



Multibax Public Company Limited
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MBAX 003/2562

August 9, 2019

Subject : Clarification of the operating results which are deviated more than 20%

To : The Managing Director
The Stock Exchange of Thailand

- ❖ Multibax Public Company Limited would like to clarify the operating results which are deviated more than 20% from the same period last year, for three months ended June 30, 2019 as follows:

1. Revenue of sales

Total revenue was accounted for 338.93 million Baht, decreased by 75.25 million Baht or 18.17 percent compared to the same period last year (414.18 million Baht).

2. Cost of sales

Total cost of sales was accounted for 306.24 million Baht, decreased by 58.18 million Baht or 15.97 percent compared to the same period last year (364.42 million Baht).

3. Selling and Administrative Expenses

Total selling and administrative expenses were accounted for 29.75 million Baht, increased by 4.90 million Baht or 19.72 percent compared to the same period last year (24.85 million Baht).

4. Finance costs

Finance costs was accounted for 2.52 million Baht, decreased by 0.27 million Baht or 9.68 percent compared to the same period last year (2.79 million Baht).

5. Other Income and Gain on exchange rate

Other income and Gain on exchange rate were accounted for 9.72 million Baht, increased by 7.34 million Baht or 308.40 percent compared to the same period last year (2.38 million Baht).

6. (Income tax expenses) Tax expenses

Income tax expenses was accounted for 0.24 million Baht, decreased by 0.06 million Baht compared to the same period last year (0.30 million Baht).

7. Net Profit

Net profit was accounted for 10.38 million Baht, decreased by 12.53 million Baht or 54.69 percent compared to the same period last year (net profit 22.91 million Baht).

Reasons for the decrease of net profit for three months ended June 30, 2019 were:

1. Revenue of sales decreased by 75.25 million Baht or 18.17 percent, from the lower sales quantity, mainly from the decreasing orders. This negative impact was enhanced by the lower selling prices per unit, this was tally with the trade agreements with customers, topped up by the slight strengthening of Thai baht against US dollar. Nevertheless, the company, still, mainly, focused to the sales of the high gross margin items.
2. Cost of sales decreased by 58.18 million Baht or 15.97 percent, from the lower sales quantity. However, the company can satisfactorily control the production cost, labor cost and other expenses as well as those of variable costs. Therefore, the company have seen the reduction of production cost in all products produced. Anyway, the portion of sales decreased more than the cost of sales, as such, the gross profit for this year has been recorded at 32.69 million Baht, decreased by 17.07 million baht or 34.30 percent.
3. Total selling and administrative expenses were increased by 4.90 million Baht or 19.72 percent, mainly from the increasing of the administrative expenses from the provisions for employee benefit, stipulated in the recent regulation effective from 5 May 2019 onwards. Anyway, the selling expenses were decreased from the lower selling and export expenses that were tallying with the lower sales quantity.
4. Finance costs decreased by 0.27 million Baht or 9.68 percent, from the conservative management of the short-term loans.
5. Other income and gain on exchange rate were increased by 7.34 million Baht or 308.40 percent, mainly from the increase of the gain on exchange rate from hedging activity. This was in contrary to of what happened in 2018.
6. In 2019, the income tax and income tax expenses were accounted for 0.24 million Baht. When compares to 0.30 million Baht from 2018, the company noticed the decreasing of 0.06 million Baht or 20.00 percent.
7. In summary for the results of the operations for three months ended June 30, 2019, the gross profit was decreased by 17.07 million Baht or 34.30 percent, mainly from the decreased of the revenue of sales. Together with the increasing of the administrative expenses from the provision of employee benefit and added up by the other income and gain on exchange rate, the overall outcome of net profit at 10.38 million Baht were recorded. This net profit was decreased by 12.53 million Baht or 54.69 percent when compared to the same period of 2018 (22.91 million Baht). However, should we look at the 6 months result, the net profit for six months ended June 30, 2019 was recorded at 25.55 million Baht, only decreased by 1.65 million Baht or 6.07 percent when compares to the same period of 2018 (27.20 million Baht)

For your acknowledgement.

Yours Sincerely,

Signature _____
(Mr. Pisuth Lertvilai)
Deputy Managing Director