

At TMI011/2020

May 14, 2020

Subject: Clarification of the 20% change in net profit for the first quarter of 2020 (1Q2020)
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

	1Q2020	1Q2019	Increase/(Decrease)
Sales Revenue	93,195	106,628	(13,433)
Net Profit(Loss)	(3,704)	591	(4,295)

The operating result in 1Q2020, the net loss was Baht 3.70 million, or a decrease of 726.75%, when compared to net profit at Baht 0.59 million in the same quarter last year.

The sales revenue in 1Q2020 was Baht 93.19 million, or a decrease of 12.60%, when compared to Baht 106.63 million in the same quarter last year. The reason of the decrease in sales revenue was from the epidemic situation of COVID-19, affected customers are unable to operate their business as usual along with the reduction of customer's purchase power while the electricity sales revenue is decreased due to the drought problem causing the lack of raw material for production.

The cost of sales in 1Q2020 was Baht 62.56 million, or a decrease of 10.44%, when compared to Baht 69.86 million in the same quarter last year. Such decrease was in proportion to the sales revenue.

The sales expense in 1Q2020 was Baht 15.13 million, or a decrease of 7.71%, when compared to Baht 16.40 million in the same quarter last year. Such expenses decreased due to the decrease in marketing expense.

The administrative expenses in 1Q2020 were Baht 17.28 million, or a decrease of 4.86%, when compared to Baht 18.16 million in the same quarter last year. Such expenses decreased due to the decline of employee's overtime pay and the warehouse rental cancellation.

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

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Please be informed accordingly.

Best regards,



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