

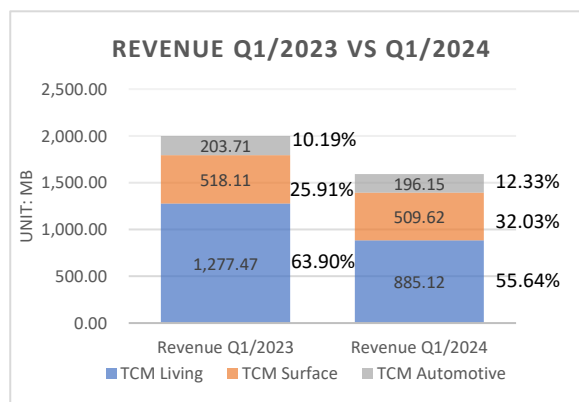
Overview

In Q1/2024, TCM Corporation Public Company Limited and its subsidiaries (collectively referred to as the “Corporate Group”) reported a decrease in revenue compared to the previous year. This was mainly due to unfavourable economic conditions in the UK, a revision of supply chain strategies by major furniture retailers, the impact of the off-season sales of carpet and surface products, and higher interest rates than the same period last year, resulting in a loss in the overall operating results.

The Corporate Group's total revenue from sales and services for Q1/2024 was 1,590.89 million baht, compared to 1,999.30 million baht in the prior year, or a 20.43% decrease. EBITDA was 30.44 million baht, a 77.61% decrease from last year. The net loss was 82.99 million baht, a decrease from the net profit of 11.32 million baht in the same period the previous year. Net profit attributable to owners of the parent was 77.72 million baht.

Q1/2024 Performance

Due to the slowdown in the UK and European markets, in Q1/2024, TCM Living accounted for 55.64% of total sales and service revenue, down from 63.90% in the previous year. TCM Surface accounted for 32.03%, higher than last year when it accounted for 25.91% of total sales and service revenue. Meanwhile, TCM Automotive accounted for 12.33%, higher than last year, with 10.19% of total sales and service revenue.



Highlight from each business.

| Business Group | Highlights |
|----------------|---|
| TCM Living | <ul style="list-style-type: none"> - The furniture market in Europe was dull, but loyal customers remained. - The business group's revenue decreased by 30.71% YoY due to unfavourable market conditions. The cost of living remains high, people are spending cautiously, and many have replaced their sofas during lockdowns, delaying purchases for the time being. Consequently, sales fell across the entire industry. Additionally, higher interest rates directly affect the customers who are large UK furniture groups, which usually offer sofas with instalment payments. As financial costs rise, they must adjust their supply chain systems to maximize profits, often switching to cheaper sources or increasing production in their factories where sales are impacted by consumer belt-tightening. - Gross margin decreased from 21.66% last year to 16.32% this year. As a result of rising wages across the UK, rising raw material costs and significantly higher energy bills. - Selling and administrative expenses were substantially decreased due to the overall reduction of overhead caused by the consolidation of the plants to reduce costs, which was implemented in the first quarter of last year and will result in this year's record. - After accounting for inter-company expenses, financial costs, taxes, and exchange rate related expenses, the Group reported a net loss of 72.10 million baht. |

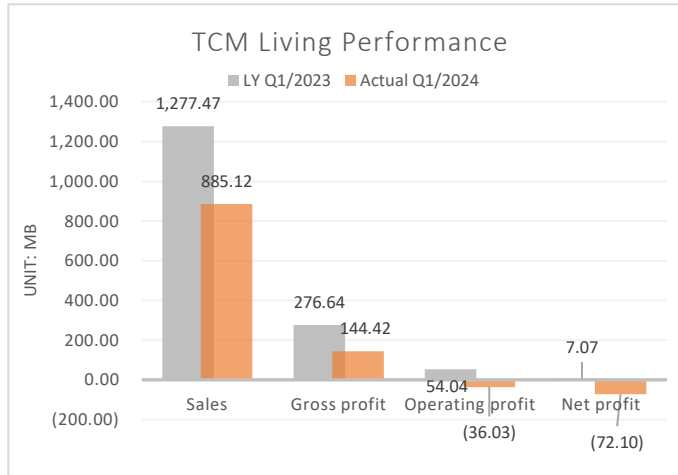
| Business Group | Highlights |
|----------------|---|
| TCM Surface | <ul style="list-style-type: none"> - Increasing efficiency and lean exercise keeps %GP steady despite the low season of the business. - Revenue decreased by 1.64% YoY, similar to last year. The cost ratio is also doing well and is close to pre-COVID levels. This is despite a 25% decrease in sales revenue from 2019. - The business group had higher selling and administrative expenses compared to the same period last year. This was due to boosting sales through product roadshows, promoting acoustic products, and overseas sales departments travelling more to reach customers. Expect orders to come in the second half of the year. - After deducting inter-company expenses, financial costs, and taxes, the Group reported a net loss of THB 26.05 million. |
| TCM Automotive | <ul style="list-style-type: none"> - The performance of the business group following the market situation. - Revenue decreased by 3.71% YoY, which aligns with the market. Automotive production in Thailand weakened slightly due to a decline in pickup truck lending. Exports are still growing well. - Better gross margins can be achieved through performance management and product mix. - Selling and administrative expenses remained the same as the prior year. - After taking out the inter-company expenses, financial costs, and taxes, the Group reported a net profit of 15.15 million baht, a 33.88% increased YoY. |

Performance by Group of Business

TCM Living

Unit: MB

| Details | Actual Q1/2024 | Last Year Q1/2023 | Diff % YoY | % of sales Q1/2024 | % of sales Q1/2023 |
|---|-------------------|----------------------|------------------|-----------------------|-----------------------|
| Revenue from Sales and Services | 885.12 | 1,277.47 | -30.71% | 100.00% | 100.00% |
| Cost of Sales and Services | (740.70) | (1,000.83) | | -83.68% | -78.34% |
| Gross Profit | 144.42 | 276.64 | -47.79% | 16.32% | 21.66% |
| Other incomes | 0.01 | 0.97 | -98.73% | 0.00% | 0.08% |
| Selling expenses | (104.60) | (122.96) | 14.93% | -11.82% | -9.63% |
| Administrative expenses | (75.88) | (100.29) | 24.34% | -8.57% | -7.85% |
| Profit (Loss) from Exchange Rate | 0.00 | 0.00 | 0.00% | 0.00% | 0.00% |
| Fair Value Adjustments to Derivatives (Forex) | 0.01 | (0.31) | 104.44% | 0.00% | -0.02% |
| Operating Profit (Loss) | (36.03) | 54.04 | -166.67% | -4.07% | 4.23% |
| Amortization - Intangible assets | (11.85) | (10.81) | -9.67% | -1.34% | -0.85% |
| Financial Costs from operation | (15.55) | (12.41) | -25.25% | -1.76% | -0.97% |
| Tax Income (Expenses) | 8.96 | (7.70) | 216.39% | 1.01% | -0.60% |
| Corporate Expenses - Shared | (6.65) | (6.44) | -3.21% | -0.75% | -0.50% |
| Financial Costs from non-operation | (10.98) | (9.61) | -14.24% | -1.24% | -0.75% |
| Net Profit (Loss) for the Period | (72.10) | 7.07 | -1119.87% | -8.15% | 0.55% |
| EBITDA | (15.94) | 72.83 | -121.88% | -1.80% | 5.70% |



TCM Living

The furniture business faces challenges from the economic downturn in the UK, a dull market situation and large customers shifting their business strategies to direct purchases from the source. As a result, the company's trading business (AMX Design) has decreased sales. The TCM Living group recorded a decrease in sales of 30.71%.

Gross margin declined to 16.32% from 21.66% in the previous year. This was due to the higher cost of living, energy, and transportation costs, as well as conflicts and closures of the Red Sea. As a result, delivery time and shipping costs increased, affecting the business's entire supply

chain.

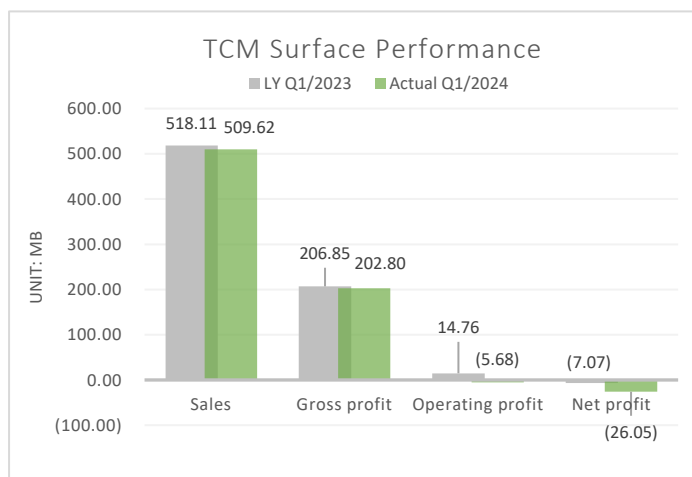
Total selling and administrative expenses were 180.48 million baht, a decrease from 223.25 million baht in the previous year. However, when comparing the percentage to sales year on year, it increased by 3.91% due to lower sales volume. However, expenses remained within management's expectations. There was a one-time cost of 6.5 million baht. (GBP 0.14 million) from the capacity reduction plan, which will lead to lower production costs in the coming quarters and beyond.

After deducting financial costs, taxes, and exchange rate movements, the Group reported a net loss of 72.10 million baht, which decreased by 1,119.87% from the net profit of 7.07 million baht in the same period of the previous year. The EBITDA was -15.94 million baht, which decreased by 121.88% compared to the same period of the year 2023.

TCM Surface

Unit: MB

| Details | Actual Q1/2024 | Last Year Q1/2023 | Diff % YoY | % of sales Q1/2024 | % of sales Q1/2023 |
|---|----------------|-------------------|-----------------|--------------------|--------------------|
| Revenue from Sales and Services | 509.62 | 518.11 | -1.64% | 100.00% | 100.00% |
| Cost of Sales and Services | (306.82) | (311.25) | | -60.21% | -60.08% |
| Gross Profit | 202.80 | 206.85 | -1.96% | 39.79% | 39.92% |
| Other incomes | 0.53 | 1.05 | -49.07% | 0.10% | 0.20% |
| Selling expenses | (96.94) | (82.23) | -17.88% | -19.02% | -15.87% |
| Administrative expenses | (114.98) | (115.16) | 0.16% | -22.56% | -22.23% |
| Profit (Loss) from Exchange Rate | 27.77 | 6.85 | 305.35% | 5.45% | 1.32% |
| Fair Value Adjustments to Derivatives (Forex) | (24.87) | (2.60) | -855.80% | -4.88% | -0.50% |
| Operating Profit (Loss) | (5.68) | 14.76 | -138.46% | -1.11% | 2.85% |
| Amortisation - Intangible assets | (4.58) | (4.58) | 0.00% | -0.90% | -0.88% |
| Financial Costs from operation | (1.99) | (1.21) | -64.42% | -0.39% | -0.23% |
| Tax Income (Expenses) | 12.90 | 8.34 | 54.73% | 2.53% | 1.61% |
| Corporate Expenses - Shared | (3.72) | (2.41) | -53.96% | -0.73% | -0.47% |
| Financial Costs from non-operation | (22.99) | (21.97) | -4.67% | -4.51% | -4.24% |
| Net Profit (Loss) for the Period | (26.05) | (7.07) | -268.48% | -5.11% | -1.36% |
| EBITDA | 16.28 | (25.41) | 252.24% | 7.47% | -6.61% |



TCM Surface

Q1 was the low season for the Surface business. As a result, sales declined from the previous quarter but remained in a similar range to Q1/2023, with sales and service revenue of 509.62 million baht. This was a decrease of 1.64% from the same period last year. Despite the impact of rising transportation costs, labour costs, and material costs, the Company has adjusted product prices accordingly. Including, the improvement in operational efficiency over the past few years allowed the business group to achieve a gross margin of 39.79%, similar to the previous year.

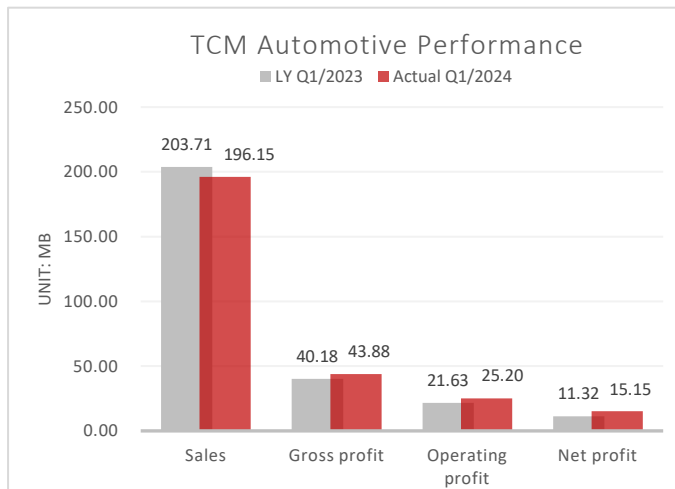
Total Selling and Administrative Expenses amounted to 211.92 million baht, equivalent to 41.58% of sales revenue. This is an increase from the previous year's 197.39 million baht, or 38.10% of sales revenue. The rise is due to the Company's efforts to increase sales by participating in various exhibitions, promoting acoustic products, and expanding overseas sales departments, which increased travel to reach customers. The Company expects orders to arrive in the second half of the year.

After accounting for inter-company expenses, financial costs, and taxes, the Group reported a net loss of 26.05 million baht, compared to 7.07 million baht in the previous year.

TCM Automotive

Unit: MB

| Details | Actual Q1/2024 | Last Year Q1/2023 | Diff % YoY | % of sales Q1/2024 | % of sales Q1/2023 |
|---|-------------------|----------------------|---------------|-----------------------|-----------------------|
| Revenue from Sales and Services | 196.15 | 203.71 | -3.71% | 100.00% | 100.00% |
| Cost of Sales and Services | (152.27) | (163.53) | | -77.63% | -80.27% |
| Gross Profit | 43.88 | 40.18 | 9.19% | 22.37% | 19.73% |
| Other incomes | 0.69 | 1.11 | -37.43% | 0.35% | 0.54% |
| Selling expenses | (7.72) | (8.83) | 12.61% | -3.94% | -4.34% |
| Administrative expenses | (11.39) | (11.16) | -2.09% | -5.81% | -5.48% |
| Profit (Loss) from Exchange Rate | (0.26) | 0.33 | -178.46% | -0.13% | 0.16% |
| Operating Profit (Loss) | 25.20 | 21.63 | 16.47% | 12.85% | 10.62% |
| Amortisation - Intangible assets | (5.48) | (5.50) | 0.43% | -1.07% | -1.06% |
| Financial Costs from operation | (0.62) | (0.21) | -202.20% | -0.32% | -0.10% |
| Tax Income (Expenses) | (2.78) | (3.73) | 25.49% | -1.42% | -1.83% |
| Corporate Expenses - Shared | (1.17) | (0.87) | -33.41% | -0.59% | -0.43% |
| Net Profit (Loss) for the Period | 15.15 | 11.32 | 33.80% | 7.72% | 5.56% |
| EBITDA | 30.10 | 25.87 | 16.36% | 15.34% | 12.70% |



TCM Automotive

The automotive industry in Thailand and abroad remained stable in Q1/2024, with sales slightly lower than the previous year, accounting for 3.71%, but still achieving a gross margin of 22.37%, higher than the same period last year, which was 19.73%. This was due to improvements in production efficiency, cost reduction in all aspects, and higher proportions of high-margin products being sold.

Total sales and administrative expenses in Q1/2024 as a percentage of sales were similar to the same period last year at 9.74% and 9.81%,

respectively.

After subtracting inter-company expenses, financial costs, and taxes, the Group reported a net profit of 15.15 million baht or 7.72% of the revenue from sales and services. This is higher than the previous year's net profit of 11.32 million baht. The EBITDA was 30.10 million baht, accounting for 15.34% of the revenue from sales and services.

Consolidated Performance

Unit: THB million

| Consolidated Statement | Q1/2024 | Q1/2023 | Diff |
|---|-------------------|-------------------|------------------|
| | | | % YoY |
| <u>Revenue</u> | | | |
| Revenue from Sales and Services | 1,590.89 | 1,999.30 | -20.43% |
| Other Incomes | 1.24 | 3.12 | -60.36% |
| Gain from exchange rate | 27.51 | 7.19 | 282.82% |
| Total revenue | 1,619.64 | 2,009.61 | -19.40% |
| <u>Expenses</u> | | | |
| Cost of sales and services | (1,205.27) | (1,481.12) | 18.62% |
| Selling expenses | (209.26) | (214.03) | 2.23% |
| Administrative & Corporate expenses | (230.21) | (251.72) | 8.55% |
| Loss from fair value adjustments to derivatives | (24.85) | (2.92) | -752.58% |
| Total expenses | (1,669.59) | (1,949.79) | 14.37% |
| Net profit before TAX | (49.95) | 59.82 | -183.50% |
| Financial costs | (52.13) | (45.41) | -14.81% |
| Tax expenses | 19.09 | (3.09) | 718.03% |
| Profit (loss) for the quarter | (82.99) | 11.32 | -832.87% |
| Profit (loss) for TCMC | (77.72) | 1.09 | -7247.98% |
| EBITDA | 30.44 | 135.99 | -77.61% |
| Weighted average number of ordinary shares (shares) | 763,201,125 | 763,201,125 | |
| Basic earnings per share (Baht) | (0.10) | 0.00 | |

Other Incomes

In quarter 1 of 2024, the Corporate Group recorded other incomes of 1.24 million baht, which were derived from interest income, rental fees, asset sales, scrap selling, etc., compared to Q1/2023, when the company recorded other

incomes of 3.12 million baht. In Q1/2024, TCM Surface also gained 27.51 million baht from foreign exchange. This will offset a similar number of derivative losses.

Financial Costs

The Company's total financial costs amounted to 52.13 million baht, 18.15 million baht from operations, and 33.98 million baht from financial costs arising from acquisitions. This was higher than the same period last year when the total was 45.41 million baht due to the continuous rise in interest rates in Thailand and the UK in recent times.

Statement of Financial Position

Unit THB million

| Statement of consolidated financial position | As of 31 March, 2024 | As of 31 December, 2023 | Change | |
|--|----------------------|-------------------------|--------------|--------|
| | | | Million Baht | % |
| Total Assets | 7,782.23 | 7,763.09 | 19.14 | 0.25% |
| Total Liabilities | 5,225.65 | 5,102.84 | 122.81 | 2.41% |
| Shareholders' Equity | 2,556.57 | 2,660.25 | (103.67) | -3.90% |
| D/E Ratio | 2.04:1 | 1.92:1 | | |

On a consolidated basis, the company's total assets and liabilities increased by 0.25% and 2.41%, respectively. A solid capital base remained, but shareholder equity dropped by 3.90%. The D/E ratio was increased to 2.04x at the end of Q1/2024 compared to 1.92x at FYE 31 December 2023.

Key Financial Ratios

| Key Financial Ratios | Q1/2024 | FY 2023 |
|-------------------------------------|---------|---------|
| Current ratio (times) | 1.12 | 1.21 |
| Quick ratio (times) | 0.73 | 0.82 |
| Account Receivable Turnover (times) | 6.37 | 6.06 |
| Account Payable Turnover (times) | 4.38 | 4.16 |
| Inventory turnover (times) | 6.54 | 6.28 |
| D/E ratio (times) | 2.04 | 1.92 |
| Return on equity (%) | -3.49 | 2.13 |
| Return on assets (%) | -1.09 | 1.05 |
| Assets turnover (times) | 0.98 | 1.03 |

As of 31 March 2024, the Group's current ratio was 1.12 times, and the quick ratio was 0.73 times, lower than the end of 2023, which was 1.21 times and 0.82 times, respectively. However, the Group remained well liquid, with accounts receivable and accounts payable turnover improving from 6.06 times to 6.37 times and 4.16 times to 4.38 times, respectively, and inventory turnover also improved from 6.28 times to 6.54 times.

The debt-to-equity ratio was reported at 2.04 times, higher than the year-end period of 1.92 times, due to an increase in total liabilities and from the low seasons of the business in Q1, which caused the Return on Equity, Return on Asset and Assets turnover to drop.