



Management Discussion and Analysis
For Q1/2019

Financial Position

Unit : Million Baht	2020 As of Dec 31, 2019	2019 As of Dec 31, 2018
Current Asset	1,024.18	1,210.63
Total Assets	2,191.50	2,397.55
Current Liabilities	436.81	581.15
Total Liabilities	511.97	650.43
Total Equity	1,679.53	1,747.12

Ratio	2020 (Oct 1 – Dec 31, 2019)	2019 (Oct 1 – Dec 31, 2018)
Gross Profit Ratio	15.07	18.30
ROE	2.10	3.61
Current Ratio	2.34	2.08
Debt/Equity Ratio	0.30	0.37

Gross Profit Ratio of Q1/2020 decreased 3.23% from the same period of last year as a result from the cost of goods sold increase

Return on Equity of Q1/2020 decreased 1.51% from the same period of last year due to the decrease in profit.

Current Ratio of Q1/2020 increase 0.26 times. Such are the effects from lower short term loan and no litigation provision.

Debt/Equity Ratio of Q1/2020 decreased 0.07 times derived from the repayment of loan to commercial banks.



Performance

Unit: Million Baht	Q1/2020 (Oct 1, 2019 – Dec 31, 2019)	% on sale	Q1/2019 (Oct 1, 2018 – Dec 31, 2018)	% on sale
Revenue from sales	619.23	100.00%	770.50	100.00%
Other Income	7.73	1.25%	8.25	1.07%
Cost of goods sold	-525.92	-84.93%	-629.51	-81.70%
Selling & Admin expenses	-63.33	-10.23%	-82.90	-10.76%
Finance cost	-0.05	-0.008%	-0.53	-0.07%
Income tax	-2.39	-0.39%	-2.79	-0.36%
Net Profit	35.27	5.70%	63.02	8.18%

Sales revenue in Q1/2020 was 619.23 million Baht, decreased 151.27 million Baht or 19.63% compared to same period of last year. There was the effect from the global economic slowdown and the adjustment in new standard of accounting (IFRS15) that the expense of customer promotion must be deducted from revenue. Therefore, total revenue decreased 2 million Baht.

The net profit for Q1/2020 was 35.27 million Baht, decreased 27.75 million Baht. It is apparently result from lowered in sales and some fixed cost could not go parallel accordingly. However the company managed its best to reduce some fixed costs and lessen the negative effect may cause to the profit.

The growth rate of the Manufacturing Production Index (MPI) in 2020 is expected that the automotive manufacturing will be stable in growth. Since it is clear that the world economic reaches it recess period in every region, the company shall closely monitor and adjust its strategy to cope with changing situations.