

May 14, 2019

Subject: The Explanation for the Change in Operating Results for the 3-Month Period Ended March 31, 2019 ("Q1'19") by More than 20% Compared to the Same Period of Previous Year

To: Directors and Managers
The Stock Exchange of Thailand

THAI CAPITAL CORPORATION PUBLIC COMPANY LIMITED and its subsidiaries ("TCC") would like to report our consolidated operating results for Q1'19 as follows:

TCC has 3 businesses; coal trading, ice cream, and wholesale agricultural market. TCC had net loss for Q1'19 of Baht 8.7 million or 5.8% of total revenues, compared to the previous year with net profit of Baht 4.4 million. The operating result of each business is as follows:

TCC had revenue from sales of coal for Q1'19 amounting to Baht 147.8 million, decreasing from previous year by Baht 207.7 million or 58.4% largely due to high competition in domestic market. However, the gross margin of coal business for Q1'19 increased as compared to previous year (15.9% vs 11.2%). Selling expenses of coal business amounting to Baht 13.6 million decreasing from previous year by Baht 3.7 million or 21.4%. When compared to revenue from sales, selling expenses for Q1'19 were 9.2% which were higher as compared to 4.9% for Q1'18.

TCC had revenue from sales of ice cream business under Emack and Bolio's brand of Baht 1.8 million, decreasing from previous year by Baht 0.7 million or 28.0%. The gross margin of ice cream business was 31.4%, decreasing from previous year of 44.6%. Selling expenses of ice cream business of Baht 1.4 million, decreasing from previous year by Baht 0.9 million or 39.1%.

Administrative expenses amounted to Baht 17.0 million, increasing from previous year by Baht 2.9 million or 20.6%.

Company had tax expense for Q1'19 of Baht 0.4 million.

Please be informed accordingly,

Yours Faithfully,

(Mr. Kamphol Patana-anukul)
Chief Financial Officer