

eleng 009/2019

August 7, 2019

Subject Explanation of operating result for the quarter ended June 30, 2019

To Director and Manager
The Stock Exchange of Thailand

The explanation to the consolidated financial performance for three-month period ended June 30, 2019 ("Quarter 2/2019") of Asia Green Energy Public Company Limited and its subsidiaries ("the Company") is as follows:

In Quarter 2/2019, the revenue from sales and services was Baht 1,715.03 million, decreased by Baht 332.97 million or equivalent to 16.26% from the corresponding period of last year, resulting from the decrease in domestic sales of Baht 159.25 million, and export sale of Baht 188.18 million, whereas retracted by the increase in the revenue from rendering of services and sale of diesel of Baht 14.46 million. Domestic sale is still the main source of revenue representing to 91.70% of total revenue from sales and services, export sale was 2.25%, and the revenue from rendering of services and sale of diesel was 6.05%.

Cost of sales and services in Quarter 2/2019 was Baht 1,519.95 million, decreased by Baht 340.90 million or equivalent 18.32% from those of the same quarter in previous year because of decreasing in sale.

The Company had gross profit of Baht 195.07 million or equivalent to a gross margin ratio of 11.37%, compared to Baht 187.15 million or equivalent to a gross margin ratio of 9.14% of the corresponding period of previous year. Gross profit has grew up by Baht 7.92 million or equivalent to 4.23% from the previous 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 continuously 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 in Quarter 2/2019 was Baht 108.51 million, decreased by Baht 28.60 million or equivalent to 20.86%. The Company had financial cost of Baht 12.50 million and foreign exchange gain of Baht 7.48 million. Consequently, the Company's net profit attributable to equity holders of the Company in Quarter 2/2019 was Baht 71.20 million, increased by Baht 24.73 million or equivalent to 53.21% from the same quarter in previous year.

Yours sincerely,

Mr.Panom Kuansataporn
Managing Director