

eleng 002/2020

February 20, 2020

Subject Explanation of operating results for the year ended December 31, 2019

To Director and Manager  
The Stock Exchange of Thailand

The explanation to the consolidated financial performance for the year ended December 31, 2019 of Asia Green Energy Public Company Limited and its subsidiaries ("the Company") is as follows:

In the year 2019, the revenue from sales and services was Baht 6,196.23 million, decreased by Baht 1,704.55 million or equivalent to 21.57% from the last year, resulting from the decrease in domestic sales of Baht 1,197.22 million, export sale of Baht 482.20 million, and the revenue from rendering of services and sale of diesel of Baht 25.13 million. Domestic sale is still the main source of revenue representing to 90.86% of total revenue from sales and services, export sale was 2.80%, and the revenue from rendering of services and sale of diesel was 6.34%.

Cost of sales and services for the year 2019 was Baht 5,389.25 million, decreased by Baht 1,793.25 million or equivalent to 24.97% from the last year, which was consistent with decreased sales.

The Company had gross profit of Baht 806.98 million or equivalent to a gross margin ratio of 13.02%, compared to Baht 718.27 million or equivalent to a gross margin ratio of 9.09% of the last year. Gross profit has grew up by Baht 88.71 million or equivalent to 12.35% from the last year. The increase in gross profit and margin ratio were resulted from the decreasing rate of cost being higher than the decreasing rate of sales effected by the coal price in market decreased and the Baht appreciation that decreased cost of importing and the expansion of the Company's logistic businesses both of marine and in land transportation together with the cost deduction and efficiency improvement policy were intensely implemented to its operation in order to have more competitive advantage and better performance.

Selling and administrative expense for the year 2019 was Baht 494.69 million, decreased by Baht 63.83 million or equivalent to 11.43%. The Company had financial cost of Baht 48.14 million, decreased by Baht 6.66 million or equivalent 12.16% from the last year. Moreover, there is foreign exchange gain of Baht 25.74 million. Consequently, the Company's net profit attributable to equity holders of the Company for the year 2019 was Baht 272.79 million, increased by Baht 145.58 million or equivalent to 114.44% from the last year.

Yours sincerely,

Mr.Panom Kuansataporn  
Managing Director