

eleng 016/2019

November 13, 2019

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

To Director and Manager
The Stock Exchange of Thailand

The explanation to the consolidated financial performance for three-month period ended September 30, 2019 ("Quarter 3/2019") of Asia Green Energy Public Company Limited and its subsidiaries ("the Company") is as follows:

In Quarter 3/2019, the revenue from sales and services was Baht 1,408.72 million, decreased by Baht 827.20 million or equivalent to 37% from the corresponding period of last year, resulting from the decrease in domestic sales of Baht 710.60 million, export sale of Baht 62.77 million, and the revenue from rendering of services and sale of diesel of Baht 53.83 million. Domestic sale is still the main source of revenue representing to 89.80% of total revenue from sales and services, export sale was 3.77%, and the revenue from rendering of services and sale of diesel was 6.43%.

Cost of sales and services in Quarter 3/2019 was Baht 1,198.93 million, decreased by Baht 890.89 million or equivalent 42.63% from those of the same quarter in previous year because of decreasing in sale.

The Company had gross profit of Baht 209.79 million or equivalent to a gross margin ratio of 14.89%, compared to Baht 146.11 million or equivalent to a gross margin ratio of 6.53% of the corresponding period of previous year. Gross profit has grew up by Baht 63.69 million or equivalent to 43.59% 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 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 in Quarter 3/2019 was Baht 114.76 million, decreased by Baht 13.43 million or equivalent to 10.48%. The Company had financial cost of Baht 11.18 million, decreased by Baht 3.43 million or equivalent 23.49% from those of the same quarter in previous year. Moreover, there is foreign exchange gain of Baht 9.42 million. Consequently, the Company's net profit attributable to equity holders of the Company in Quarter 3/2019 was Baht 85.55 million, increased by Baht 72.15 million or equivalent to 538.43% from the same quarter in previous year.

Yours sincerely,

Mr.Panom Kuansataporn
Managing Director