

eleng 003/2016

February 25, 2016

Subject Explanation of operating results for the year ended December 31, 2015

To Director and Manager
The Stock Exchange of Thailand

The explanation to the consolidated financial performance as at December 31, 2015 of Asia Green Energy Public Company Limited and its subsidiaries (“the Company”) is as follows:

In the year 2015, the revenue from sales and services was Baht 4,226.55 million, decreased by 36.03% from the year 2014, resulting from slowdown in export sale with impacted by the economic in customer’s country and the company has emphasized on expanding the domestic market, which have a higher margin.

Cost of sales and services for the year 2015 was Baht 3,741.74 million, decreased by 40.51% from the year 2014 because of decreasing in sales.

The Company had gross profit of Baht 144.68 million or equivalent to a margin ratio of 11.47%, compared to Baht 317.23 million or equivalent to a margin ratio of 4.80% of the year 2014. An increase in gross profit and margin ratio were resulted from the Company’s policy to maintain margin rather than sale volume, as well as the company was able to control the costs lower both in raw material import and logistic costs. As a result, the Company was able to keep increasing in gross profit although total revenue was lower.

In conclusion, the Company had a net profit attributable to equity holders of the Company for the year 2015 of Baht 110.49 million, equivalent to a net margin ratio of 2.56% of total revenues, compared with a net loss attributable to equity holders of the Company for the year 2014 of Baht 41.08 million.

Yours sincerely,

Mr.Panom Kuansataporn
Managing Director