

## **TGPRO – Board discussed to set up new subsidiary company**

### **Invests in Solar – 20MW**

**Thunhoon – TGPRO plans to set up subsidiary to invest in alternative energy, solar power plant and solar roof, with capacity of 20MW. It has hired a company to test the wind energy which the capacity not under 9MW. It is also interested in JV with the in and out alliance markets. The Financial Statement of Q1/2015 will be released soon. In Q2/2015 will be growing up in high season. The revenue of 2015 is expected to increase at least 30%.**

From the high level of industrial business said to “Thunhoon Daily Newspaper” that Thai-German Products PLC. or TGPRO had Board of Director Meeting to discuss about “Alternative Energy” project. In this investment will set up subsidiary to operate this project.

### **Invests in energy and JV**

In the beginning, TGPRO will invest in every areas of alternative energy business, starting from solar power plant and solar roof, with capacity of 20MW. It is also considering the possibility of wind power plant and waste energy projects.

Recently, TGPRO has hired a company to test wind energy in own areas of 200-300 rais in Rayong and it is believed that the capacity in producing electric power is approximately 9-10MW. For the waste power plant is during the consideration to invest.

Power Purchase Agreement (PPA) is believed that it will be received soon. The capital invest is not a problem because the Company has strong financial and debt to equity (D/E) is low at 0.58X and can loan from the financial institution in large amount.

At the same time, TGPRO has opened in business dealing with alliances even timing in acquisition (taking over) small power plant and giving the opportunity to listed and non-listed company to invest in the project and JV with oversea alliances.

However, the investment plan in “Alternative Energy Project” is in the process of consideration to invest but it is not concluded yet. It is confidence that this project will be become visible this year or in the early year 2016

“TGPRO is moving forward to invest in all areas of alternative energy business and is aiming to develop the project by using own capital, taking over and JV. This project will be gained incomes and sustainability. It supposes that if has only 8MW, profits will be 40 Million Baht per year” the source said.

## **Financial Statement of Q1 orders overflow**

Mr. Rachata Leelaprachakul, Chairman of Board and Managing Director of Thai-German Products Public Company Limited or TGPRO said to "Thunhoon Daily Newspaper" that within this week (May 11-15, 2015) the Company will have BOD meeting to summarize the business turnover of Q1/2015 and later will inform the SET.

At the beginning, the business turnover of Q1/2015 is according to the economic slowdown. The past January-February 2015, the volumes of sales orders were increased because the Company delivered the industrial stainless steel pipes to the new customers from sugar producer in Brazil.

The existing customers in Asean have continually ordered. Therefore, the financial statement of Q1/2015 will be summarized during this week that it will be growing or slowdown. In Q1/2014, net profit and total revenue were 2.50 Million Baht and 305.72 Million Baht respectively. In Q4/2014, net profit was 1.50 Million Baht.

## **High season turns up**

However, during Q2/2015 business direction will be growing because it is "High Season" of sugar producer both in the country and abroad. Most orders are industrial stainless pipes, the average margin is highly to 50% compared to the stainless steel pipe has average margin only 10%

Mr. Rachata added that now the Company has successful in retained earnings. Therefore, the Company may pay dividend to the shareholders in the future. The business director in 2015, the growth of sales target is expected to over 30% or 1.5 thousand tons per year compared to year 2014 was 1.2 thousand tons per year.

Mr. Somchai Anektaweepon, the Head of Research at Finansia Syrus Securities said that right now, the TGPRO price movement seems to be resistance of 0.40 Baht. If the price goes up, we will test the new resistance range between 0.43-0.45 Baht and the support of 0.33 Baht.