



Bor. Hor 003/2022

17th February 2022

**Attention: The President
The Stock Exchange of Thailand**

**Subject: Report of the Company's 2021 audited consolidated financial
performances**

Tipco Asphalt Public Company Limited (“the Company”) is pleased to report the 2021 audited consolidated financial performance of the Group. Reference to the audited financial statements ended 31st December 2021, the Company’s Net Profit After Tax for the year ended 2021 stood at Baht 2,220 million as compared to the Net Profit After Tax of Baht 3,592 million in 2020. Details of the Company’s performance can be summarized as follows:

- 1 Sales and services stood at Baht 24,447 million, reflecting a decrease of 6.53% from last year due to decrease in sales volume in particular international market which result from the “selective market sales” strategy and continuous impact from the COVID-19 pandemic in certain ASEAN countries. On the other hand, the selling price of all asphalt products increased resulted from the global oil price increase throughout the year.



Cost of sales and services in 2021 stood at Baht 19,723 million or 80.68% (81.83% in 2020) of sales and services before the reversal of allowance for diminution in value of inventory and loss from price hedging. The improvement in gross profit margin was mainly due to the increase in average asphalt selling price as compared to the inventory cost. The Company recorded loss from price hedging contracts of Baht 1,048 million as compared to gain of Baht 803 million in 2020 attributable to the global oil price increase.

During the 1st quarter 2021, the Company increased its shareholding from 25 percent to 62.5 percent, through the acquisition of 37.5 percent of the total issued and paid-up shares, in a related company and its subsidiary. Therefore, the Company has had control over this related company and its subsidiary which resulted in the status change from shareholding in an associate company to a subsidiary company. As a result, the Company recognized the revenue and cost from road and runway construction contracts due to the change in status of its shareholding in this subsidiary.

- 2 Selling and administrative expenses stood at Baht 170 million and Baht 1,184 million representing 0.63% and 4.38% of total sales and services, respectively. Comparatively, these expenses in 2020 stood at Baht 169 million and Baht 1,209 million representing 0.65% and 4.62% of total sales and services. The Company is committed to controlling overhead expenses while improving the operating gross profit margin.
- 3 Fire insurance claim payment, from 2018 fire incident, for Baht 271 million was received from the insurers in 2021 by our subsidiary, Kemaman Bitumen Company SDN BHD.



- 4 The Company's cashflow generated from operations stood at Baht 4,009 million as compared to the Baht 5,591 million in 2020 due to lower profit after tax as compared to last year's.
- 5 The Company's consolidated debt to equity ratio (D/E ratio) was at 0.56 comparing to 0.42 in 2020 due to higher short term financing for higher level of receivables and inventory.
- 6 Net Profit After Tax was Baht 2,220 million for 2021 and represented earning per share of Baht 1.41 as compared to Baht 2.28 per share in previous year.

Please circulate the above information to the public accordingly.

Sincerely yours,

A handwritten signature in blue ink, consisting of stylized Thai characters, is written above a horizontal blue line.

Mr. Chaiwat Srivalwat
Chief Executive Officer