



(Translation)

Re: BOD.SET 008/2019

May 13, 2019

Subject: Clarification on the Change in operating results for the three month ended March 31, 2019 over 20% compared with the same period of the previous Quarterly

To: The President
The Stock Exchange of Thailand

As a result of the global economic slowdown, trade and economic negotiations and in Thailand have continued to slow down to wait for political clarity from elections. Resulting in a slowdown in investment from the private sector and the public sector, there is intense competition from the domestic market. Increasing product costs due to oil and labor costs

In the first quarter of 2019 The Company is able to deliver work that has been postponed from the previous year to more customers and recognizes revenue according to the success of the project. As a result, the operating results for the three-month period ended March 31, 2019 are as follows:

- Sales increased from 94.98 million baht in the first quarter of 2018 to 136.65 million baht for the first quarter of 2019, representing 43.87 percent, which is a result of the ability to deliver the work that are postponed from the previous year to more customers and recognize revenue according to the success of the project.
- Cost of sales increased from 84.29 million baht in the first quarter of 2018 to 124.02 million baht for the first quarter of 2019, representing for 47.13 percent, which is a result of the ability to deliver more work to more customers and recognize revenue according to the success of project and rising oil and labor costs resulted in a decrease in gross profit margin from 11.25 percent for the first quarter of 2018 to 9.24 percent for the first quarter of 2019.
- Other income decreased 79.20% from the same period of the previous quarter. Since in the first quarter of 2018, the company had a gain from the exchange rate of 1.10 million baht
- Administrative expenses for the first quarter of 2019 increased by 57.34% due to the increase in customs fees of 2014 and 2015 which increased by 6.32 million baht
- At the end of the first quarter of 2019, the company had total assets of 812.18 million baht, a decrease of 3.57 percent from the same period of the previous quarter as inventories decreased due to the delivery of backlog. Total liabilities decreased by 4.25% resulting from the return of short-term loans of 10.70 million baht and the long-term loan repayment of 4.50 million baht. The shareholders' equity decreased by 3.11% resulting from the loss for the first quarter of 2019 as the amount Baht 15.53 million



T.M.C. INDUSTRIAL PUBLIC CO.,LTD.

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- As of March 31, 2019, the Company recognized revenue of 17.33 million baht in proportion to the project completed in the production line project and the production line testing, contract value of 255 million baht. The project period ended 19 October 2020

Please be informed accordingly.

Sincerely yours,

-Mr. Surachet Kamolmongkolsuk-

(Mr. Surachet Kamolmongkolsuk)

Managing Director