

No. 11/2020

August 11, 2020

President

The Stock Exchange of Thailand
93 Ratchadapisek Road, Kwang Dindaeng, Khet Dindaeng,
Bangkok 10400

Subject : Clarification of the operating result.

Dear sir,

We, Unimit Engineering Public Company Limited (UEC), would like to clarify the change in the operating results for Q2/2020 which has had a change of over 20% from the same period last year.

Unimit and its subsidiaries have contract revenues that amount to Baht 191 million in Q2/2020, which is a decrease of around Baht 60 million (24%) with a net profit of Baht 6 million; an increase of Baht 68 million in term of profit compared to Q2/2019, which has a net loss of Baht 62 million.

According to the declining of contract revenue, most major projects had delivery schedule during June and July last year. This result of contract revenue is lower than last year. The improvement of business performance is a consequence of the changes in strategic management since the end of last year by focusing on reduction in subcontractor cost as a necessity and change some organizational structure to suit with the current situation.

Discussion and Analysis of the Company and its subsidiaries Operational Results in Q2/2020 and Q2/2019

Corporate Revenue

In Q2/2020 the Company and its subsidiaries' total earnings amount to Baht 193 million, consisting of Baht 191 million contract revenue, other incomes include an interest of Baht 2 million. This is a decrease of Baht 60 million (24%) from Q2/2019.

Q2/2020's total earnings were mainly from the Company.

The changings are as follow:

The Q2/2020 contract revenue is Baht 191 million, a decrease of Baht 60 million (24%) from Q2/2019's Baht 251 million as stated above.

The Q2/2020 total other income is Baht 2 million, which is in line with last year.

Costs and Expenses

In Q2/2020, the company and its subsidiaries' contract cost and operating expenses have reduced by Baht 137 million from Q2/2019's Baht 316 million to Baht 179 million (43%) as stated above reason and a reversal of provision for doubtful debt, which accrued last year and settled in Q2/2020.

The changings are as follow:

The cost of contract work amounts to Baht 166 million, a decrease of Baht 109 million (40%). This is a consequence of close monitoring.

Selling and administration expenses amount to Baht 10 million which is Baht 27 million lower from the same period last year due to reversal of provision on doubtful debt amounting to Baht 18 million and cost saving on selling and administrative expenses.

Loss from exchange rate amount Baht 3 million, which has been presented under loss from change in fair value of financial assets measured at fair value through profit and loss (Q2/2019 loss from exchange rate Baht 4 million)

Profit / (Loss)

For Q2/2020 the Company and its subsidiaries' net profit amounted to Baht 6 million. This profit increased by Baht 68 million from the same period last year (Q2/2019's net loss Baht 62 million).

Please be informed accordingly.

Sincerely yours,

Prasit Hanpiyavatanasakul
Authorized Signature