

5 August 2019

Subject: Quarter 2/2019 Operating Results

To: the Director and Manager of the Stock Exchange of Thailand

(MB)

	AUTO		OEM/ODM		EA PART		OTHER		TOTAL	
	Q2/19	Q2/18	Q2/19	Q2/18	Q2/19	Q2/18	Q2/19	Q2/18	Q2/19	Q2/18
Revenue	277	322	824	454	845	824	0	1	1,946	1,601
Operating profit	26	36	22	7	60	88	-4	2	104	133
Extra expense									-18	-
Operating profit after extra expense									86	133
Finance costs									-3	-9
Share of loss of investments in associates									-2	-3
Tax expense									0.4	-12
Profit for the period									81	109
Non-controlling interests									-1	-1
Profit to Owners of the parent									80	108

1. AUTO

1.1 Sale decreased Baht 45 million due to decreased in export sale to US.

1.2 The operating profit decreased Baht 10 million due to decrease in sale.

2. OEM/ODM

2.1 Sale increased Baht 370 million due to increased in split type air-conditioner sale from a new customer.

2.2 The operating profit increased Baht 15 million due to increase in sale.

3. EA PART

3.1 Sale increased Baht 21 million from air-conditioner parts sale.

3.2 The operating profit decreased Baht 28 million because 1) some new orders had profit margin less than the current orders 2) the productivity was a little bit inefficient due to the machine relocation and the production line re-lay out.

4. OTHER

4.1 Sale decreased Baht 1 million due to decreased in MSPC mould part sale.

4.2 The operating loss was Baht 4 million (2Q'18: profit Baht 2 million) due to decrease in a rental income after the factory lease agreement has expired in Q1'19. The factory is in under the process of the transfer of leasehold right.

5. Extra expenses Baht 18 million consisted of 1) Retirement benefit reserve of Baht 16 million according to the new labor law 2) Loss of Baht 8 million from the termination of a factory lease agreement 3) Reversal of a retirement reserve for the resigned employee of Baht 6 million

6. Finance costs decreased Baht 6 million because gradually repayment to loan.

7. Tax expense decreased Baht 12 million because 1) some business received tax privileges and had accumulated loss 2) loss from disposal of investment in associate which was taxable expense 3) increase in deferred tax asset from the retirement benefit reserve.
8. Net profit was Baht 80 million or Baht 0.28 per share. Net profit decreased Baht 28 million due to 1) retirement benefit reserve of Baht 16 million 2) loss Baht 8 million from the termination of a factory lease agreement 3) inefficient productivity.

Yours Faithfully,

Mr. Surapol Yamkasem
Assistant Chairman of the Executive committee