

Ref: AP016-2563

16 November 2020

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

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 and nine month period ended 30 September 2020 of the Company and its subsidiaries, as follow:

Executive Summary

(Unit :Million Baht)

| For the three month period | AUTO | | EPC | | WATER | | CONSOLIDATED | | CHANGE | |
|---|-------|-------|-------|-------|-------|-------|--------------|-----------|-------------|----------------|
| | Q3'20 | Q3'19 | Q3'20 | Q3'19 | Q3'20 | Q3'19 | Q3'20 | Q3'19 | AMT | % |
| Revenues | 152 | 214 | 513 | 680 | 4 | 3 | 669 | 896 | (227) | (25.3%) |
| Profit (loss) from operating | 26 | 27 | 37 | 70 | - | (1) | 58 | 92 | (34) | (37.0%) |
| Financial costs | | | | | | | (4) | (2) | (2) | (100.0%) |
| Tax (expenses) income | | | | | | | (6) | (19) | 13 | 68.4% |
| Profit (loss) for the period | | | | | | | 48 | 71 | (23) | (32.3%) |
| <u>Less</u> Profit (loss) attributable to Non-controlling interests | | | | | | | - | (2) | 2 | 100.0% |
| Profit (loss) attributable to Owners of parent | | | | | | | 48 | 73 | (25) | (34.1%) |

* AUTO : Precision Metal Parts / EPC : Construction/ WATER : Water management

Operating Results:

Overall operating results of the Company and its subsidiaries in the consolidated financial statement for the three month period ended 30 September 2020 compared with same period of 2019 are as follows: Revenue decreased by Baht 227 million (25.3%). Profit for the period decreased by Baht 34.0 million (37.0%). and Profit attributable to owners of parent decreased by Baht 25 million (34.1%).

(Unit :Million Baht)

| For the nine month period | AUTO | | EPC | | WATER | | CONSOLIDATED | | CHANGE | |
|---|-------|-------|-------|-------|-------|-------|--------------|------------|--------------|-----------------|
| | Q3'20 | Q3'19 | Q3'20 | Q3'19 | Q3'20 | Q3'19 | Q3'20 | Q3'19 | AMT | % |
| Revenues | 448 | 659 | 899 | 1,354 | 21 | 50 | 1,369 | 2,063 | (694) | (33.6%) |
| Profit (loss) from operating | (19) | 89 | 18 | 146 | (5) | 36 | (19) | 261 | (280) | (107.3%) |
| Financial costs | | | | | | | (12) | (6) | (6) | (100.0%) |
| Tax (expenses) income | | | | | | | (7) | (48) | 41 | 85.4% |
| Profit (loss) for the period | | | | | | | (38) | 207 | (245) | (118.4%) |
| <u>Less</u> Profit (loss) attributable to Non-controlling interests | | | | | | | (5) | 12 | (17) | (141.7%) |
| Profit (loss) attributable to Owners of parent | | | | | | | (33) | 195 | (228) | (116.9%) |

* AUTO : Precision Metal Parts / EPC : Construction/ WATER : Water management

Operating Results:

Overall operating results of the Company and its subsidiaries in the consolidated financial statement for the nine month period ended 30 September 2020 compared with same period of 2019 are as follows: Revenue decreased by Baht 694 million (33.6%). Profit for the period decreased by Baht 280.0 million (107.3%), and Profit attributable to owners of parent decreased by Baht 228 million (116.9%).

1. Revenue from AUTO business decreased in line with the global economic slowdown. Nevertheless, the company utilized this opportunity to make improvement in cost reduction.
2. Revenue from EPC business decreased due to the majority of projects is towards the project ending phase, in which the majority of revenue was recognized in the previous phase. For the new projects awarded in 2020, these are in the initial phase, which is still in progress.
3. Revenue from WATER business decreased due to the draught situation. Nevertheless, the company prepared sufficient water to deliver to meet the contract. The increase in cost was due to higher wages and depreciation.

(Unit :Million Baht)

| For the three month period | AUTO | | EPC | | WATER | | CONSOLIDATED | | CHANGE | |
|---|-------|-------|-------|-------|-------|-------|--------------|-------------|-----------|---------------|
| | Q3'20 | Q2'20 | Q3'20 | Q3'19 | Q3'20 | Q3'19 | Q3'20 | Q3'19 | AMT | % |
| Revenues | 152 | 106 | 513 | 159 | 4 | 13 | 669 | 278 | 391 | 140.6% |
| Profit (loss) from operating | 26 | (45) | 37 | 28 | - | (3) | 58 | (24) | 82 | 341.7% |
| Financial costs | | | | | | | (4) | (4) | - | - |
| Tax (expenses) income | | | | | | | (6) | 7 | (13) | (185.7%) |
| Profit (loss) for the period | | | | | | | 48 | (21) | 69 | 329.0% |
| <u>Less Profit (loss) attributable to Non-controlling interests</u> | | | | | | | - | (3) | 3 | 100.0% |
| Profit (loss) attributable to Owners of parent | | | | | | | 48 | (18) | 66 | 367.1% |

* AUTO : Precision Metal Parts / EPC : Construction/ WATER : Water management

Operating Results:

Overall operating results of the Company and its subsidiaries in the consolidated financial statement for the three month period ended 30 September 2020 compared with the consolidated financial statement for the three month period ended 30 June 2020 are as follows: Revenue increased by Baht 391 million (140.6%). Profit for the period increased by Baht 69 million (329.0%), and Profit attributable to owners of parent increased by Baht 66 million (367.1%).

1. Revenue from automotive segment increased due to fast recovery in automotive industry. Overall Precision Metal Part business also had significant development in cost reduction.
2. Revenue from EPC business increased due to expansion of business to Vietnam

FINANCIAL POSITION (Compare to the consolidated financial statement as at December 31, 2019)**Assets**

As at September 30, 2020 and December 31, 2019, Assets in the consolidated financial statement are Baht 3,404.3 million and Baht 3,134.7 million respectively, increases Baht 269.6 million (8.6%).

Liabilities

As at September 30, 2020 and December 31, 2019, Liabilities in the consolidated financial statement are Baht 1,658.5 million and Baht 1,259.2 million respectively, increases Baht 399.3 million (31.7%).

Equity

As at September 30, 2020 and December 31, 2019, Equities in the consolidated financial statement are Baht 1,875.5 million and Baht 1,875.5 million respectively, decreases Baht 129.7 million (6.9%).

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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