

(Translation)

SGP/SET-215

November 9, 2021

Subject Explanation of the change in operating results for the 3rd quarter and nine-month period ended September 30, 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 would like to explain the change in operating results for the 3rd quarter and nine-month period ended September 30, 2021 compared with the same period of the previous year as follows:

For the three-month in Q3/2021 compared with the same period of the previous year

Siamgas and Petrochemicals Public Company Limited and its subsidiaries had the operating results in Q3/2021 with the net Profit attributable to owners of the parent company of Baht 1,320.68 million compared with the same period in Q3/2020, the net Profit attributable to owners of the parent company of Baht 557.79 million which increased by Baht 762.89 million or 136.77% with main reasons as follows:

1. Revenue from sales, transportation, services

In Q3/2021, the Company and its subsidiaries had revenue from sales, transportation and services of Baht 19,813.53 million compared with the same period in Q3/2020 of Baht 12,668.79 million which increased by Baht 7,144.74 million or 56.40%. Mainly resulted from the LPG world price (CP Saudi Aramco) was higher than the same period as the previous year. The average LPG world price for 3 months as at Q3/2021 and Q3/2020 was USD 648 per metric ton and USD 355 per metric ton respectively.

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

During the period of Q3/2021, the Company and its subsidiaries had cost of sales, services and transportations of Baht 17,870.91 million compared with Q3/2020 of Baht 11,726.87 million, increased by Baht 6,144.04 million or 52.39%. Mainly resulted from the LPG world price (CP Saudi Aramco) was higher than the same period as the previous year, as above mention in Revenue part.

The Company and its subsidiaries had generated overall gross profit for Q3/2021 of Baht 1,942.62 million or equal to gross margin of 9.80% compared with Q3/2020 amounting to Baht 941.92 million or equal to gross margin of 7.43%. The gross profit increased by Baht 1,000.70 million or 106.24%. Mainly resulted from the LPG price was increased during the period of Q3/2021, as above mention.

3. Other income

In Q3/2021, the Group of companies had the other income amounting to Baht 196.35 million, compared to Q3/2020 amounting to Baht 186.71 million which increased by Baht 9.64 million or 5.16%. Mainly resulted from the gain on exchange rate was higher than the same period as the previous year.

4. Selling and administrative expenses

In Q3/2021, the Group of companies had selling and administrative expenses amounting to Baht 387.75 million, compared to Q3/2020 amounting to Baht 370.21 million which increased by Baht 17.54 million or 4.74%. Mainly resulted from increased in the personal expenses amount Baht 8.01 million.

5. Financial Costs

In Q3/2021, the Group of companies had financial costs of Baht 162.86 million compared to Q3/2020 which was amount Baht 158.67 million, increased by Baht 4.19 million or 2.64%. Main reason was from increased in the short-term borrowing from financial institutions for working capital.

For the nine-month in Q3/2021 compared with the same period of the previous year

The Company and its subsidiaries had the operating results for the nine-month period in Q3/2021 with the net Profit attributable to owners of the parent company of Baht 2,816.74 million compared with the same period in Q3/2020, the net Profit attributable to owners of the parent company of Baht 1,045.21 million which increased by Baht 1,771.53 million or 169.49% with the major reasons as follows:

1. Revenue from sales, transportation, services

The Company and its subsidiaries had revenue from sales, transportation and services for the nine-month period in Q3/2021 of Baht 54,691.63 million compared with same period in Q3/2020 of Baht 40,313.48 million which increased by Baht 14,378.15 million or 35.67%. Mainly resulted from the LPG world price (CP Saudi Aramco) was higher than the same period as the previous year. The average LPG world price for the nine-month as at Q3/2021 and Q3/2020 were of USD 583 per metric ton and USD 393 per metric ton respectively.

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

During the period of Q3/2021 for the nine-month, the Company and its subsidiaries had cost of sales, services and transportations of Baht 50,480.41million compared with Q3/2020 of Baht 38,273.04 million, increased by

Baht 12,207.37 million or 31.90%. Mainly resulted from the LPG world price (CP Saudi Aramco) was higher than the same period as the previous year, as above mention in Revenue part.

The Group of companies had generated overall gross profit for the nine-month in Q3/2021 of Baht 4,211.22 million or equal to gross margin of 7.70% compared with Q3/2020 (nine-month) amounting to Baht 2,040.44 million or equal to gross margin of 5.06%. The gross profit increased by Baht 2,170.78 million or 106.39%. Mainly resulted from the LPG price was increased during the period of Q3/2021, as above mention.

3. Other income

During the period of Q3/2021 for the nine-month, the Group of companies had the other income amounting to Baht 786.21 million, compared to Q3/2020 amounting to Baht 493.51 million which increased by Baht 292.70 million or 59.31%. These mainly resulted, the Groups have increased in the gain on disposal of assets amount Baht 88.97 million and gain on exchange rate amount Baht 93.47 million.

4. Selling and administrative expenses

During the period of Q3/2021 for the nine-month, the Group of companies had selling and administrative expenses amounting to Baht 1,120.89 million, compared to Q3/2020 amounting to Baht 1,021.63 million which increased by Baht 99.26 million or 9.72%. These mainly resulted, the Groups have increased the selling expenses amount Baht 10.97 million, the personal expenses amount Baht 41.03 million.

5. Financial Costs

During the period of Q3/2021 for the nine-month, the Group of companies had financial costs of Baht 487.20 million compared with the same period of previous year which was amount Baht 467.31 million, increased by Baht 19.89 million or 4.26%. Main reason was from increased in the short-term borrowing from financial institutions for working capital of business.

Please be informed accordingly,

Sincerely yours,

(Mrs. Jintana Kingkaew)

Deputy Managing Director