

Shareholders,

TMS Ecuador S.A.

Calle Bulgaria N° 203 y Avda. Diego de Almagro, Código Postal 170518, Ecuador

From my consideration:

Hereby, I inform the Shareholders and annual report of the General Management of the company TMS Ecuador S.A. for the fiscal year between January 1 and December 31, 2019:

1.1 Compliance with the objectives set for this financial year

The company was incorporated in late 2018 and the fiscal year 2019 was the first one that the company traded. Sales were small but we are confident that, with the investments made, that in the following periods we will improve growth for the benefit of the shareholders and our contribution to the state and society.

1.2 Compliance with the provisions of the General Meeting and the Board of Directors

Throughout the fiscal and accounting period, the provisions, rules statutes and all the processes that were defined by the shareholders since the constitution of the company were maintained, in addition to those that year after year, in the General and Extraordinary Meetings are analysed and planned for the following periods.

1.3 Information on extremities events produced during the year, in the administrative, labour and legal fields  
There were no extraordinary situations that must be reported.

1.4 Financial situation of the company at the end of the year and of the annual results

The company's profit in 2019 was USD 38,567.57. After preparing the tax reconciliation the income tax was USD 0.00. After making the corresponding deductions, the accounting profit for the company was USD 38,067.57. No dividend is proposed to the shareholders as 2019 is the first full trading year.

1.5 Proposal on the destination of the profits obtained in the financial year

It is proposed that the profits from this exercise be returned to the company as working capital. These will make it easier to continue with the maintenance and investment plans in the company's projects, as well as to avoid having financial costs with banks.

It is what I can generally report to the Board, I consider that it encompasses everything that has been arranged for them to know it.

Sincerely,

SIGNATURE



Firmado electrónicamente por:  
**JAIME ANTONIO  
TAMAYO  
MARTINEZ**

Jaime Tamayo Martinez

General Manager