

No. SCG-SET-17-012

May 9, 2017

RE: Explanation of the operating performance for Quarter 1, 2017

To: Managing Director  
The Stock Exchange of Thailand

In comparing with the same quarter of the previous year, in the first quarter of 2017, the company and its subsidiaries contributed the consolidated net profit of 95.82 Million Baht, increased by 70.17 Million Baht or 273.48%. As deducted the profit attributable to non-controlling interests of its subsidiaries, the profit attributable to the owners of the Company was 92.14 Million Baht, increased by 62.98 Million Baht or 216%.

The key variances are summarized as follows;

1. Total revenue from sales was 942 Million Baht, increased by 6.10 Million Baht or 0.65%;
  - Revenue from selling electricity decreased by 58 Million Baht due to the lower electricity charge affected by lower indexed natural gas prices. The revenue from selling electricity of its subsidiaries (Sahacogen Green Co., Ltd. and Sahagreen Forest Co., Ltd.) increased 47 Million Baht resulted from newly mandated a Feed-in Tariff (FiT).
  - Revenue from selling steam increased 17 Million Baht according to the steam sales' structure increased by the fuel price index.
2. Cost of sales was 765.35 Million Baht, decreased by 76.31 Million Baht or 9.07% according to the lowered price of natural gas.
3. Administrative expenses were 32.39 Million Baht, decreased by 1.86 Million Baht or 5.44%.
4. Financial expenses were 36.21 Million Baht, increased by 4.10 Million Baht or 12.77% according to increase of utilization of long-term loans.
5. Corporate income tax was 18.56 Million Baht, increased by 9.30 Million Baht or 100.59% according to the higher profit.

Please be informed accordingly

Yours sincerely,

(Mr. Viroj Theeravatvatee)

Managing Director