

(Translation)

SGP/SET-212

May 12, 2021

Subject Explanation of the change in operating results for the first quarter ended March 31, 2021
over 20% compared with the same period of the previous year

To The President
The Stock Exchange of Thailand

Siamgas and Petrochemicals Public Company Limited (the Company) would like to explain the change in operating results for the first quarter ended March 31, 2021 compared with the same period of the previous year as follows:

The Company and its subsidiaries (the Group) had the operating results for Q1/2021 with the net Profit attributable to Owners of the parent company of Baht 1,322.06 Million which increased by Baht 846.86 Million or 178.21% compared with Q1/2020 which had the net Profit attributable to Owners of the parent company of Baht 475.20 Million with the main reasons as follows:

1. Revenue from sales, transportation, services and other income

The Group had revenue from sales, transportation and services for Q1/2021 of Baht 17,234.11 Million which increased by Baht 727.06 Million or 4.40% compared with Q1/2020 amounting to Baht 16,507.05 Million. Main result was from the overseas LPG trading business, although the COVID 19 pandemic caused a decrease in sales volume, but the average LPG world price was higher than the same period as the previous year. The average LPG world price for 3 months as at Q1/2021 and Q1/2020 was USD 582 per metric ton and USD 519 per metric ton respectively.

2. Cost of Sales & Services, Transportation and Gross Profit

During the period of Q1/2021, the Group had cost of sales, services and transportations of Baht 15,289.38 Million which decreased by Baht 450.11 Million or 2.86% compared with Q1/2020 of Baht 15,739.49 Million. Main result was from the cost of inventories for sales of the overseas LPG trading business which was lower than the previous year.

The Group had generated overall gross profit for Q1/2021 of Baht 1,944.73 Million or equal to gross margin of 11.28% compared with Q1/2020 amounting to Baht 767.56 Million or equal to gross margin of 4.65%. The gross profit increased by Baht 1,177.17 Million or 153.37%. Main reason was from the selling price increases as above mentioned in the revenue part.

3. Selling and administrative expenses

In Q1/2021, the Group had selling and administrative expenses amounting to Baht 377.20 Million, compared with Q1/2020 amounting to Baht 356.15 Million which increased by Baht 21.05 Million or 5.91%.

4. Financial Costs

In Q1/2021, the Group had the financial costs of Baht 157.77 Million, compared with Q1/2020 amounting to Baht 156.47 Million which increased by Baht 1.30 Million or 0.83%.

5. Loss from derivatives

In Q1/2021, the Group has recognized the unrealized loss on derivatives from the cross currency swap and interest rate swap contract (IFRS 9 Financial instruments) amounting to Baht 21.63 Million, compared with Q1/2020 amounting to Baht 74.76 Million which decreased by Baht 53.13 Million or 71.07%. Main reason was from the amount of derivatives contract decrease from the previous year.

Please be informed accordingly,

Yours sincerely,

(Mrs. Jintana Kingkaew)

Deputy Managing Director