

February 25, 2021

Subject: The Explanation for the Change in Operating Results for the Year Ended December 31, 2020 ("Year 2020") 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 the Year Ended December 31, 2020 as follows:

TCC had net loss for Year 2020 of Baht 21.1 million or 4.4% of total revenues, compared to the previous year with net loss of Baht 15.7 million. The operating result can be further analyzed as follows:

TCC had revenue from sales of coal for 2020 amounting to Baht 482.9 million, decreasing from previous year by Baht 218.0 million or 31.1% largely due to high competition in domestic coal market and the situation of Coronavirus disease 2019 Pandemic (COVID-19), which has significantly affected to the Group's business distribution of coal due to the slowdown of production capacity of business sectors from the decrease in domestic and international purchasing power which affected the demand in energy consumption.

The gross margin of coal business for 2020 increased as compared to previous year (21.5% vs 14.1%). Selling expenses of coal business amounting to Baht 63.6 million increasing from previous year by Baht 10.4 million or 19.5%. When compared to revenue from sales, selling expenses for 2020 were 13.2% which were higher as compared to 7.6% for 2019.

Administrative expenses amounted to Baht 59.5 million, increasing from previous year by Baht 4.2 million or 7.6%.

Company had tax revenue for 2020 of Baht 0.5 million.

Please be informed accordingly,

Yours Faithfully,

(Mr.KampholPatana-anukul)
Chief Financial Officer