

November 13, 2019

Subject: The Explanation for the Change in Operating Results for the 3-Month Period Ended September 30, 2019 ("Q3'19") 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 Q3'19 as follows:

TCC has 3 businesses; coal trading, ice cream, and wholesale agricultural market. TCC had net loss for Q3'19 of Baht 0.3 million or 0.2% of total revenues, compared to the previous year with net loss of Baht 2.4 million. The operating result of each business is as follows:

TCC had revenue from sales of coal for Q3'19 amounting to Baht 184.6 million, decreasing from previous year by Baht 113.1 million or 38.0% largely due to high competition in domestic market. However, the gross margin of coal business for Q3'19 increased as compared to previous year (13.8% vs 10.0%). Selling expenses of coal business amounting to Baht 11.9 million decreasing from previous year by Baht 4.5 million or 27.4%. When compared to revenue from sales, selling expenses for Q3'19 were 6.4% which were higher as compared to 5.5% for Q3'18.

TCC had revenue from sales of ice cream business under Emack and Bolio's brand of Baht 0.9 million, decreasing from previous year by Baht 1.4 million or 60.9%. The gross margin of ice cream business was 66.7%, increasing from previous year of 34.8%. Selling expenses of ice cream business of Baht 1.0 million, decreasing from previous year by Baht 0.8 million or 44.4%.

Administrative expenses amounted to Baht 13.0 million, decreasing from previous year by Baht 1.2 million or 8.5%.

Company had tax expense for Q3'19 of Baht 2.0 million.

Please be informed accordingly,

Yours Faithfully,

(Mr.Kamphol Patana-anukul)
Chief Financial Officer