

SMIT012/2020

August 14, 2020

Subject: Clarification of the Q2/2020 operating results

To: The President
The Stock Exchange of Thailand

Sahamit Machinery Public Company Limited ("the Company") would like to clarify the operating results for the three month and six month periods ended June 30, 2020, which have been audited and approved by the Audit Committee. The operating results have shown decreased compare to the same period of the previous year as the following details:

The operating results for the three month periods ended June 30, 2020 have shown total revenue of Baht 445.83 million, representing a decrease from the same quarter of the previous year by Baht 123.51 million or 21.69 percent and the net profit was Baht 43.62 million, a decrease from the same quarter of the previous year by Baht 7.50 million or 14.67 percent. The revenue has decreased due to the overall economic slowdown and the result of the recent outbreak of the coronavirus disease (COVID-19).

The operating results for the six month periods ended June 30, 2020 are as follows,

1. The company achieved sales & services revenue amount to Baht 904.66 million which decreased by Baht 220.77 million or 19.62 percent as compared to the same quarter of the previous year. The operating results have been dropped in almost every product groups due to the decreased in market demand and overall market situation.

2. The Company had a commission of Baht 4.74 million, decreased by Baht 0.88 million or 15.66 percent from the previous year.

3. Dividend income of Baht 4.37 million

4. Gain on exchange rate of Baht 1.78 million, compared with Baht 1.14 million in the same period last year, or an increase of Baht 0.64 million or 56.14 percent

5. Gain on disposal of assets of Baht 0.40 million, compared with Baht 3.41 million in the same period last year, or an decreased of Baht 3.01 million or 88.27 percent.

6. Other income was Baht 0.30 million, decreased by Baht 1.00 million or 76.92 percent from the same period of last year.

Total revenue of Baht 916.24 million, decreased by Baht 225.03 million or 19.72 percent compared to total revenue of the same period of 2019.

Cost of sales and services of Baht 630.53 million, decreased by Baht 158.45 million or 20.08 percent compared to total from the same period of last year, in consistent with the decreased of sales & services revenue.

Selling expenses of Baht 103.54 million, decreased by Baht 18.04 million or 14.84 percent from the same period of last year, in consistent with the decreased of sales & services revenue.

Administrative expenses of Baht 58.98 million, decreased by Baht 21.87 million or 27.05 percent from the previous year. Management benefit expenses of Baht 17.80 million, decreased by Baht 2.23 million or 11.13 percent from the previous year. This is due to the employee benefit obligations that adjusted the severance payment of 300 days of wages to 400 days of wages totaled to Baht 12.95 million in the past year and in consistent with the decreased of the Company's income.

The net profit for the six month periods ended June 30, 2020 was Baht 87.01 million, decreased by Baht 19.52 million or 18.32 percent as compared to the same period of the previous year which had the net profit of Baht 106.53 million. The EPS was Baht 0.16.

Please be informed accordingly.

Sincerely yours,

(Mr. Chaisilp Tamesirichai)
Chairman of the Board