

At TMI003-2020

February 19, 2020

Subject: Management Discussion and Analysis yearly ending 31 Dec 2019
Attention: The President
The Stock Exchange of Thailand

Teera-Mongkol Industry Public Company Limited would like to clarify the operating result of the company and its subsidiaries as follows:

Unit: thousand baht			
	2019	2018	Increase/(Decrease)
Sales Revenue	391,996	392,214	(218)
Net Profit(Loss)	(8,576)	(18,025)	9,449

The operating result in 2019, the net loss was Baht 8.58 million, or an increase of 52.42%, when compared to net loss at Baht 18.02 million in 2018. The decreasing net loss was caused by the operating result of the subsidiary company's power plant which went as expected.

The sales revenue in 2019 was Baht 392.00 million, or a decrease of 0.06%, when compared to Baht 392.21 million in 2018. The reason of the decrease in sales revenue was from the economic circumstance especially the slowdown in household purchasing power causing the market purchasing power to decrease, while the electricity sales revenue from the subsidiary company is increased as expected when compared to the previous year.

The cost of goods sold in 2019 was Baht 261.26 million, or a decrease of 5.66%, when compared to Baht 276.94 million in 2018. Such decrease due to more efficient management system and the exchange rate that caused the cost of some product items to decrease.

The administrative expense in 2019 was Baht 74.36 million, or a decrease of 1.72%, when compared to Baht 75.66 million in 2018. Such decrease was due to the reduction in overtime pay.

The financial costs in 2019 were Baht 9.69 million, or an increase of 69.32%, when compared to Baht 5.72 million in 2018. Such costs increased since the promissory note interest and the bank loan interest was increased.

From the above reasons, the result of business operation has changed over 20% from the previous year.

Please be informed accordingly.

Best regards,



Theerachai Prasitrattanakorn
Managing Director