

(Translation)

SGP/SET_219

February 22, 2022

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

To President
The Stock Exchange of Thailand

Siamgas and Petrochemicals Public Company Limited would like to clarify the change in operating results for the year ended December 31, 2021 compared with the same period of the previous year as follows:

The Company and its subsidiaries reported the operating results for the year ended December 31, 2021 with the net profit attributable to Owners of the parent company of Baht 3,808.51 million which increased by Baht 1,746.67 million or 84.71%, compared with the year 2020 which was the net profit attributable to Owners of the parent company of Baht 2,061.84 million with the major changes during the year 2021 as follows:

1. Revenue from sales, Revenue from transportation, Revenue from services

The Company and its subsidiaries reported revenue from sales, revenue from transportation and revenue from services for the year 2021 of Baht 78,603.77 million which increased by Baht 23,480.16 million or 42.60%, compared with the year 2020 amounting to Baht 55,123.61 million which resulted from increased in revenue of LPG trading business in overseas. These mainly resulted from increased in sales volume and the LPG world price (CP Saudi Aramco) which was higher than the previous year. The average LPG world price (CP Saudi Aramco) at USD 639 per metric tons and USD 400 per metric tons for the year 2021 and 2020 respectively.

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

The Company and its subsidiaries had cost of sales, services and transportations for the year 2021 of Baht 72,782.51 million which increased by Baht 21,419.66 million or 41.70%, compared with the year 2020 of Baht 51,362.85 million which was resulted from the revenue increase as reason above.

The Company and its subsidiaries had generated overall gross profit for the year 2021 of Baht 5,821.26 million or equal to gross margin of 7.41% compared with the year 2020 amounting to Baht 3,760.76 million or equal to gross margin of 6.82%. The gross profit increased by Baht 2,060.50 million or 54.79% by compared with the previous year. Main resulted from the LPG price increased during the year 2021 was higher than the previous year.

3. Other income

During the year 2021, the Group of companies had the other income amounting to Baht 906.13 million, compared with the year 2020 amounting to Baht 514.83 million which increased by Baht 391.30 million or 76.01%. Mainly resulted from the Groups had gain on disposal of assets amount Baht 104.64 million and gain on foreign exchange rate amount Baht 165.67 million.

4. Selling and administrative expenses

During the year 2021, the Group of companies had selling and administrative expenses amounting to Baht 1,472.25 million, compared with the year 2020 amounting to Baht 1,392.45 million which increased by Baht 79.80 million or 5.73%. These mainly resulted from year 2020, the Groups has increased in the consultant fee and professional fee amount Baht 24.67 million and personal expenses amount Baht 57.32 million.

5. Financial Costs

During the year 2021, the Group of companies had financial costs of Baht 659.47 million compared with the same period of previous year which was amount Baht 626.28 million, increased by Baht 33.19 million or 5.30%. Main reasons were from the short-term borrowings and long-term loan from financial institutions for working capital of business group.

Please be informed accordingly,

Sincerely yours,

(Mrs. Jintana Kingkaew)

Deputy Managing Director