

(Translation)

UAC.CS/003/2020

February 27, 2020

Subject: Explanation of the operating results for the year period ended December 31, 2019

To: President
The Stock Exchange of Thailand

Attachment: Auditor's Report and Financial Statement for the year period ended December 31, 2019

UAC GLOBAL Public Company Limited ("UAC") would like to report the operating result of UAC according to the financial statement for the year period ended December 31, 2019, details are as follows:

The operating results of the consolidated financial statement for the year period ended December 31, 2019

The Consolidated Financial Statement (Unit: Million Baht)	2019	2018	YOY	
			Million Baht	%
Sales and Services	2,871.96	2,552.89	319.06	12.50%
Gross Profit	386.14	349.85	36.29	10.37%
Other Income	104.12	115.10	(10.97)	(9.53%)
Selling & Administrative Expenses	253.64	223.16	30.48	13.66%
Finance Cost	61.61	83.03	(21.42)	(25.80%)
EBT	175.02	158.75	16.26	10.25%
Tax	(21.45)	(22.25)	(0.08)	(3.58%)
Total Comprehensive Income	153.57	136.51	17.06	12.50%
EBITDA	352.66	361.11	(8.45)	(2.34%)

The operating results of the consolidated financial statement for the year period ended December 31, 2019, resulted in increase in net profit of Baht 17.06 million or 12.50% from the corresponding period of the previous year as the following details below:

1. Revenue from sales and services increased Baht 319.06 million or 12.50% from the corresponding period of the previous year, mostly from revenue from UAC which increased Baht 346 million.
2. Gross profit was Baht 386.14 million which increased Baht 36.29 million or 10.37% from the corresponding period of the previous year, mostly from Gross profit of UAPC increased Baht 30.15 million. Gross profit margin decreased due to the higher competition in Trading business resulted in
- Gross profit margin of 2019 was 13.45% of revenue from sales and services decreased from the corresponding period of the previous year (2018 = 13.70%)
3. Other income and profit sharing from investment decreased Baht 10.97 million or 9.53% from the corresponding period of the previous year, mostly from Interest income (financing composition separation from revenue from sales) decreased Baht 22.47 million and profit sharing from investment in BBF increased Baht 13.38 million, resulting from the government continuously promoted biodiesel consumption as renewable energy by announcing the use of biodiesel B10 and B20.

4. Selling and Administrative expenses increased Baht 30.47 million or 13.65% from the corresponding period of the previous year, resulting from the reserve for fixed assets impairment of subsidiary companies and provision of doubtful debt of Baht 21.80 million, and the increase of administrative expenses of Baht 10.23 million of Vientiane Waste Management Co., Ltd., established on June 3, 2019 at Vientiane, LPDR.
5. Finance Cost decreased Baht 21.42 million or 25.80% from the corresponding period of the previous year due to decrease in liabilities and bank fees.
6. Comprehensive Income increased Baht 17.06 million or 12.50% from the corresponding period of the previous year.

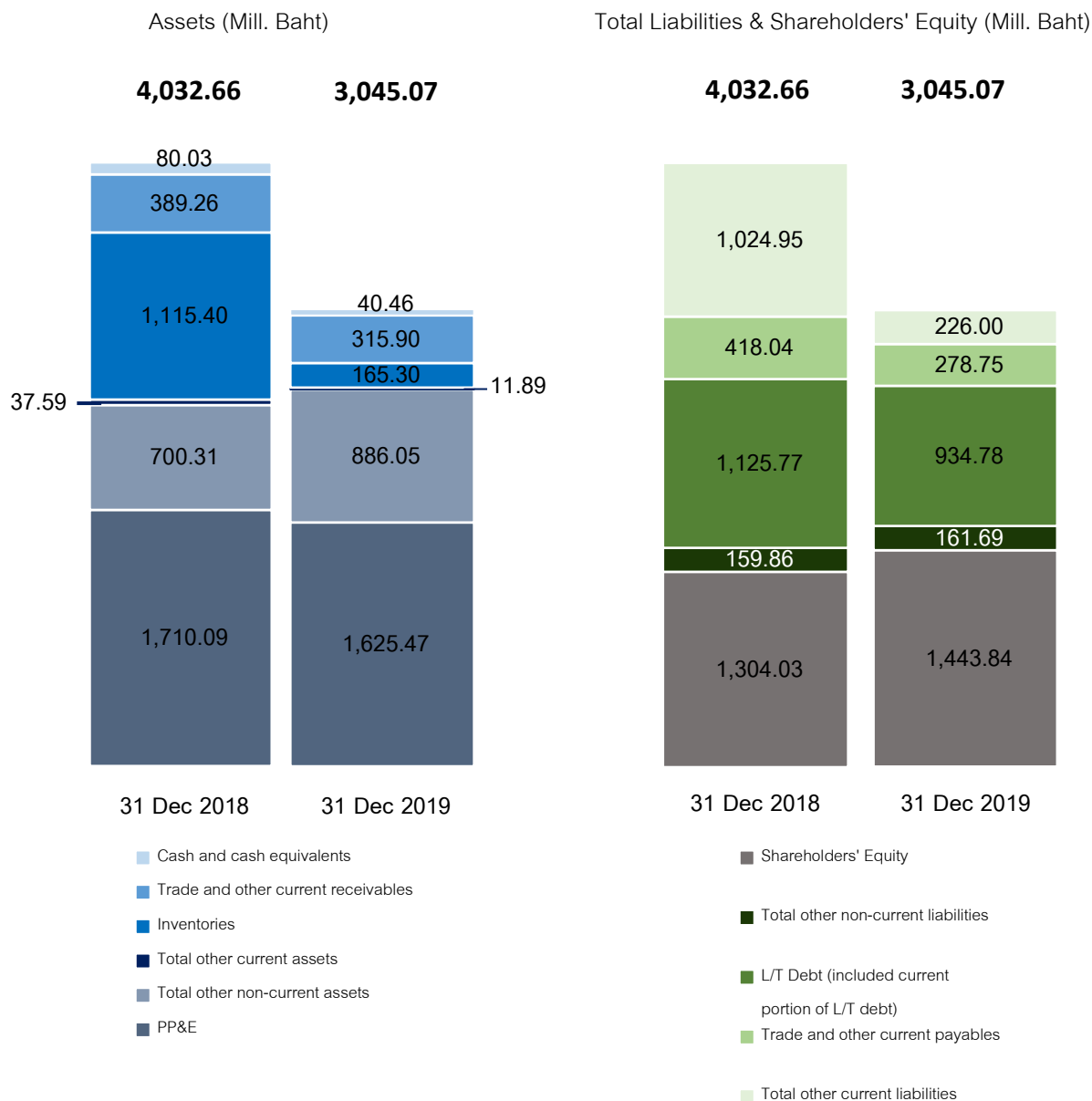
The operating results of the separated financial statement for the year period ended December 31, 2019

The Separated Financial Statement (Unit: Million Baht)	2019	2018	YOY	
			Million Baht	%
Sales and Services	2,490.08	2,178.98	311.10	14.28%
Gross Profit	286.95	288.72	(1.78)	(0.62%)
Other Income	46.72	84.16	(37.45)	(44.49%)
Selling & Administrative Expenses	168.77	168.02	0.75	0.45%
Finance Cost	37.51	55.81	(18.30)	(32.78%)
EBT	127.38	149.05	(21.67)	(14.54%)
Tax	(25.50)	(25.58)	(0.08)	(0.30%)
Total Comprehensive Income	101.88	123.47	(21.60)	(17.49%)
EBITDA	230.76	272.59	(41.83)	(15.35%)

The operating results of the separated financial statement for the year period ended December 31, 2019, resulted in decrease in net profit of Baht 21.60 million or 17.49% from the corresponding period of the previous year as the following details below:

1. Revenue from sales and services increased Baht 311.10 million or 14.28% from the corresponding period of the previous year, mostly from revenue from Trading increased Baht 346 million.
2. Gross profit was Baht 286.95 million which decreased Baht 1.78 million or 0.62% 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 of 2019 was 11.52% of revenue from sales and services which decreased from the corresponding period of the previous year (2018 = 13.25%)
3. Other income decreased Baht 37.45 million or 44.49% from the corresponding period of the previous year, mostly from a decrease of dividend income of Baht 24.07 million since BBF had not paid dividend of 2018 and decrease of interest income (financing composition separation from revenue from sales).
4. Finance cost decreased Baht 18.30 million or 32.78% from the corresponding period of the previous year due to decrease in liabilities and bank fees.
5. Comprehensive Income decreased Baht 21.60 million or 17.49% from the corresponding period of the previous year, mostly from decrease of dividend income.

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



Total Assets was Baht 3,045.07 million, decreased Baht 987.59 million or 24.49%, mostly from a decrease in current assets of Baht 1,088.71 million consisted of;

1. Trade and other receivable decreased Baht 73.35 million.
2. Inventories decreased Baht 950.10 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 1,601.23 million, decreased Baht 1,127.40 million or 41.32%, mostly from the decrease in current liabilities and non-current liabilities at the amount of Baht 464.60 and 662.80 million respectively, consisted of;

1. Short-term loans decreased Baht 699.77 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 264.63 million due to the repayment of loans to financial institutions.

Total Shareholders' Equity was Baht 1,443.84 million, increased Baht 139.81 million or 10.72%, resulting from business performance after deducting dividend payment.

From above Statements of Financial Position, D/E Ratio as of December 31, 2019 was 1.15 times, decreased from ratio as of December 31, 2018 (2.15 times), resulting from the decrease in short-term and long-term loans with financial institutions.

Ratio

Consolidated financial statement	2019	2018
NET PROFIT (%)	5.35%	5.35%
EBIT (%)	8.24%	9.47%
EBITDA (%)	12.28%	14.15%
ROE (%)	12.31%	10.97%
EPS (Baht/Share)	0.245	0.209

Consolidated financial statement	31 December 2019	31 December 2018
D/E RATIO (Times)	1.15	2.15

Please be informed accordingly

Yours sincerely,

-Signature-

(Miss Nilrat Jarumanopas)

Chief Financial Officer

Authorized to sign on behalf of the Company