

(Translation)

UAC.CS/016/2019

November 7, 2019

Subject: Explanation of the operating results for the third quarter period ended September 30, 2019

To: President
The Stock Exchange of Thailand

Attachment: Auditor's Report and Financial Statement for the third quarter period ended September 30, 2019

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 9-month period ended September 30, 2019, details are as follows:

The operating results of the separated financial statement for the 3-month and 9-month period ended September 30, 2019

The Separated Financial Statement	For the year period of (unit: million baht)							
	Q3/2019	Q3/2018	YoY		9M/2019	9M/2018	YoY	
			MB.	%			MB.	%
Sales and Services	269.26	408.84	(139.58)	(34.14%)	2,093.56	1,868.47	225.10	12.05%
Gross Profit	37.17	74.56	(37.39)	(50.14%)	206.65	250.82	(44.17)	(17.61%)
Other Income	7.81	17.05	(9.25)	(54.22%)	38.74	37.43	1.31	3.49%
S & A Expenses	32.49	41.42	(8.93)	(21.55%)	111.48	115.72	(4.24)	(3.36%)
Finance Cost	9.28	14.56	(5.28)	(36.24%)	29.23	40.72	(11.49)	(28.21%)
EBT	3.20	35.63	(32.43)	(91.01%)	104.68	131.82	(27.14)	(20.59%)
Tax	(0.62)	(6.10)	(5.48)	(89.82%)	(20.90)	(28.14)	(7.24)	(25.72%)
Total Comprehensive Income	2.58	29.53	(26.95)	(91.26%)	83.78	103.68	(19.90)	(19.20%)

The operating results of the separated financial statement for third quarter period ended September 30, 2019, resulted in decrease in net profit of Baht 26.95 million or 91.26% from the corresponding period of the previous year as the following details below:

1. Revenue from sales and services decreased Baht 139.58 million or 34.14% from the corresponding period of the previous year, mostly from revenue from Trading decreased Baht 123.95 million due to the economic recession from trade war between United States of America and China which affected continuously to petrochemical industry.
2. Gross profit was Baht 37.17 million which decreased Baht 37.39 million or 50.14% from the corresponding period of the previous year. Gross profit margin decreased due to the higher competition in Trading business resulted in
 - Gross profit margin of third quarter was 13.80% of revenue from sales and services which decreased from the corresponding period of the previous year (Q3/2018 = 18.24%)
3. Other income decreased Baht 9.25 million or 54.22% from the corresponding period of the previous year, mostly from a decrease compensation rate of oil fund from selling LPG.
4. Finance cost decreased Baht 5.28 million or 36.24% from the corresponding period of the previous year due to a decrease in liabilities.

5. Comprehensive Income decreased Baht 26.95 million or 91.26% from the corresponding period of the previous year, mostly from decrease of revenue from sales and services.

The operating results of the separated financial statement for the 9-month period ended September 30, 2019. Net profit decrease of Baht 19.90 million or 19.20% from the corresponding period of the previous year as the following details below:

1. Revenue from sales and services increased Baht 225.10 million or 12.05% from the corresponding period of the previous year, mostly from revenue from Trading which increased Baht 240 million
2. Gross profit was Baht 206.65 million which decreased Baht 44.17 million or 17.61% from the corresponding period of the previous year. Gross profit margin decreased due to the higher competition in Trading business resulted in
 - Gross profit margin was 9.87% of revenue from sales and services decreased from the corresponding period of the previous year (9M/2018 = 13.42%)
3. Other income increased Baht 1.30 million or 3.49% from the corresponding period of the previous year.
4. Finance Cost decreased Baht 11.48 million or 28.21% from the corresponding period of the previous year due to a decrease in liabilities.
5. Comprehensive Income decreased Baht 19.90 million or 19.20% from the corresponding period of the previous year.

The operating results of the consolidated financial statement for the 3-month and 9-month period ended September 30, 2019

The Consolidated Financial Statement	For the year period of (unit: million baht)							
	Q3/2019	Q3/2018	YoY		9M/2019	9M/ 2018	YoY	
			MB.	%			MB.	%
Sales and Services	362.50	500.65	(138.15)	(27.59%)	2,385.56	2,154.48	231.08	10.73%
Gross Profit	63.77	90.42	(26.65)	(29.47%)	281.78	301.75	(19.97)	(6.62%)
Other Income	12.73	28.82	(16.09)	(55.84%)	50.90	90.41	(39.50)	(43.70%)
S & A Expenses	53.55	56.32	(2.76)	(4.90%)	161.02	160.99	0.04	0.02%
Finance Cost	15.86	21.02	(5.16)	(24.54%)	47.05	61.81	(14.76)	(23.88%)
EBT	7.08	41.90	(34.82)	(83.11%)	124.60	169.36	(44.75)	(26.43%)
Tax	0.38	(4.72)	(5.10)	(108.02%)	(17.87)	(24.73)	(6.86)	(27.73%)
Total Comprehensive Income	7.46	37.18	(29.72)	(79.94%)	106.73	144.63	(37.90)	(26.20%)

The operating results of the consolidated financial statement for the third quarter period ended September 30, 2019, resulted in decrease in net profit of Baht 29.72 million or 79.92% from the corresponding period of the previous year as the following details below:

1. Revenue from sales and services decreased Baht 138.15 million or 27.59% from the corresponding period of the previous year, mostly from revenue from UAC which decreased Baht 139.58 million.
2. Gross profit was Baht 63.77 million which decreased Baht 26.65 million or 29.47% from the corresponding period of the previous year. Gross profit margin decreased due to the higher competition in Trading business resulted in
 - Gross profit margin of third quarter was 17.59% of revenue from sales and services decreased from the corresponding period of the previous year (Q3/2018 = 18.06%)
3. Other income decreased Baht 16.09 million or 55.84% from the corresponding period of the previous year, mostly from a decrease compensation rate of oil fund from selling LPG and a decrease of profit sharing from investment in BBF. The major reasons were the increase in country's total biodiesel production capacity, consequently, there was

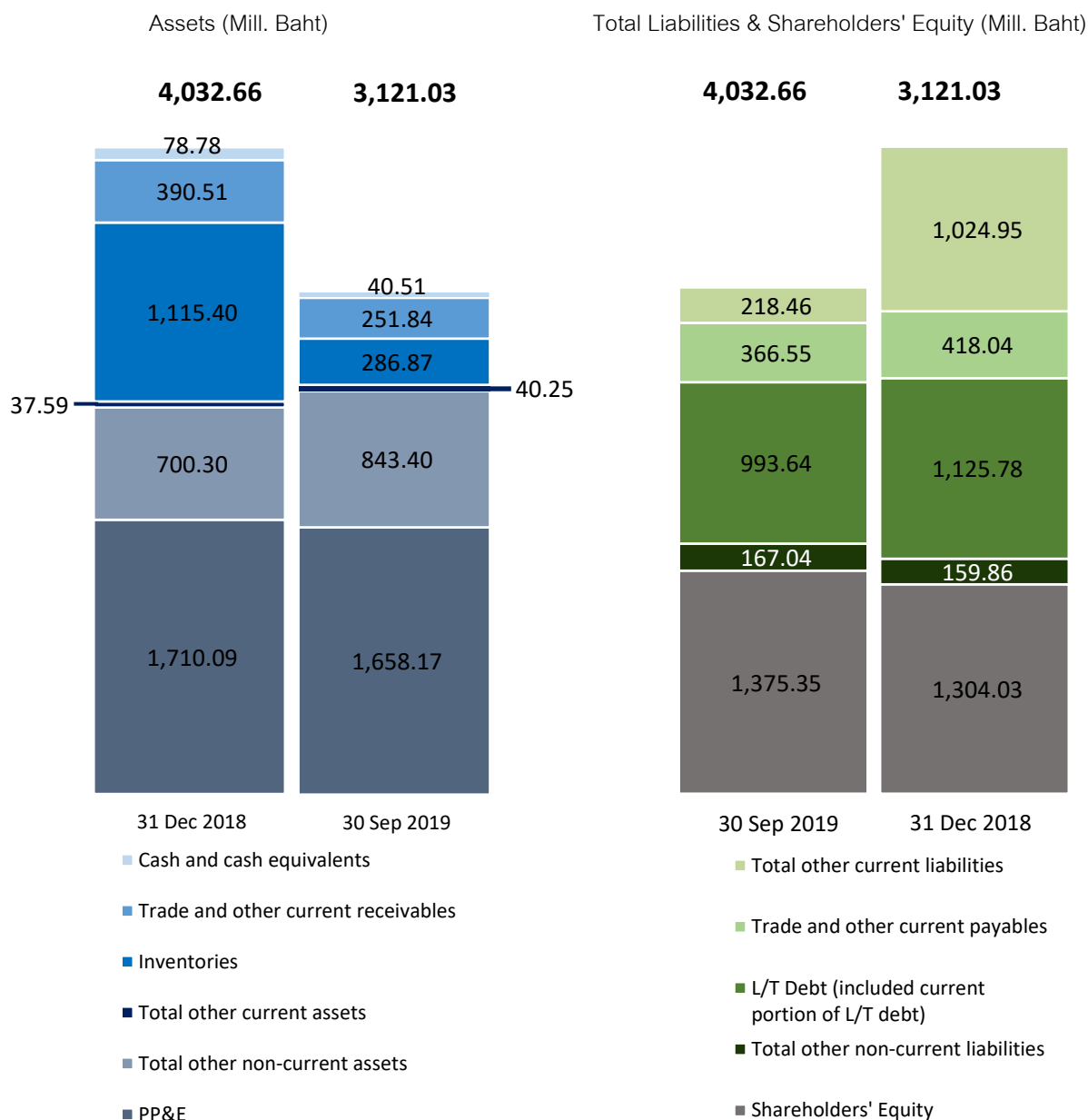
price competition of B100; together with glycerin price in global market decreased and crude palm oil price remained low.

4. Finance Cost decreased Baht 5.16 million or 24.54% from the corresponding period of the previous year due to a decrease in liabilities.
5. Comprehensive Income decreased Baht 29.72 million or 79.94% from the corresponding period of the previous year, mostly from a decreased of revenue from sale and profit sharing from investment in BBF.

The operating results of the consolidated financial statement for the 9-month period ended September 30, 2019, resulted in decrease in net profit of Baht 37.90 million or 26.20% from the corresponding period of the previous year as the following details below:

1. Revenue from sales and services increased Baht 231.08 million or 10.73% from the corresponding period of the previous year, mostly from revenue from UAC which increased Baht 225.10 million.
2. Gross profit was Baht 281.78 million which decreased Baht 19.97 million or 6.62% from the corresponding period of the previous year. Gross profit margin decreased due to the higher competition in Trading business resulted in
- Gross profit margin was 11.81% of revenue from sales and services decreased from the corresponding period of the previous year (9M/2018 = 14.01%)
3. Other income decreased Baht 39.50 million or 43.70% from the corresponding period of the previous year, mostly from a decrease of profit sharing from investment in BBF at the amount of Baht 34.94 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.
4. Finance Cost decreased Baht 14.76 million or 23.88% from the corresponding period of the previous year, due to a decrease in liabilities.
5. Comprehensive Income decreased Baht 37.90 million or 26.20% from the corresponding period of the previous year.

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



Total Assets was Baht 3,121.03 million, decreased Baht 911.63 million or 22.61%, mostly from a decrease in current assets of Baht 1,002.80 million consisted of;

1. Trade and other receivable decreased Baht 138.67 million.
2. Inventories decreased Baht 828.53 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 1,745.68 million, decreased Baht 982.94 million or 36.02%, mostly from the decrease in current liabilities and non-current liabilities at the amount of Baht 399.25 and 583.69 million respectively, consisted of;

1. Short-term loans decreased Baht 710.84 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 190.86 million due to the repayment of loans to financial institutions.

Total Shareholders' Equity was Baht 1,375.34 million, increased Baht 71.31 million or 5.47%, resulting from business performance after deducting dividend payment.

From above Statements of Financial Position, D/E Ratio as of September 30, 2019 was 1.30 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	9M/2019	9M/2018
NET PROFIT (%)	4.47%	6.64%
EBIT (%)	7.20%	10.73%
EBITDA (%)	10.82%	14.87%
ROE (%)	11.54%	14.98%
Consolidated financial statement	30 September 2019	31 December 2018
D/E RATIO (Times)	1.30	2.15

Please be informed accordingly

Yours sincerely,

-Signature-

(Miss Nilrat Jarumanopas)

Chief Financial Officer

Authorized to sign on behalf of the Company