

(Translation)

UAC.CS/013/2019

August 14, 2019

Subject: Explanation of the operating results for the second quarter period ended June 30, 2019

To: President
The Stock Exchange of Thailand

Attachment: Auditor's Report and Financial Statement for the second quarter period ended June 30, 2018

UAC GLOBAL Public Company Limited ("UAC") would like to report the operating result of UAC according to the financial statement for the 3-month and 6-month period ended June 30, 2019, details are as follows:

The operating results of the separated financial statement for the 3-month and 6-month period ended June 30, 2019

| The Separated Financial Statement | For the year period of (unit: million baht) | | | | | | | |
|-----------------------------------|---|--------------|--------------|----------------|---------------|---------------|---------------|----------------|
| | Q2.2019 | Q2.2018 | YoY | | 6M.2019 | 6M.2018 | YoY | |
| | | | Mil. Baht | % | | | Mil. Baht | % |
| Sales and Services | 595.43 | 280.23 | 315.20 | 112.48% | 1,824.31 | 1,459.63 | 364.68 | 24.98% |
| Gross Profit | 60.30 | 49.25 | 11.05 | 22.43% | 169.48 | 176.27 | (6.79) | (3.85%) |
| Other Income | 16.06 | 12.11 | 3.95 | 32.64% | 30.93 | 20.38 | 10.55 | 51.77% |
| Selling & Administrative Expenses | 39.27 | 38.70 | 0.57 | 1.47% | 78.98 | 74.30 | 4.68 | 6.30% |
| Finance Cost | 8.96 | 15.49 | (6.53) | (42.17%) | 19.95 | 26.16 | (6.21) | (23.74%) |
| EBT | 28.13 | 7.16 | 20.97 | 292.73% | 101.48 | 96.19 | 5.29 | 5.50% |
| Tax | (7.06) | 0.08 | (7.14) | (9,021.87%) | (20.28) | (22.04) | 1.76 | (7.98%) |
| Total Comprehensive Income | 21.07 | 7.24 | 13.83 | 190.99% | 81.20 | 74.15 | 7.05 | 9.50% |

The operating results of the separated financial statement for second quarter period ended June 30, 2019, resulted in increase in net profit of Baht 13.83 million or 190.99% from the corresponding period of the previous year as the following details below:

1. Revenue from sales and services increased Baht 315.20 million or 112.48% from the corresponding period of the previous year, mostly from revenue from Trading increased Baht 314.77 million
2. Gross profit was Baht 60.30 million which increased Baht 11.05 million or 22.43% from the corresponding period of the previous year. While gross profit margin decreased due to the higher competition in Trading business resulted in
 - Gross profit margin of second quarter was 10.13% of revenue from sales and services which decreased from the corresponding period of the previous year (Q2/2018 = 17.57%)
3. Other income increased Baht 3.95 million or 32.64% from the corresponding period of the previous year, mostly from gain on exchange rate.

4. Finance cost decreased Baht 6.53 million or 42.17% from the corresponding period of the previous year due to decrease in liabilities.
5. Comprehensive Income increased Baht 13.83 million or 190.99% from the corresponding period of the previous year.

The operating results of the separated financial statement for the 6-month period ended June 30, 2019. Net profit increase of Baht 7.05 million or 9.50% from the corresponding period of the previous year as the following details below:

1. Revenue from sales and services increased Baht 364.68 million or 24.98% from the corresponding period of the previous year, mostly from revenue from Trading which increased Baht 364.09 million
2. Gross profit was Baht 169.48 million which decreased Baht 6.79 million or 3.85% from the corresponding period of the previous year. While gross profit margin decreased due to the higher competition in Trading business resulted in
 - Gross profit margin was 9.29% of revenue from sales and services decreased from the corresponding period of the previous year (6M/2018 = 12.08%)
3. Other income increased Baht 10.55 million or 51.78% from the corresponding period of the previous year, mostly from gain on exchange rate.
4. Finance Cost decreased Baht 6.21 million or 23.74% from the corresponding period of the previous year due to decrease in liabilities.
5. Comprehensive Income increased Baht 7.05 million or 9.50% from the corresponding period of the previous year.

The operating results of the consolidated financial statement for the 3-month and 6-month period ended June 30, 2019

| The Consolidated Financial Statement | For the year period of (unit: million baht) | | | | | | | |
|---|---|--------------|--------------|----------------|---------------|---------------|---------------|----------------|
| | Q2.2019 | Q2.2018 | YoY | | 6M.2019 | 6M.2018 | YoY | |
| | | | Mil. Baht | % | | | Mil. Baht | % |
| Sales and Services | 693.48 | 374.04 | 319.44 | 85.40% | 2,023.06 | 1,653.83 | 369.23 | 22.33% |
| Gross Profit | 86.43 | 62.83 | 23.60 | 37.57% | 218.01 | 211.33 | 6.68 | 3.16% |
| Other Income | 19.55 | 27.78 | (8.23) | (29.64%) | 38.17 | 61.59 | (23.41) | (38.01%) |
| Selling & Administrative | | | | | | | | |
| Expenses | 53.65 | 53.99 | (0.34) | (0.46%) | 107.46 | 104.67 | 2.79 | 2.68% |
| Finance Cost | 14.43 | 22.22 | (7.79) | (35.06%) | 31.19 | 40.79 | (9.60) | (23.54%) |
| EBT | 37.90 | 14.40 | 23.50 | 163.18% | 117.53 | 127.46 | (9.93) | (7.79%) |
| Tax | (5.96) | 1.63 | (7.59) | (465.34%) | (18.25) | (20.01) | (1.76) | (8.77%) |
| Total Comprehensive Income | 31.94 | 16.03 | 15.91 | 99.24% | 99.28 | 107.45 | (8.17) | (7.61%) |

The operating results of the consolidated financial statement for the second quarter period ended June 30, 2019, resulted in increase in net profit of Baht 15.91 million or 99.24% from the corresponding period of the previous year as the following details below:

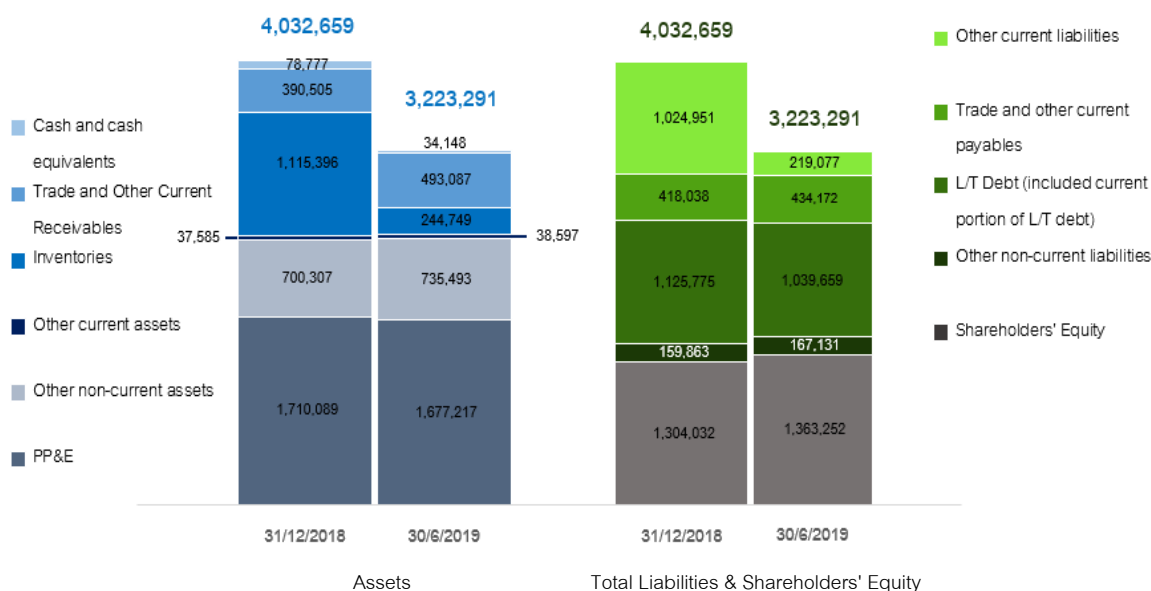
1. Revenue from sales and services increased Baht 319.44 million or 85.40% from the corresponding period of the previous year, mostly from revenue from UAC which increased Baht 315.20 million.
2. Gross profit was Baht 86.43 million which increased Baht 23.60 million or 37.57% from the corresponding period of the previous year. While gross profit margin decreased due to the higher competition in Trading business resulted in

- Gross profit margin of second quarter was 12.46% of revenue from sales and services decreased from the corresponding period of the previous year (Q2/2018 = 16.80%)
- Other income decreased Baht 8.23 million or 29.64% from the corresponding period of the previous year, mostly from the decrease of profit sharing from investment in BBF at the amount of Baht 10.20 million. The major reasons were the increase in country's total biodiesel production capacity, consequently, there was price competition of B100; together with glycerin price in global market decreased and crude palm oil price remained low.
 - Finance Cost decreased Baht 7.79 million or 35.06% from the corresponding period of the previous year due to decrease in liabilities.
 - Comprehensive Income increased Baht 15.91 million or 99.24% from the corresponding period of the previous year.

The operating results of the consolidated financial statement for the 6-month period ended June 30, 2019, resulted in decrease in net profit of Baht 8.17 million or 7.60% from the corresponding period of the previous year as the following details below:

- Revenue from sales and services increased Baht 369.23 million or 22.33 % from the corresponding period of the previous year, mostly from revenue from UAC which increased Baht 364.68 million.
- Gross profit was Baht 218.01 million which increased Baht 6.68 million or 3.16% from the corresponding period of the previous year. While gross profit margin decreased due to the higher competition in Trading business resulted in
 - Gross profit margin was 10.78% of revenue from sales and services decreased from the corresponding period of the previous year (6M/2018 = 12.78%)
- Other income decreased Baht 23.41 million or 38.01% from the corresponding period of the previous year, mostly from the decrease of profit sharing from investment in BBF at the amount of Baht 30.13 million. The major reasons were the increase in country's total biodiesel production capacity, consequently, there was price competition of B100; together with glycerin price in global market decreased and crude palm oil price remained low.
- Finance Cost increased Baht 9.60 million or 23.54% from the corresponding period of the previous year, due to decrease in liabilities.
- Comprehensive Income increased Baht 8.17 million or 7.61% from the corresponding period of the previous year.

The Statements of Financial Position as of June 30, 2019 has changed from December 31, 2018 as follows;



Total Assets was Baht 3,223.29 million, decreased Baht 809.37 million or 20.07%, mostly from the decrease in current assets of Baht 811.68 million consisted of;

1. Trade receivable increased Baht 102.58 million, mostly from the increase in sales in June 2019.
2. Inventories decreased Baht 870.65 million, mostly from goods in transit as of December 31, 2018 which was imported according to purchase orders and delivered to customer in January 2019.

Total Liabilities was Baht 1,860.04 million, decreased Baht 868.59 million or 31.83%, mostly from the decrease in current liabilities and non-current liabilities at the amount of Baht 351.41 and 517.18 million respectively, consisted of;

1. Short-term loans decreased Baht 727.45 million, which have been paid in the first quarter of 2019.
2. Debenture, at the amount of Baht 400 million, has been reclassified from non-current liabilities to current liabilities since maturity date remained less than 1 year.
3. Long-term loans and financial lease liabilities (deducted current portion of long-term loans) decreased Baht 124.45 million due to the repayment of loans to financial institutions.

Total Shareholders' Equity was Baht 1,363.25 million, increased Baht 59.22 million or 4.54%, resulting from business performance and dividend payment.

From above Statements of Financial Position, D/E Ratio as of June 30, 2019 was 1.40 times, decreased from ratio as of December 31, 2018 (2.15 times), resulting from the decrease in short-term loans with financial institutions.

Ratio

| Consolidated financial statement | 6M/2019 | 6M/2018 |
|----------------------------------|--------------|------------------|
| NET PROFIT (%) | 4.91% | 6.50% |
| EBIT (%) | 7.35% | 10.17% |
| EBITDA (%) | 10.17% | 13.91% |
| ROE (%) | 15.45% | 16.83% |
| Consolidated financial statement | 30 June 2019 | 31 December 2018 |
| D/E RATIO (Times) | 1.40 | 2.15 |

Please be informed accordingly

Yours sincerely,

-Signature-

(Miss Nilrat Jarumanopas)

Chief Financial Officer

Authorized to sign on behalf of the Company