

(Translation)

UAC.CS/02/2022

February 25, 2022

Subject: Explanation of the operating results for the year period ended December 31, 2021

To: President  
The Stock Exchange of Thailand

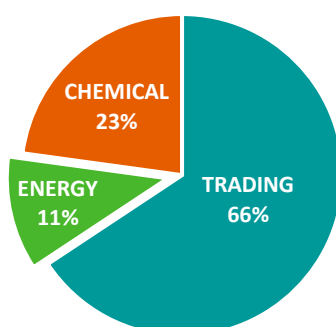
Attachment: Auditor's Report and Financial Statement for the year period ended December 31, 2021

### Executive Summary

The Covid-19 pandemic has caused a slowdown in 2021 and affected businesses and industries. There has been a slowdown in investment or expansion and lower levels of domestic consumption.

However, UAC Group's management is constantly monitoring the situation. It aims to maintain liquidity, increase sales across all business segments and try to take full control of production costs and expenses. In 2021, UAC Group increased sales by Baht 197.04 million, or 15.52 percent (YoY). Biodiesel business, in which the Company has invested with subsidiaries of Bangchak Corporation Public Company Limited (BCP), has declining sales under the Covid-19 situation and from the Ministry of Energy policy that reduced the use of B10 to B7 but still maintained a high profit margin. As a result, the Company has continuously recognized a share of profit from investment of Baht 217.36 million. The Company has profits attributable to the major companies and EBITDA of Baht 246.81 million and Baht 409.62 million, respectively.

#### REVENUE BREAKDOWN 2021



**Trading:** Total Revenue from Trading was Baht 963.28 million, increased Baht 111.64 million or 13.11% YoY. Most customers continuously increased their purchasing power and services. Although sales in the fourth quarter remained below the target of more than Baht 60 million resulting from many products from overseas have been delayed due to international transportation issues and some suppliers have been delayed in production and behind the plan. However, gross profit margin for 2021 remained above the estimated target.

**Manufacturing – Energy:** Total revenue was Baht 168.23 million, increased Baht 25.23 million, or 17.64% YoY, mostly from increasing revenues from PPP of more than 16.65% due to increase in associated gas since the third quarter, and product prices continued to rise in line with the global crude oil price situation. Revenue from Sao Thien Power Plant and Pradu Thao Power Plant were lower than planned, but in the fourth quarter, more electricity could be generated as gas from PPP continued to increase. Mae Taeng Power Plant continued to sell electricity and SIS as planned, and solar power plants can also generate electricity as set forth.

**Manufacturing – Chemicals:** In 2021, raw material prices continued to rise for most of the year, and customers have slowed orders both domestic and abroad, resulting in sales and gross profit margin were not as planned. However, manufacturing – chemicals group had higher revenues than in 2020 with total revenue of Baht 334.75 million, increased of Baht 60.17 million from a year earlier, or 21.91% YoY.

### Performance Analysis

The operating results of the separated financial statement for the year period ended December 31, 2021

The Separated Financial Statement (Unit: Million Baht)	4/2021	2021 (A)	2020 (B)	(YoY)	
				Mil. Baht	%
Sales and Services	210.47	1,085.17	964.24	120.92	12.54%
<b>Gross Profit</b>	<b>20.73</b>	<b>153.32</b>	<b>146.78</b>	<b>6.54</b>	<b>4.45%</b>
Other Income	123.92	284.25	179.19	105.06	58.63%
Selling & Administrative Expenses	46.35	143.38	135.36	8.02	5.92%
Finance Cost	6.74	27.76	31.20	(3.44)	(11.04%)
<b>EBT</b>	<b>91.56</b>	<b>266.43</b>	<b>159.41</b>	<b>107.02</b>	<b>67.14%</b>
Tax	3.08	(8.47)	(3.36)	5.12	152.41%
<b>Net Profit</b>	<b>94.64</b>	<b>257.96</b>	<b>156.05</b>	<b>101.91</b>	<b>65.30%</b>
<b>Comprehensive Income</b>	<b>94.64</b>	<b>257.96</b>	<b>156.05</b>	<b>101.91</b>	<b>65.30%</b>
<b>EBITDA</b>	<b>116.07</b>	<b>365.10</b>	<b>262.55</b>	<b>102.56</b>	<b>39.06%</b>

The operating results of the separated financial statement for the year period ended December 31, 2021, resulted in increase in Comprehensive Income of Baht 101.91 million or 65.30% from the corresponding period of the previous year as the following details below:

- Revenue from sales and services increased Baht 120.92 million or 12.54% from the corresponding period of the previous year, mostly from revenue from Trading which increased Baht 110.60 million; Energy and Industrial sectors increased by Baht 32.37 million and Baht 57.40 million, respectively. The increase of revenue from Manufacturing-Energy (PPP) at the amount of Baht 10.84 million resulting from the increase of associated gas and NGL price. Revenue from Mae Taeng Power Plant slightly decreased of Baht 0.52 million comparing with 2020.
- Gross profit was Baht 153.32 million which increased in Baht 6.54 million or 4.45% from the corresponding period of the previous year, Gross profit margin of the year 2021 was 14.13% of revenue from sales and services decreased from the corresponding period of the previous year (2020 = 15.22%)

- Other income increased Baht 105.06 million or 58.63% from the corresponding period of the previous year, mostly from the dividend income from investment in BBF increased in Baht 81.92 million, excise tax compensation and gain on exchange rate.
- Selling and Administrative expenses increased Baht 8.02 million or 5.92% from the corresponding period of the previous year, mostly from expenses consistent with increased sales and related to employees and executives.
- Finance cost decreased Baht 3.44 million or 11.04% from the corresponding period of the previous year due to the mostly from the decreased of long term loans.
- Net Profit increased Baht 101.91 million or 65.30% from the corresponding period of the previous year, mostly from dividend income from investment in BBF and increase of business performance.

The operating results of the consolidated financial statement for the year period ended December 31, 2021

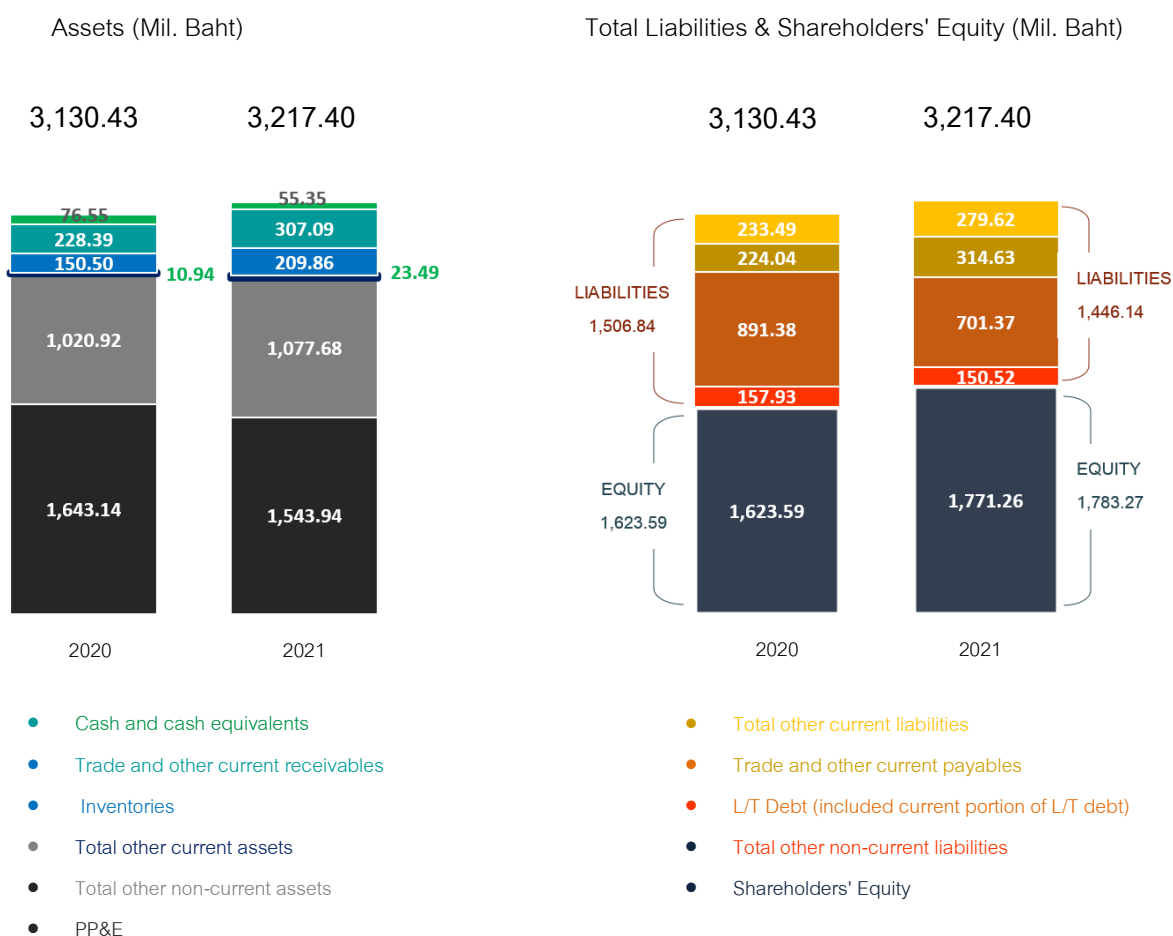
The Consolidated Financial Statement (Unit: Million Baht)	4/2021	2021	2020	(YoY)	
		(A)	(B)	Mil. Baht	Mil. Baht
	335.49	1,466.26	1,269.23	197.04	15.52%
<b>Sales and Services</b>	<b>35.38</b>	<b>231.11</b>	<b>239.97</b>	<b>(8.86)</b>	<b>(3.69%)</b>
Gross Profit	102.73	271.75	287.12	(15.37)	(5.35%)
Other Income	68.48	211.14	207.81	3.33	1.60%
Selling & Administrative Expenses	11.55	48.75	56.82	(8.07)	(14.21%)
<b>Finance Cost</b>	<b>58.08</b>	<b>242.98</b>	<b>262.46</b>	<b>(19.49)</b>	<b>(7.42%)</b>
EBT	3.82	(8.61)	(3.42)	5.19	151.56%
<b>Tax</b>	<b>61.89</b>	<b>234.37</b>	<b>259.04</b>	<b>(24.67)</b>	<b>(9.52%)</b>
<b>Net Profit</b>	<b>62.33</b>	<b>246.81</b>	<b>271.35</b>	<b>(24.54)</b>	<b>(9.04%)</b>
<b>Comprehensive Income</b>	<b>99.49</b>	<b>409.62</b>	<b>442.17</b>	<b>(32.55)</b>	<b>(7.36)</b>

The operating results of the Consolidated financial statement for the year period ended December 31, 2021, resulted in decrease in Comprehensive Income of Baht 24.54 million or 9.04% from the corresponding period of the previous year as the following details below:

- Revenue from sales and services increased Baht 197.04 million or 15.52% from the corresponding period of the previous year, mostly from the increase of revenue from Trading at the amount of Baht 111.64 million, the increase of revenue from Manufacturing - Energy at the amount of Baht 25.23 million, and the increase of revenue from Manufacturing-Chemical at the amount of Baht 60.17 million.
- Gross profit was Baht 231.11 million which decreased Baht 8.86 million or 3.69% from the corresponding period of the previous year, in compliance with the increase in cost of goods sold from Manufacturing - Chemical. Gross profit margin was 15.76% of revenue from sales and services increased from the corresponding period of the previous year (2020 = 18.91%)
- Other income decreased Baht 15.37 million or 5.35% from the corresponding period of the previous year, mostly from the decrease in the profit sharing from investment in BBF and recognition of impairments in PPWE of Baht 12.01 million.

4. Selling and Administrative expenses increased Baht 3.33 million or 1.60% from the corresponding period of the previous year, mostly from the expenses consistent with increased sales.
5. Finance cost decreased Baht 8.07 million or 14.21% from the corresponding period of the previous year due to the decrease in liabilities.
6. Comprehensive Income decreased Baht 24.36 million or 8.98% from the corresponding period of the previous year, mostly from the increase in cost of goods sold and from the decrease in Other income.

The Statements of Financial Position as of December 31, 2021 has changed from December 31, 2020 as follows;



**Total Assets** was Baht 3,217.40 million, increased Baht 86.97 million or 2.78%, mostly from the increase in current assets of Baht 129.41 million and the decrease in non-current assets of Baht 42.44 million. consisted of;

- Trade and other receivables increased Baht 78.70 million, mostly from the increase in revenue from sale and service.
- Inventories increased Baht 59.37 million, mostly from Goods in transit.
- Finance lease receivable increased Baht 30.91 million from RDF equipment rental service of a subsidiary.
- Cost to obtain contract of Baht 16.67 million derived from right to obtain contract Farming of a subsidiary.
- Property, plant and equipment, at the amount of Baht 1,543.94 million decreased Baht 99.20 million, mostly from the depreciation and amortization of Property, plant and equipment.

**Total Liabilities** was Baht 1,446.14 million, decreased Baht 60.70 million or 4.03%, mainly from the increase in current liabilities of Baht 341.93 million and the decrease in non-current liabilities of Baht 402.64 million. consisted of;

- Trade and other payables increased Baht 46.14 million.
- Current portion of long-term loans decreased Baht 77.13 million.
- Dividend payable increased Baht 53.41 million from reserve for 2020 interim dividend as a resolution of BOD meeting No. 7/2021 on December 17, 2021, which already paid on January 17, 2022.
- Reclassified debentures which maturity date remained less than 1 year at the amount of Baht 300 million.

**Total Shareholders' Equity** was Baht 1,771.26 million, increased Baht 147.68 million or 9.10%, resulting from income of business performance and dividend payment.

The Cash flow statement as of December 31, 2021 has changed from December 31, 2020 as follows;

Unit: Million Baht)	2021	2020
Profit before tax	242.98	262.46
Profit from operating activities before changes in operating assets and liabilities	181.38	179.15
Net cash flows from operating activities	6.96	173.57
Net cash flows from (used in) investing activities	200.69	109.57
Net cash flows used in financing activities	(235.39)	(251.64)
Net activities	(27.74)	31.51
Decrease in translation adjustments	6.60	4.49
Effects of exchange rates on cash and cash equivalents	(0.07)	0.09
Net increase (decrease) in cash and cash equivalents	(21.20)	36.09
Cash and cash equivalents at beginning of period	76.55	40.46
Cash and cash equivalents at end of period	55.35	76.55

Cash flow statement for the year period ended December 31, 2021, the company has net cash flow acquired in operating activities of Baht 6.96 million, mainly from the increase in profit before income tax of Baht 181.38 million, advance received and trade payables of Baht 81.33 million. The decrease in cash resulted from increase in Trade receivables and inventories of Baht 164.40 million, and payment of interest and tax of Baht 74.17 million.

Net cash flow acquired in investing activities of Baht 200.69 million, mostly from the dividend income from investment in BBF of Baht 225.48 million, repayment from short-term loans for subsidiaries of Baht 11.40 million, and payment of fixed assets and intangible assets of subsidiaries of Baht 42.61 million.

Net cash flow used in financing activities of Baht 235.39 million, mostly from the long-term loans repayment of Baht 190.27 million and dividend payment of Baht 93.46 million.

From the above activities, the Company had a net decrease in cash and cash equivalents of Baht 21.20 million, with cash brought forward as of January 1, 2021 in the amount of Baht 76.55 million, and cash ended as of December 31, 2021 was Baht 55.35 million.

#### Financial Ratio

Consolidated financial statement	2021	2020
----------------------------------	------	------

NET PROFIT (%)	15.98	20.41
COMPREHENSIVE INCOME (%)	16.83	21.37
EBIT (%)	19.90	25.16
EBITDA (%)	27.94	34.84
ROA (%)	7.78	8.78
ROE (%)	20.73	18.52
EPS (Baht/Share)	0.37	0.41
D/E RATIO (Times)	0.88	0.98
Net Debt/EBITDA (Times)	3.40	3.23

Please be informed accordingly

Yours sincerely,

*-Signature-*

(Miss Nilrat Jarumanopas)

Chief Financial Officer

Authorized to sign on behalf of the Company