

(Translation)

SGP/SET\_230

February 24, 2023

Subject The Explanation of the change in operating results for the year ended December 31, 2022 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, 2022 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, 2022 with the net profit attributable to Owners of the parent company of Baht 1,070.21 million which decreased by Baht 2,738.30 million or 71.90%, compared with the year 2021 which was the net profit attributable to Owners of the parent company of Baht 3,808.51 million with the major changes during the year 2022 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 2022 of Baht 102,117.25 million which increased by Baht 23,513.48 million or 29.91%, compared with the year 2021 amounting to Baht 78,603.77 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 736 per metric tons and USD 639 per metric tons for the year 2022 and 2021 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 2022 of Baht 99,620.05 million which increased by Baht 26,837.54 million or 36.87%, compared with the year 2021 of Baht 72,782.51 million which was resulted from the revenue increase as above mention.

The Company and its subsidiaries had generated overall gross profit for the year 2022 of Baht 2,497.20 million or equal to gross margin of 2.45% compared with the year 2021 amounting to Baht 5,821.26 million or equal to gross margin of 7.41%. The gross profit decreased by Baht 3,324.06 million or 57.10% by compared with the previous year. Main resulted from the LPG price decreased during the period May to Oct in year 2022. While in the same

period of the previous year, the LPG world price increases continuously.

<b>Unit: Million Baht</b>			
<b>Gross profit</b>	<b>Y 2022</b>	<b>Y 2021</b>	<b>(Decreased)Increased</b>
Q1	1,550.49	1,944.73	(394.24)
Q2	455.61	323.87	131.74
Q3	(98.64)	1,942.62	(2,041.26)
Q4	589.74	1,610.04	(1,020.30)
Total	2,497.20	5,821.26	(3,324.06)

### **3. Other income**

During the year 2022, the Group of companies had the other income amounting to Baht 1,076.93 million, compared with the year 2021 amounting to Baht 906.13 million which increased by Baht 170.80 million or 18.85%. Mainly resulted from the Groups has increased in gain on disposal of assets amount Baht 401.54 million and decreased in gain on foreign exchange rate amount Baht 227.71 million.

### **4. Selling and administrative expenses**

During the year 2022, the Group of companies had selling and administrative expenses amounting to Baht 1,504.39 million, compared with the year 2021 amounting to Baht 1,472.25 million which increased by Baht 32.14 million or 2.18%. Mainly resulted from the Groups has increased in selling expenses amount Baht 27.49 million which was resulted from the revenue increase.

### **5. Financial Costs**

During the year 2022, the Group of companies had financial costs of Baht 718.22 million compared with the same period of previous year which was amount Baht 659.47 million, increased by Baht 58.17 million or 8.91%. Main reasons were increased from the short-term borrowings from financial institutions for working capital of business group during the year.

Please be informed accordingly,

Sincerely yours,

(Mrs. Jintana Kingkaew)

Deputy Managing Director