



# Somboon Advance Technology Public Company Limited

Registration No. 0107574700660

129 Moo.2 15<sup>th</sup> Km. Bangna-Trad Road Bangchalong Bangplee Samutprakarn 10540 THAILAND

Tel. 0 2080 8123 Fax. 0 2080 8198

November 7, 2019

**Subject :** Clarification on the Consolidated Financial Statements as at 30 September 2019

**To :** President of the Stock Exchange of Thailand

Somboon Advance Technology Public Company Limited ("the Company") would like to make clarification on the consolidated performance results for the quarter ending 30 September 2019 of the Company and its subsidiaries, as shown below;

Overall performance results of the Company and its subsidiaries for the quarter ending 30 September 2019, compared to the same period last year are provided below;

	<u>2019Q3</u>	<u>2018Q3</u>	<u>% Change</u>
Revenue from sale of goods and rendering of services	1,995	2,089	-4%
Cost of Goods Sold	1,604	1,698	-6%
Selling and General Administrative Expenses	183	168	+9%
Net Profit	227	243	-7%

(Unit: Million Baht)

## Performance Analysis and Discussion

In the third quarter of 2019, net profit of the Company and its subsidiaries was Baht 227 million, a Baht 16 million or 7% decline from the same period last year. The decrease was mainly caused by lower sale volume.

## Total Revenue

In the third quarter of 2019 and 2018, total revenues of the Company and its subsidiaries was Baht 2,027 million and Baht 2,118 million, respectively, a decline of Baht 91 million or 4% from the same period last year. The revenue from sale of goods and rendering of services was 1,995 million for 2019, a decline of Baht 94 million or 4% from the same period last year. The revenue from sale of goods and rendering of services was lower compared to the same period last year caused by 7% decrease in automotive industry's production volume but was partly compensated by an increase of 5% in agricultural machineries industry's production volume and additional sale from a new order.

## Cost of Goods Sold

In the third quarter of 2019 and 2018, Cost of goods sold was Baht 1,604 million and Baht 1,698 million, respectively, an decline of Baht 94 million or 6% from the same period last year, The change was mainly driven by lower sale volume.



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## Selling and Administrative expense

In the third quarter of 2019 and 2018, Selling and Administrative expense was Baht 183 million and Baht 168 million, respectively, an increase of Baht 15 million or 9% from the same period last year, The increase was caused by an increase in delivery expense for overseas customer.

## Financial Position (in comparison with as of 31 December 2018)

Overall financial position of the Company and its subsidiaries as of 30 September 2019, compared to the statement of financial position as of 31 December 2018, was Baht 9,429 million and Baht 9,065 million, respectively, an increase of Baht 364 million or 4%, which can be explained as follows.

### Total Assets

As at 30 September 2019, total assets was Baht 9,429 million, increase by Baht 364 million from the ended 31 December 2018 can be explained by an investment in a new subsidiary by a subsidiary on 27 September 2019 which have total assets of Baht 390 million. Moreover, Cash and cash equivalent increased by Baht 381 million while fixed-assets decreased by Baht 243 million (the depreciation on period was Baht 473 million while the additional investment was Baht 231 million).

### Total Liabilities

As at 30 September 2019, total liabilities was Baht 2,391 million, decreased by Baht 213 million from the ended 31 December 2018 can be also explained by an investment in a new subsidiary by a subsidiary on 27 September 2019 which have total liabilities of Baht 306 million while long-term loans from banks decreased by Baht 86 million due to repayment according to the contract.

### Shareholders' Equity

As at 30 September 2019, shareholder equity was Baht 7,038 million increased by Baht 151 million from Baht 6,887 million as at 31 December 2018. The increase can be explained by net profit from operating for the period of Baht 684 million and decrease from the 2018 final dividend paid of Baht 574 million. Non-Controlling interest of Baht 41 million.

Your acknowledgement of the above mention clarification is highly appreciated

Yours faithfully,

(Mr. Nuttakajorn Yanpirat)

Vice President - Finance & Accounting and Information Technology