

No.IR.018/2020

14 May 2020

Re: Notification of the changes of the Profit and Loss Statement

To: President

Stock Exchange of Thailand

We, T Engineering Corporation Public Company Limited (the "Company") would like to notify the Stock Exchange of Thailand regarding the business operation ended 31 March 2020 as follows;

Outline of Business operation

For the first quarter of 2020, the economic slowdown due to the current outbreak of the Coronavirus Disease 2019 ("COVID-19") affects businesses in all sectors, such as causing the recession, investment delay, various construction projects have postponed. In the financial sector, the outbreak of the COVID-19 caused fluctuations in both domestic and international stock markets. From the current situation, the Company has considered to postpone the date for subscription and payment of newly issued ordinary shares for offering to existing shareholders (Rights Offering) as approved by the resolution of the Extraordinary General Meeting of Shareholders No. 1/2020, held on 27 February 2020, to be held up in the beginning of June 2020.

The Company would like to provide the explanation on the changes of the Profit and Loss Statement for the first quarter ended 31 March 2020 as follows;

1. Total incomes

The Company had total incomes in the amount of Baht 27.33 million which decreases in the amount of Baht 40.11 million or 59.48% when compared to the same period of the year 2019. It consists of construction revenues in the amount of Baht 27.20 million and other revenues in the amount of Baht 0.13 million. It is a result from the only one construction project which is almost complete. The outbreak of the COVID-19 causes the bidding process according to the plan be postponed indefinitely.

2. Cost of construction

The total cost of construction is in the amount of Baht 26.67 million for three-month period ended 31 March 2020, which decreases in the amount of Baht 29.13 million or 52.21% when compared to the same period of the year 2019.

3. Expenses

The Company had administrative expenses in the amount of Baht 38.12 million for three-month period. For this amount included expenses of write-off the bad debts of one customer in the amount of Baht 13.25 million. The Company has already set an allowance for loss of such bad debt. However, the Company has adopted the Thai Financial Reporting Standard - Group of Financial Instruments (TFRS 9) which shall be complied for the period beginning on or after 1 January 2020. Also, the disclosure of the condensed financial statements in accordance with the announcement of the Department of Business Development also apply in this annual periods in order to be appropriate and in accordance with promulgated accounting standards. Therefore, the Company has to show the allowance for loss in the amount of Baht 13.75 million as separate item, which is a result of the reversal. As a result, the Company had administrative expenses in the amount of Baht 24.38 million, which decreases in the amount of Baht 2.79 million or 10.26% when compared to the same period of the year 2019. This is still in accordance with the policy to control the Company's expenses.

4. The financial cost

The financial cost is in the amount of Baht 0.24 million which decreases in the amount of 72.29% when compared to the same period of the year 2019. It is a result of the Company has no interest burden from the loan.

Please be informed accordingly.

Sincerely yours,

(Mr. Pitsanu Vichitcholchai)

Chief Executive Officer

T Engineering Corporation Public Company Limited