

No. 0045/2020

February 19, 2020

Subject: Clarification on over 20% Changing of 2019 Performance

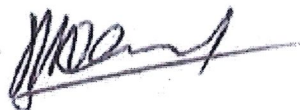
Dear Committees and Manager of the Stock Exchange of Thailand

QTC Energy Public Company Limited would like to clarify on the net profit of the year ended at December 31, 2019 that was changed over than 20%, whereas, the total financial budget of QTC Energy Public Company Limited and the company's subsidiary ("Company Group") had the net profit in the amount of 198.40 million baht that was increased 198.52 million baht compared to that of 2018 with the net loss of 0.12 million baht. The major causes could be concluded as follows:

1. In 2019, the company earned income from sales and services in the amount of 965.17 million baht that was higher from that of 2018 that was 958.05 million baht calculated to be 0.74%. In 2019, the income earned from selling transformers to government sector 271.52 million baht and increased of 181.59 million baht from that of 2018 calculated to be 49.52%. While the income earned from selling transformers to private and export sector 508.82 million baht and decreased of 605.11 million baht from that of 2018 calculated to be 15.91%. In the addition in 2019 the company earned income from sales electric in the amount of 149.20 million baht and increased of 143.39 million baht that of 2018 calculated to be 4.05%.
2. For 2019, the company had the costs of sales and services in the amount of 615.25 million baht calculated to be Gross Profit Margin of 36.25% while the costs of sales and services of 2018 were 747.76 million baht calculated to be Gross Profit Margin of 21.95%. In 2019, Gross Profit Margin was increased by 66.40% from 2018 as a result of cost of production control and selling price control. By the raw materials and supplies used in the amount of 418.76 million baht in 2019 decreased of 550.51 million baht from that of 2018 calculated to be 23.93%. And in 2019 the allowance for obsolete and decline value of inventories decreased from 2018 calculated to be 56.72%.
3. The company had expenses on sales and services in the amount of 153.18 million baht. For 2019, it was decreased by 21.00% from 193.89 million baht in 2018 as a result of control selling and administrative expenses. For 2019 had selling expenses in the amount of 39.16 million baht, decreased of 47.87 million baht of 2018 calculated to be 18.20%. For the administrative expenses in 2019 decreased from 2018 as a result of in 2018 had loss from sale of investment in indirect associated company in the amount of 19.70 million baht.

Your acknowledgement will be highly appreciated.

Yours Sincerely



Mr. Poonphiphat Tantanasin

Chief Executive Officer