to 31 March 2019), all due to the significant changes as follows:

1. Total revenue from sale of goods in the number of 10,217.4 million Baht was decreased by 361.8 million Baht or 3.4% from the previous fiscal year. The sale growth rates compared to the previous fiscal year are from our 3 business categories as follows:
  - Aeroflex increased 5.0%
  - Aeroklas decreased 10.4%
  - Eastern Polypack increased 1.8%

Aeroflex’s revenue from sale grows both domestic and international especially in USA and Japan that require premium products.

Aeroklas’s revenue from sale is reduced from FY 2018/19 due to global automotive industries slowdown which further negatively impacted by the spread of Covid-19 starting in March 2020.

Eastern Polypack's revenue from sale was increase in comparison to previous year, the company emphasizes marketing of both food and beverage plastic packaging in addition to the expansion in industrial made to order sector. The plastic and packaging business started to experience slight negative impact from the spread of Covid-19 in Q4 2019/20 which result in lower consumption; however the sale of food packaging segment increase to help offset the negative impact.

2. Total cost of goods sold amounting to 7,243.8 million Baht was decreased by 443.9 million Baht from the previous fiscal year or 5.8% due to benefit from raw material and relatively better economic of scale.
3. Selling and administrative expenses was decreased by 54.4 million Baht or 2.6%, the company emphasize management of the Selling and Administrative expenses.
4. Financial cost was decreased by 9.9 million Baht or 24.7 %, from lowering in finance cost and management in foreign exchange and source of fund.
5. Share of profit from investment in associates decrease by 48.0 million Baht or 27.5%, due to lower contribution from the investment in associates that serve automotive industries and impact from Covid-19.

For your information.

Respectfully Yours,

***Mr.Pawat Vitoorapakorn***

Chief Executive Officer

Eastern Polymer Group Public Company Limited