



Global Presence • Aesthetic Excellence • Business Integrity

OPPORTUNITY DAY | 4 SEPTEMBER 2019



Agenda

- COMPANY OVERVIEW
- PRODUCTS & SERVICES
- FINANCIAL HIGHLIGHT
- ACTIVITIES & OPPORTUNITIES
- Q & A

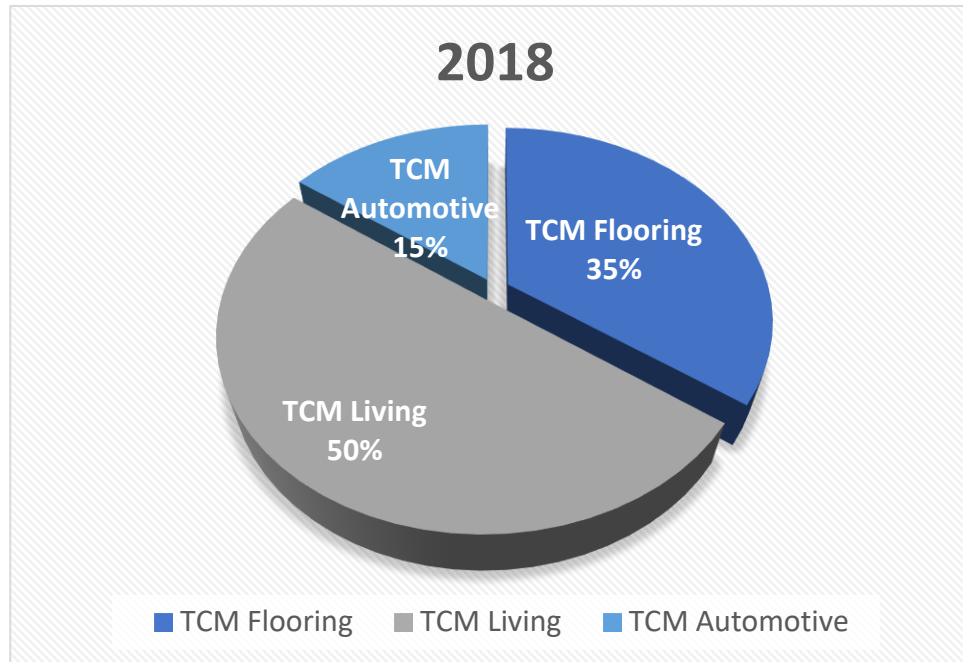
Overview

TCM Corporation Business Structure



Total: 15 subsidiaries

TCM Corporation – Key Information 2018



Total Sales	9,546.56 MB
EBITDA	990.76 MB
Net Profit	408.88 MB
Total Assets	9,455.70 MB

TCM Global business – our offices



Flooring business
Living business
Automotive business



ROYAL THAI

- ➡ Hospitality Sector
- ➡ Residential Sector



Carpets Inter®

- ➡ Corporate Sector



Business route



→ Tier 1 → Car Maker

Car Maker:

Honda, Mazda, Toyota, Isuzu, MMTH, Nissan, Suzuki, Perodua, Proton, GM, MG, Ford and Kubota



Alstons
Sofas for Living



ASHLEYMANOR
a new design language



amxdesign
the leather experts



Alexander & James
GREAT BRITISH SOFA DESIGN

Customers

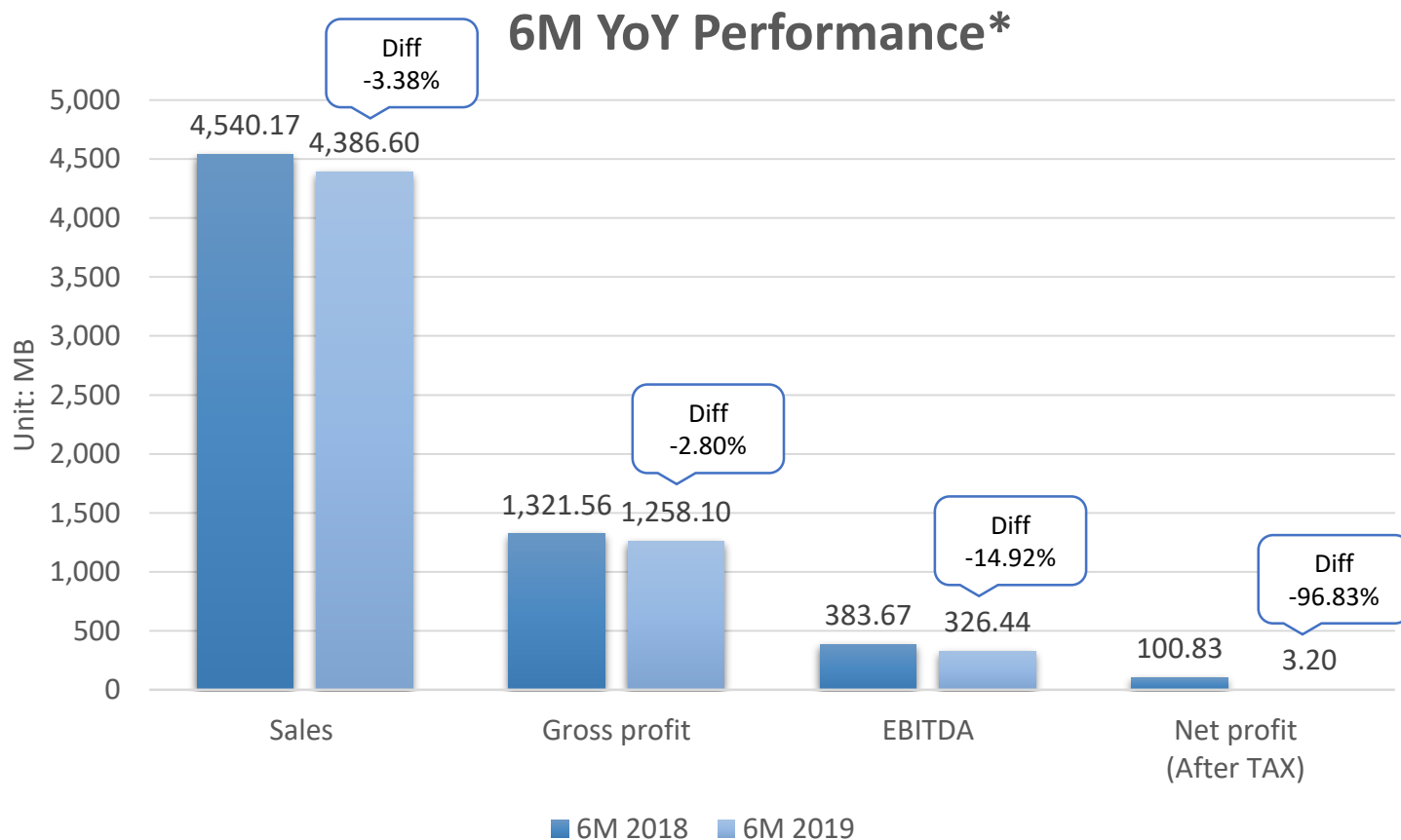
- ➔ Retails stores
 - : DFS
 - : SCS
 - : Harveys
 - : Furniture Village
 - : Sofa Store / Oak furniture
- ➔ Independent Stores
 - : AIS
 - : Minerva
 - : Barker and Stonehouse



Financial Highlight

TCMC Consolidated Operating Performance

(6M18 VS 6M19 performance)



% to sales	100%	100%	29.11%	28.68%	8.45%	7.44%	2.22%	0.07%
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*Included extraordinary items: Employee benefits, impairment of assets

Business Performance

(6M18 VS 6M19 performance)

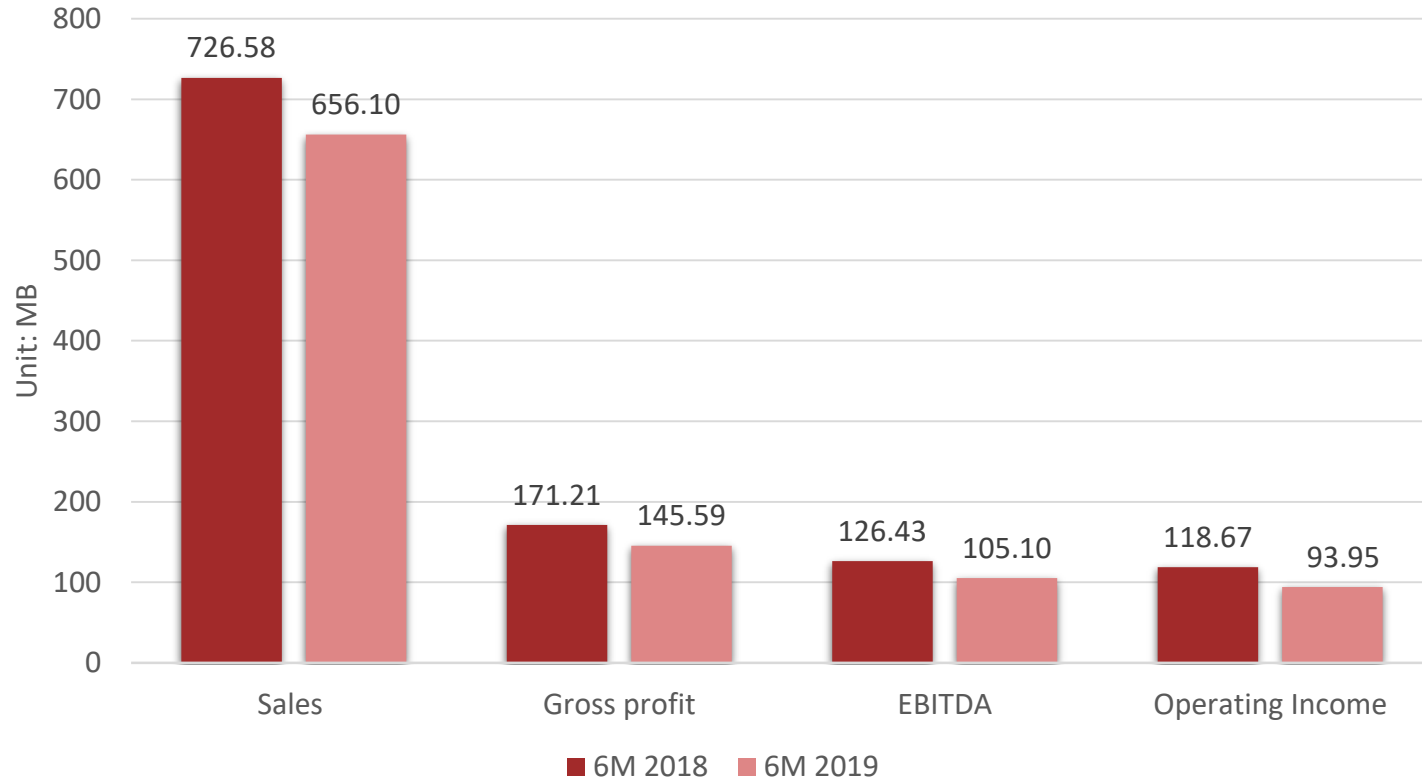
6M YoY Performance*



% to sales	100%	100%	37.34%	36.52%	7.28%	4.00%	2.57%	-2.99%
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*TCM Flooring performance excluded Corporate expenses, Interests and Employee benefits

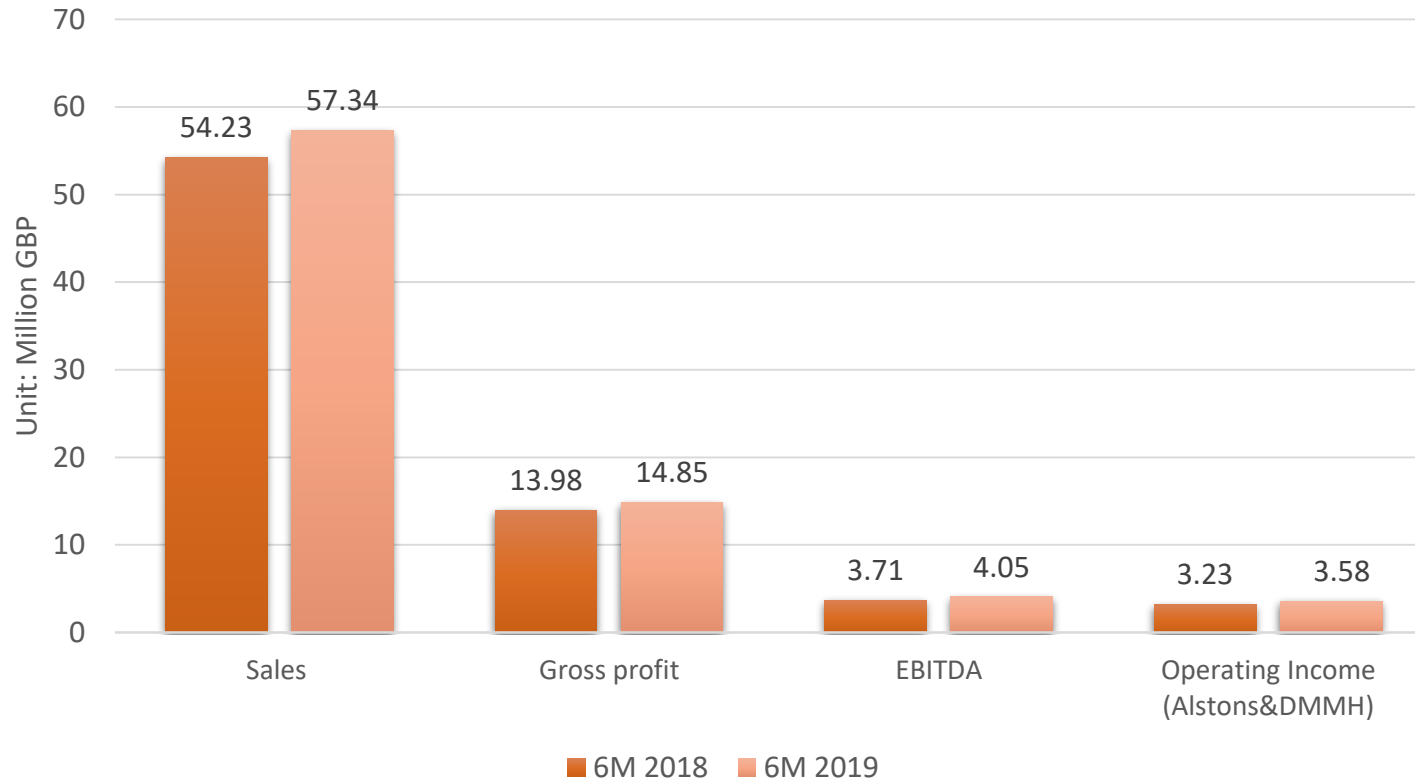
6M YoY Performance*



% to sales	100%	100%	76.44%	77.81%	17.40%	16.02%	16.33%	14.32%
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*TCM Automotive performance excluded Corporate expenses, Interests and Employee benefits

6M YoY Performance*

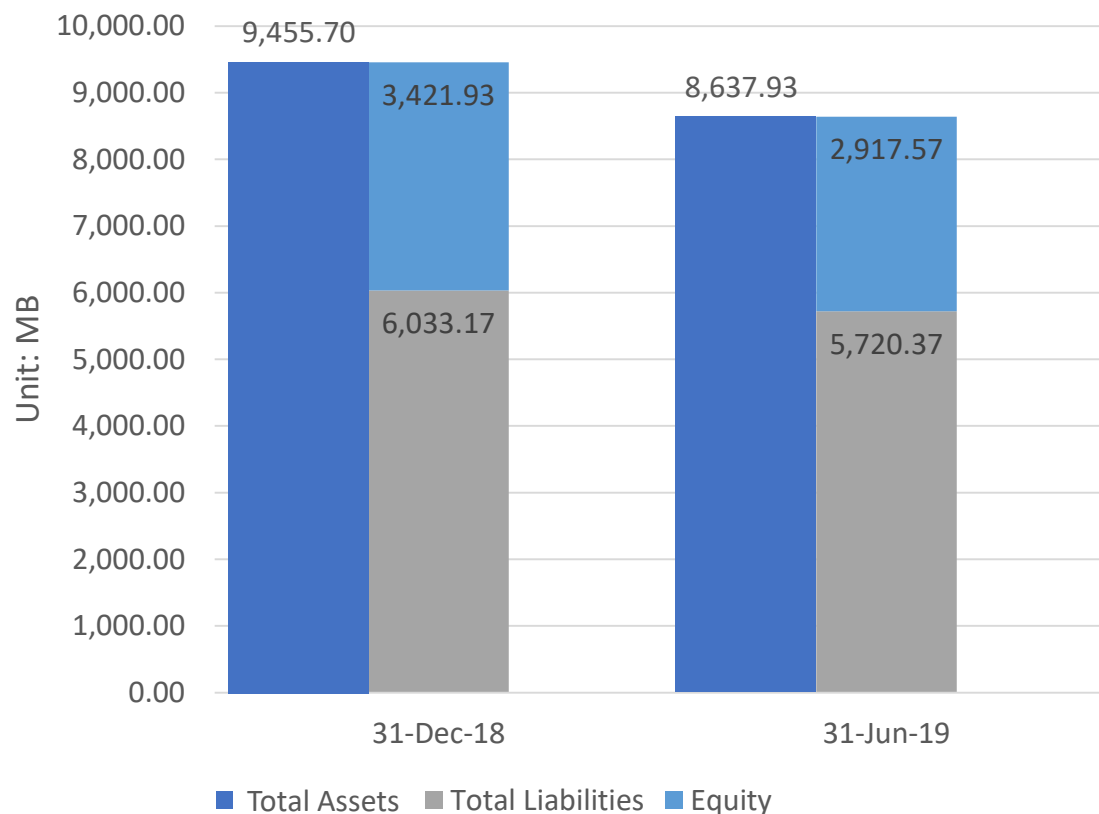


% to sales	100%	100%	25.78%	25.90%	6.84%	7.06%	5.96%	6.24%
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*TCM Living performance excluded Amortization of intangible assets & Interests

TCMC Consolidated Operating Performance

Statement of Financial Position



Current Ratio (Times)

FY 2018	6M 2019
1.52	1.34

Quick Ratio (Times)

FY 2018	6M 2019
1.01	0.87

D/E Ratio

FY 2018	6M 2019
1.76	1.96

EPS (Baht)

6M 2018	6M 2019
0.04	-0.07



Activities & Strategies

TCM Flooring Growth Strategies



- New team members
- New market segments
 - Aviation
 - Cruise
 - Airports
 - Private label / residential
- New distribution channels
- New collections

TCM Flooring Growth Strategies

HD Expo



TCM Flooring Growth Strategies

UNSCRIPTED: STUDIO COLLECTION



Invites/Teasers



Printed Brochure



Photography



Video/Motion Graphics



Sample Sets



Tote Bag

TCM Flooring Growth Strategies

UNSCRIPTED: STUDIO COLLECTION



TCM Flooring Growth Strategies

INTRINSIC: STUDIO COLLECTION



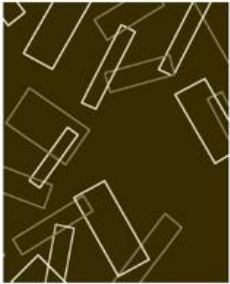
Printed Brochure



Sample Sets

TCM Flooring Growth Strategies

INTRINSIC: STUDIO COLLECTION- CATEGORY B



NH-036983-1



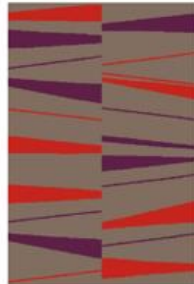
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NH-036985-1



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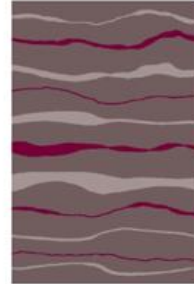
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TCM Flooring Growth Strategies



TCM Flooring Growth Strategies

AVIATION

TARGET CLIENTS: 2 Tier Process

1. European and Middle Eastern Clients
 - Jet Aviation Basel
 - Specific Aviation Designers throughout EMEA
2. Select Completion Centers and OEM's
 - Global Completion Centers
 - Canadian and US OEM Centers

CURRENT CLIENTS

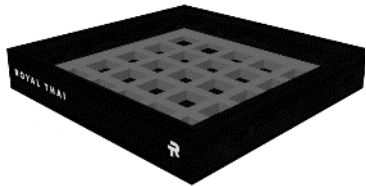
- Presidential flight of Abu Dhabi- 2 Dreamliner aircraft a (Boeing 787)
- Royal flight of Abu Dhabi
- AMAC Aerospace- 3 project at Bid (wide body planes)
- Meeting with Jet Aviation Dubai (Vista Jet) – 11 orders from Vista Jet are in production

TCM Flooring Growth Strategies

MARKET & SAMPLES

All samples will be curated dependent on the Customer and the Need. For each tier we will produce a limited amount of samples to capture the attention of those we wish to do business with specific to their needs.

Target Packages will include Pom Box with curated colors and sample set



MAILCHIMP CAMPAIGNS

Contact Database with over 200 contacts.

WEBSITE DEVELOPMENT

BRAND VIDEO

PUBLIC RELATIONS



EBACE – HOSTED EVENT

TCM Flooring Growth Strategies

EUROPEAN BUSINESS AVIATION CONVENTION & EXHIBITION

(EBACE) Geneva

We feel greatly honored that you accepted our invitation and that we had the opportunity to welcome you as our guest at the 1st

Business AVIATION PARTY

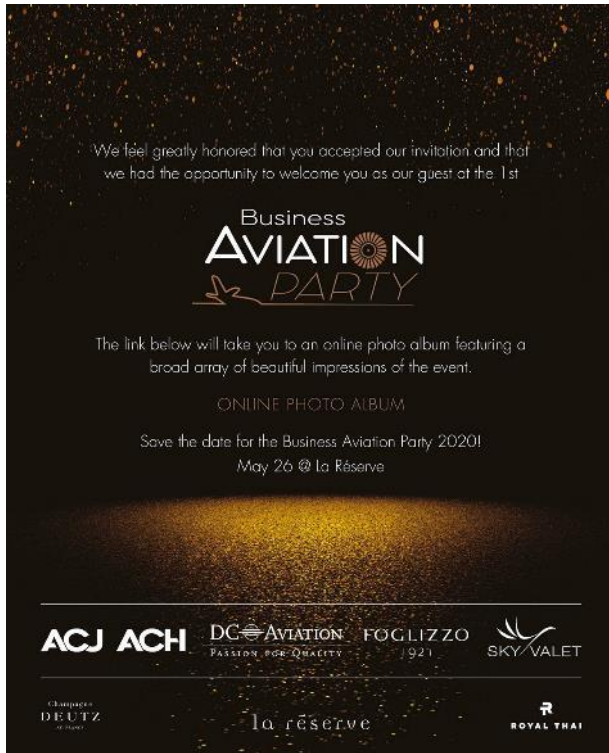
The link below will take you to an online photo album featuring a broad array of beautiful impressions of the event.

ONLINE PHOTO ALBUM

Save the date for the Business Aviation Party 2020!
May 26 @ La Réserve

ACJ ACH DC AVIATION FOGLEZZO SKY VALET
PASSION FOR QUALITY 1921

la réserve ROYAL THAI

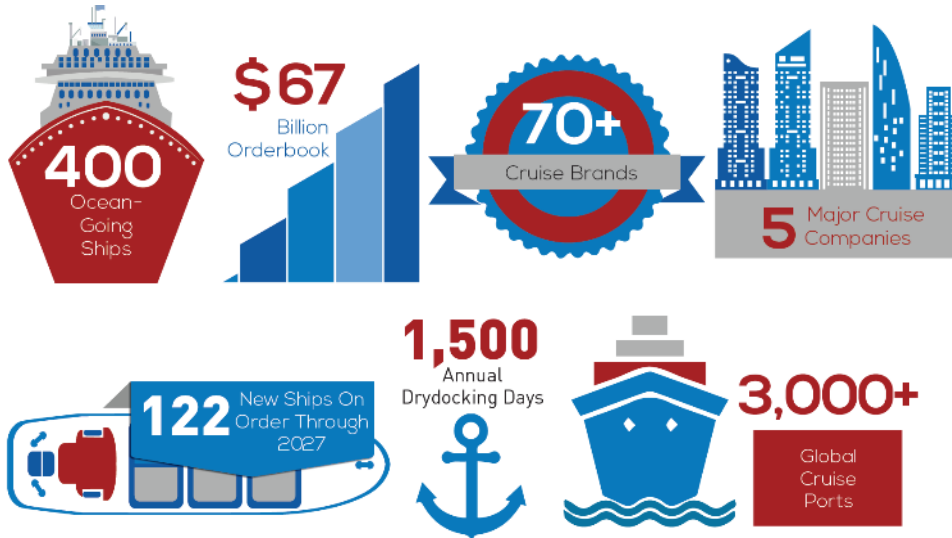


TCM Flooring Growth Strategies

CRUISE SHIPS



Market



Partnerships



Largest Players

- Carnival Corporation, Miami – 105 ships
- Royal Caribbean Cruise, Miami – 63 ships
- Norwegian Cruise Line Holdings, Miami – 27 ships
- MSC Cruises, Geneva – 17 ships
- Genting Hong Kong – 9 ships

TCM Flooring Growth Strategies

CRUISE SHIP INTERIORS EXPO, MIAMI 2019 (CSIE2019)



TCM Flooring Sales Strategies

GAMING

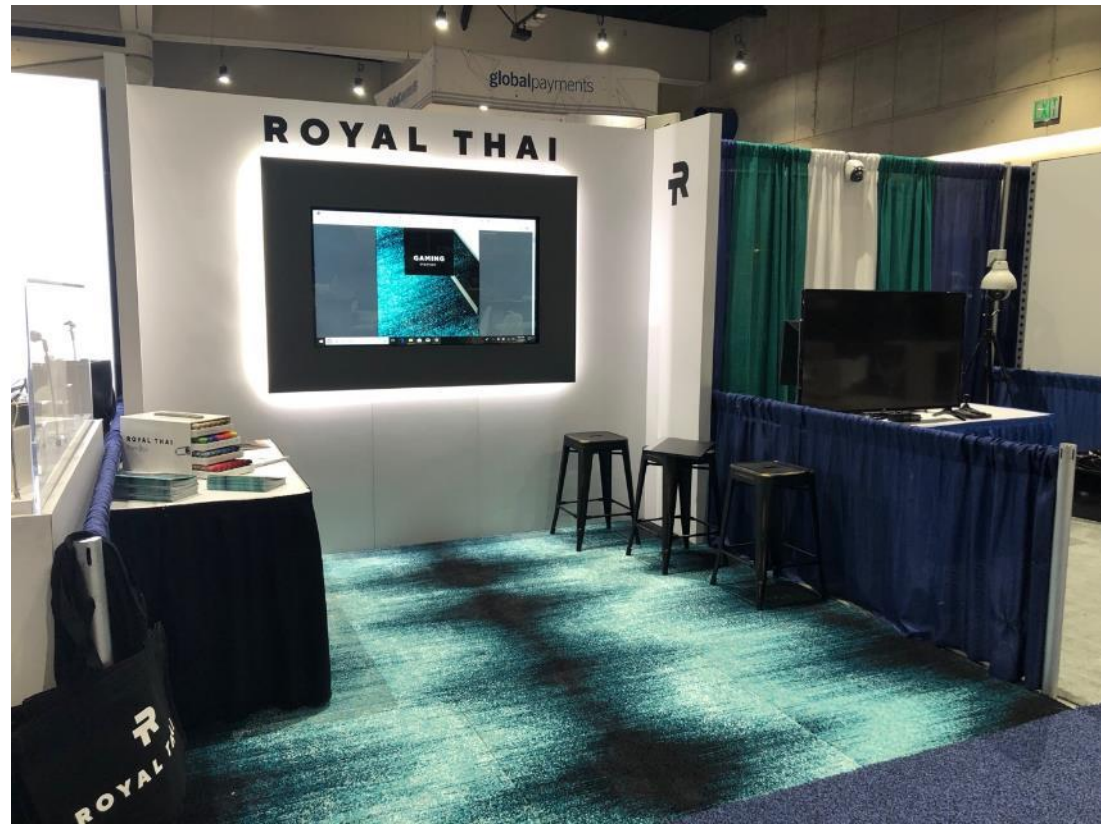
EXISTING MARKETS

Singapore
Macau
Philippines
Saipan/Guam/Malaysia

NEW MARKETS

Japan – Osaka
Korea – Seoul & Jeju Island
Vietnam
Russia

NATIONAL INDIAN GAMING TRADE-SHOW & CONVENTION (NIGA) San Diego



TCM Flooring Sales Strategies

Carpets Inter[®]

- New team members
- New distribution channels
 - Middle East
 - India
 - South America
- New collections
- New segments - Airports

TCM Flooring Sales Strategies

Business Development

In the **Domestic Thailand Market** we have recently supplied and or secured the following:

➤ **Airports:**

Suvarnabhumi Airport (54,000m2)
Chiang Mai Airport (4,700m2)
Krabi Airport (2,400m2)
Mae Hong Son Airport (1,400m2)

➤ **Banks & Financial:**

SCB Bank (3Yr Contract Est. 40,000m2)

➤ **Corporate Office:**

New Parliament Bldg (22,000m2)
USAID US 2200m2
Agoda (6,000m2)
Thai Airways (6,000m2)

➤ **Education:**

Thaksin University, Songkhla (2,400m2)
Thaksin University, Patalung (1,000m2)
Songkhla Nakarin University (1,200m2)

➤ **Exhibition & Convention:**

Siam Paragon (5,500m2)

➤ **Hospitality:**

Little Duck Hotel, Chiang Rai (3,100m2)
Siam @Siam Pattaya (2,000m2)
Kuretake Hotel, Chonburi (2,155m2)
Richmond Hotel BKK (6,000m2 -EcoSoft)

We continue to venture into Hospitality Hotel & Serviced Apartment occupancy spaces.

TCM Flooring Sales Strategies

New CI Sales Tools

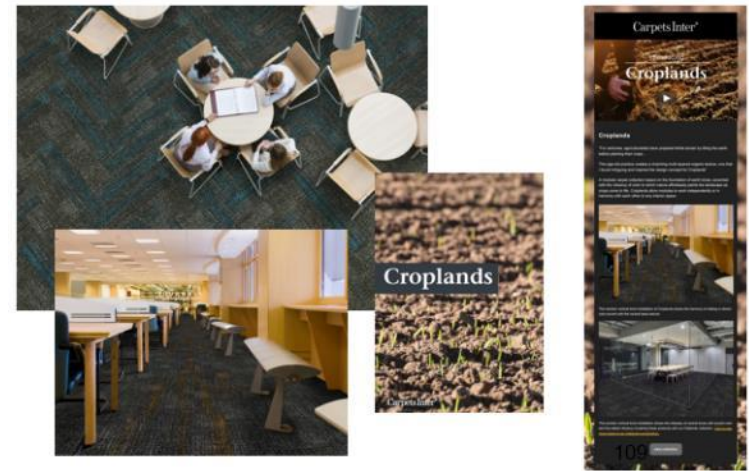
- New Social Media Strategy: Instagram & Pinterest
- Launch of Ebb and Flow
- New 2019 Sustainability Campaign
- The Ocean Clean Up
- Carpets Intranet for Dealers
- SPC LVT Product Launch Q4
- New Maintenance Guidelines



BETON COLLECTION



CROPLANDS COLLECTION



TCM Flooring Sales Strategies

CARPETS INTER

UPSTREAM COLLECTION

116



TCM Flooring Sales Strategies

ECOSOFT MARKETING TOOL 2019



NEW LOOK
NEW DESIGN
NEW UPDATED CONTENT
... TIE IN TO SUSTAINABILITY CAMPAIGN

TCM Flooring Sales Strategies

Dealer conference & Collection launch party



Drive Manufacturing Efficiency and Profitability



- Consolidate manufacturing into one factory.
- Centralised purchasing and raw material savings, experience and economy of scale purchases.
- Centralised planning and optimised plant scheduling.
- Wool Yarn Manufacturing plant upgrade.
- Investment in new technology high-speed Axminster looms.
- Global implementation of an integrated ERP IT system.
- Diversify manufacturing facility



TCM LIVING

Activities

TCM Living - New Structure



TCM Living restructuring

Board of Directors

CEO
Mark Smith
From DM Midlands

COO
Philip Grindrod
From Alstons

CFO
Terry Cramphorn
From Alstons

Alstons

Ashley
Manor

AMX
Design

Alexander
& James

James
Alexander

TCM Living restructuring

The Market (2017)



- UK manufactured upholstered furniture (wooden frames) – £1 billion.
- Imported furniture – £740m
- Mature market resilient to economic downturns.



Source – Office national statistics

TCM Living restructuring

Competitors – Independent Companies

Key COMPETITORS		£m	£m
Published Accounts	last accounts	Turnover	Operating profit (before exceptionals)
<i>Ashley Manor Upholstery Limited</i>	Dec-18	22.47	
<i>Alexander & James **</i>	Dec-18	13.51	
<i>James Alexander **</i>	Dec-18	1.41	
<i>Amx Designs **</i>	Dec-18	42.56	
DM Midlands	Dec-18	79.95	4.65
Alstons	Dec-18	33.64	3.44
TCMC LIVING		113.59	8.09
<i>G Plan Upholstery Limited</i>	Jun-18	35.46	3.06
<i>Parker Knoll Upholstery Limited</i>	Jun-18	30.59	2.98
<i>Duresta Upholstery Limited</i>	Jun-18	14.40	0.16
Sofa Brands International group	Jun-18	80.98	5.46
<i>Welbeck House Limited</i>	Sep-18	24.27	-1.50
<i>JDP Frames</i>	Sep-18	2.23	-1.21
<i>H & F Upholstery</i>	Sep-18	0.00	0.00
<i>Parker & Farr</i>	Sep-18	0.00	0.00
<i>Celebrity Motion Furniture</i>	Sep-18	16.75	0.56
JDP Furniture Group	Sep-18	43.25	-2.15
Buoyant Holdings Limited	Sep-18	52.00	-0.60
Furnico Limited	Jul-18	29.70	0.88
Lebus Upholstery Limited	Dec-17	40.73	1.08
Sherbourne Upholstery Limited	Jun-18	24.20	0.63
Westbridge Furniture Designs Limited	Dec-17	98.30	2.14
Whitemeadow Furniture Limited	Dec-17	48.40	3.16
UK manufacture		440.03	
Imported **		57.48	

TCM Living is one of the largest sofa manufacturers/supplier in UK.

TCM Living has 6.6% market share
5.6% UK manufacture and
7.8% imported

TCM Living restructuring

Retailers



The UK upholstered furniture retail market is currently worth £3.3bn (Furniture, Lighting & Homeware Retailers in the UK October 2018).

Retailers we work with:-

Name	Description	Turnover	Number of Stores	
DFS	One of the leading sofa retailers for over 50 years, DFS recently acquired what is acknowledged in the industry to be one of the most progressive sofa companies - Sofology in 2018.	£870.5m Sofology - 14% Dwell – 7% DFS – 79%	Combined: 234 This break downs to: DFS -116 Sofology 42 Dwell/ Sofa Workshop: 76	26.4%
SCS	Specialist sofa and flooring company appealing to the mass market.	£352m	100	10.7%
Harveys	Sofa, Dining and Living Room dominated retailer	£175m	150	5.3%
Furniture Village	Established in 1989, this retailer offers great value furniture for, lounge, bedroom and kitchen.	£262m	52	7.9%
AIS (Independents)	AIS is the Major buying group in the UK. Alstons sell £11m through AIS and £10m through others, AMU sell £8.3m to all independents	£509.5m	350 members	15.4%

TCM Living restructuring

Group objectives – PRE-IPO



The acquisition of Alstons and DM Midlands by TCM Corp PLC provides the opportunity to combine two successful and well established British businesses to share expertise, knowledge and experience by industry leaders.

Group Objectives PRE-IPO

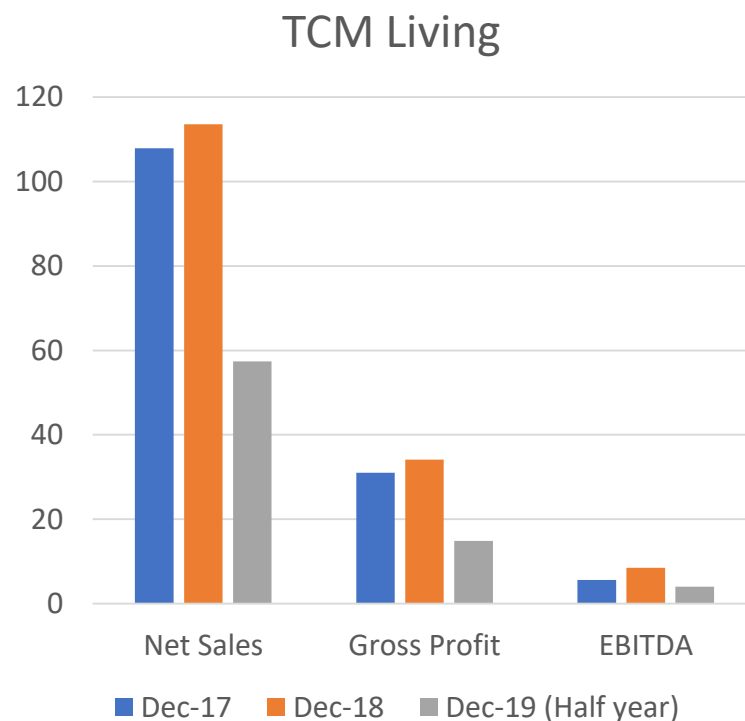
- To improve efficiencies and implement best practice throughout the manufacturing process. Includes review of procurement, labour utilisation, production and operational methodologies.
- To consolidate and standardise the accounting and management reporting process (already reporting under IFRS).
- To create a culture which supports continuous growth and improvement.

TCM Living restructuring

Financial Overview



TCM Living £ million	Dec-17	Dec-18	Half year-19
Net Sales	107.9	113.6	57.35
Gross profit	31.0	34.1	14.85
Gross profit %	28.7%	30.0%	25.9%
PBIT	4.3	7.5	3.6
Depreciation & Amortisation	1.3	1.0	0.5
EBITDA	5.6	8.5	4.0
EBITDA % net sales	5.2%	7.5%	6.9%



A&J Flagship store activities

Collaboration with VOGUE / Prestige magazine



A&J Flagship Store Activities



At Home Show

Date : 4-8 September 2019 with individual meetings through 18 September 2019

Guests: 5 retailers from EMEA

- Tunisia 1,
- ME 1,
- UK 2 (Sofology and SCS),
- France 1 (Interiors)

12 retailers from APAC

- NZ 1
- Indonesia 1
- China 10

Target group: Larger multiple store retailers and dominant regional retail partners

New models: 5 new models which showcase a more contemporary footprint

Purpose of the events:

- To showcase the first wave of our new (more internationally focused) product development.
- Generate a turnover boost for JA

Q&A



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