

No. Tapac 1/2020

Date : January 2, 2020

Subject : Explanation about TAPACO Plc.'s Financial Performance of Year 2019 Ended of October 31, 2019

To: The Director and The President of The Stock Exchange of Thailand

According to TAPACO PUBLIC COMPANY LIMITED and its subsidiary ("TAPAC") were prepared and submitted its audited consolidated financial statement of Year 2019 ended of October 31, 2019 to The Stock Exchange of Thailand, TAPAC would like to provide additional explanation in regard to its financial performance of Year 2019 in which it has total net Profit of 79.227 Million Baht, increase 10.40% from the same period of last year which was net profit of 71.765 Million Baht. This was due to and the details are as follows:

1. TAPAC and its subsidiary net sales and services income of Plastic Parts, Mold, Sales from Retails Business (start operation since April 2018) and Sales of Land in Sweden by subsidiary are in amount of 1,143.899 million baht, increase from the same period of last year at 14.84% which was 966.114 Million Baht. Gross Profit Margin is at 25.62%, decrease from the same period of last year which was 30.34%. This due to Gross Profit Margin of Sales of Plastic Parts decrease.
2. C4Hus AB Construction Revenue is at 671.811 Million Baht, decrease from the same period of last year at 36.34% which was 1,055.291 Million Baht due to Sweden & Euro Economic Condition, and Cost of Construction is at 596.082 Million Baht, Gross Profit Margin is at 11.27%, increase from the same period of last year at which was 2.34%
3. TAPAC and its' subsidiary Selling and Admin Expenses is at 264.211 Million Baht, increase from the same as last year at 10.36% which was 239.403 Million Bath, increase mainly from Retails Business.
4. TAPAC's subsidiary acknowledge of Share of Profit in Associated in the amount of 15.771 Million Baht, increase from last year which was 1.482 Million Baht (from Investment in Premier Tank Corporation Co., Ltd. since 26 September 2018).
5. TAPAC's and its' subsidiary Finance Costs is at 34.414 Million Baht, increase from the same period of last year at 68.26% which was 20.453 Million Baht. This is due to investment in Properties and Retails Business increase.
6. TAPAC and its' subsidiary record of Employees' Benefit Obligation on past services costs 5.668 Million Baht to comply with Labor Protection Act No. 7 B.E.2019 which effective on 5 May 2019.

Yours Faithfully,

Mr. Soros Tangnaitham
Managing Director