

(“TRANSLATION”)

TG 095/2559

9th May 2016

Subject : Clarification of the Operating Result for the significant change
Attention : The President
The Stock Exchange of Thailand

We, Takuni Group Public Company Limited (The Company) and its subsidiaries (The Group) would like to clarify the change in operating result for the first quarter of the year 2016 in the increase of 20% from the same period of last year as follows:

The Group has sales and services income for the 3 months ended 31 March 2016 of 293.32 Million Baht, decreased 16.07 Million Baht from the same period of prior year which was 309.39 Million Baht, accounting for 5.19%. Also, the Group ‘s net profit of 0.93 Million Baht for the 3 months ended 31 March 2016, significantly decreased from the same period of prior year which was 28.41 Million Baht, accounting for 96.73% because of the followings;

1. Sales and Services income of the Group for the 3 months ended 31 March 2016 decreased 16.07 Million Baht, accounting for 5.19%. The change in sales and services income are as follow:
 - 1.1 LPG sale income and LPG transportation service decreased 34.36 Million Baht from the same period of previous year which recorded revenue amounting to 272.62 Million Baht to be 238.26 Million Baht in 2016, accounting for 12.60% because the board of National Energy Policy office decreased selling price in February 2016, which reduce average selling price 14.33% from the same period of 2015.
 - 1.2 The Group recorded service income from construction during the 3 months ended 31 March 2016 amounting to 35.20 Million Baht, increased 16.60 Million Baht, accounting for 89.25% from the first quarter of 2015 which recorded revenue 18.60 Million Baht.
2. Gross profit from LPG trading business for the 3 months ended 31 March 2016 is 5.63%, sharply decreased from the same period of previous year which was 12.63% because of LPG stock gain. Since the board of National Energy Policy office has restructured LPG pricing policy in February 2015.
3. The Group recorded sharing loss from the associated company for the first quarter of 2016 amounting to 6.79 Million Baht (sharing loss from investment form renewable energy business amounting to 9.13 Million Baht, and sharing profit from investment in construction business amounting to 2.34 Million Baht),

comparing to previous year which has profit sharing and gain on acquisition in investment in association (investment in construction business) in total of 6.87 Million Baht.

Note: On 7 April 2016, the Group has increased proportion of investment in construction business from 47.72% to be 51.30%. This result in changing the status of investment from associated to be subsidiary, the Group can prepare consolidated financial statements by recorded all revenue and cost, instead of record only profit sharing.

Please be informed accordingly,

Yours sincerely,

(Ms. Nita Treeweeranuwat)
Vice President