

Ref. AP007-2562

15 May 2019

Subject: Explanation of change in operating results from the same period last year more than 20%

To: Managing Director
The Stock Exchange of Thailand

Asia Precision Public Company Limited (“the Company”) would like to make clarification on the performance results for the three month period ended 31 March 2019 of the Company and its subsidiaries, as follow:

Executive Summary

(Unit : Million Baht)

	Consolidated Financial Statement			
	For the three month periods ended 31 March			
	2019	2018	Changed	
Amount			(%)	
Revenues from sales and services	268.8	258.8	10.0	3.9
Contract revenues	388.9	136.4	252.5	185.1
Cost of sales and costs of services	177.3	194.8	(17.5)	(9.0)
Contract Costs	339.5	118.5	221.0	186.5
Selling & Administrative expenses	45.4	44.2	1.2	2.7
Financial cost	2.4	2.2	0.2	9.1
Profit from operating	77.3	34.2	43.1	126.0
Profit attributable to Owners of parent	69.8	36.4	33.4	91.8

Operating

Overall operating result of the Company and its subsidiaries in the consolidated financial statement for the three month period ended 31 March 2019 compare with the year ended 2018, Revenues from sales and services increases Baht 10.0 million (3.9%), Contract revenues increases Baht 252.5 million (185.1%), Cost of sales and costs of services decreases Baht 17.5 million (9.0%), Contract Costs increases Baht 221.0 million (186.5), Selling and administrative expenses increases Baht 1.2 million (2.7%), financial cost increases Baht 0.2 million (9.1%), Profit from operating increases Baht 43.1 million (126.0%), and Profit attributable to Owners of parent increases Baht 33.4 million (91.8%).

1. Revenue and costs from sales and services are divided into 3 business units as follows:
 - Precision metal parts business unit – Sales decreased year on year due to the drop of sales from HVAC sector. Nevertheless, there was a recovery in camera sector. Automotive and other metal part sectors remain stable.
 - EPC business unit – new revenue recognition from consulting service for solar power plant
 - Water management business unit – revenue from sales of raw water increase year on year due to customer started pumping water earlier than last year. This is still in line with the contract.

Overall cost reduced year on year due to more effective cost management and lower depreciation item.

2. Operation performance of EPC business unit – Both revenue and costs of EPC both increased year on year due to an increase in engineering and construction projects. For example, construction projects in renewable energy power plant such as solar farm power plant construction projects, sub-station construction projects, biomass power plant construction projects and water utility construction projects. A number of projects have commenced construction, and revenue is partially recognized.

FINANCIAL POSITION (Compare to the consolidated financial statement as of December 31, 2018)

Assets

As at March 31, 2019 and December 31, 2018, Assets in the Consolidated financial statement in amount of Baht 2,970.9 million and Baht 2,877.2 million respectively, increases Baht 93.7 million (3%).

Liabilities

As at March 31, 2019 and December 31, 2018, Liabilities in the Consolidated financial statement in amount of Baht 1,201.8 million and Baht 1,185.3 million respectively, increased Baht 16.5 million (1%).

Equity

As at March 31, 2019 and December 31, 2018, Equity in the Consolidated financial statement in amount of Baht 1,769.1 million and Baht 1,691.8 million, increased Baht 77.3 million (5%).

Yours faithfully

Asia Precision Public Company Limited

(Mr. Apichart Karoonkornsakul)

President

Authorized to sign on behalf of the Company

Company Secretary

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