

(Translation)

UAC.CS/007/2022

May 13, 2022

Subject: Explanation of the operating results for the first quarter period ended March 31, 2022

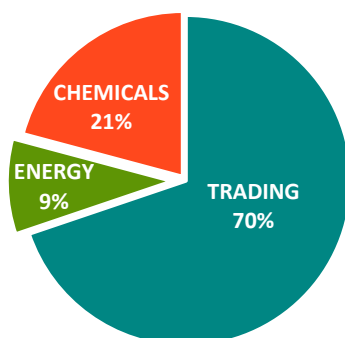
To: President
The Stock Exchange of Thailand

Attachment: Auditor's Report and Financial Statement for the first quarter period ended March 31, 2022

Executive Summary

As a result of the business adaptation to the COVID-19 pandemic, the Company has adjusted its strategy and work to be consistent with the situation, including continuous monitoring of the situation from management and focusing on maintaining liquidity, increasing sales across all business segments and fully control production costs and expenses. Consequently, in Q1/2022, UAC Group increased revenue from sales and services by Baht 175.24 million or 52.33% YoY. In addition, biodiesel business, in which the Company has invested with subsidiaries of Bangchak Corporation Public Company Limited (BCP) has continuously recognized a share of profit from investment of Baht 68.24 million which slightly increased compared to the previous year. The Company has profits attributable to the major companies and EBITDA of Baht 71.88 million and Baht 110.68 million, respectively.

REVENUE BREAKDOWN Q1/2022



Trading: Total Revenue from Trading was Baht 356.08 million, increased Baht 132.57 million or 59.31% YoY., mostly from Big Lot sales from Industrial sector which derived from selling of machine and equipment for Petroleum Exploration Industry at the amount of Baht 143.30 million, and Energy Group increased Baht 25.53 million. Gross Margin was 13% above the estimated target. However, shipments from overseas have been delayed due to international transportation issues.

Manufacturing – Energy: Total revenue was Baht 47.70 million, increased Baht 14.99 million, or 45.83% YoY, mostly from increasing revenues from PPP of more than 64.70% due to increase in associated gas, and NGL 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

higher than planned due to increase in natural gas from PPP and PTTEP continuously. Revenue from Mae Taeng Power Plant has slightly decreased due to plant maintenance and shortage of raw materials, and solar power plants can also generate electricity as set forth.

Manufacturing – Chemicals: Total revenue was Baht 106.32 million, increased Baht 27.68 million or 35.21% YoY. Raw material prices continued to rise, resulting in gross profit margin were 12% under target.

Performance Analysis

The operating results of the separated financial statement for the first quarter period ended March 31, 2022

The Separated Financial Statement (Unit: Million Baht)	Q1/2022	Q1/2021	Q4/2021	YOY (A-B)	
	(A)	(B)		Million Baht	%
Sales and Services	390.39	249.78	210.47	140.62	56.30%
Gross Profit	38.52	41.48	20.73	(2.96)	(7.14%)
Other Income	17.21	9.24	123.92	7.98	86.37%
Selling & Administrative Expenses	34.33	30.95	46.35	3.38	10.93%
Finance Cost	6.58	6.72	6.74	(0.14)	(2.05%)
EBT	14.82	13.05	91.56	1.77	13.58%
Tax	(3.01)	(2.70)	3.08	0.31	11.59%
Net Profit	11.81	10.35	94.64	1.46	14.10%
EBITDA	39.31	37.35	116.07	1.95	5.22%

The operating results of the separated financial statement for the first quarter period ended March 31, 2022, resulted in the increase in net profit of Baht 1.65 million or 14.10% from the corresponding period of the previous year as the following details below:

1. Revenue from sales and services increased Baht 140.62 million or 56.30% from the corresponding period of the previous year, mostly from revenue from Trading – Industrial sector which increased Baht 143.30 million from Big Lot of selling of machine and equipment for Petroleum Exploration Industry and increased in revenue from Manufacturing-Energy (PPP) at the amount of Baht 9.43 million.
2. Gross profit was Baht 38.52 million which decreased in Baht 2.96 million or 7.14% from the corresponding period of the previous year, Gross profit margin was 9.87% of revenue from sales and services decreased from the corresponding period of the previous year (Q1/2021 = 16.61%)
3. Other income increased Baht 7.98 million or 86.387% from the corresponding period of the previous year, mostly from the excise tax compensation and gain on exchange rate.
4. Selling and Administrative expenses increased Baht 3.38 million or 10.93% from the corresponding period of the previous year, mostly from transportation expenses and commission which were consistent with increase in sales.
5. Finance cost decreased Baht 0.14 million or 2.05% from the corresponding period of the previous year due to the mostly from the decreased of long term loans.
6. Net Profit increased Baht 1.46 million or 14.10% from the corresponding period of the previous year.

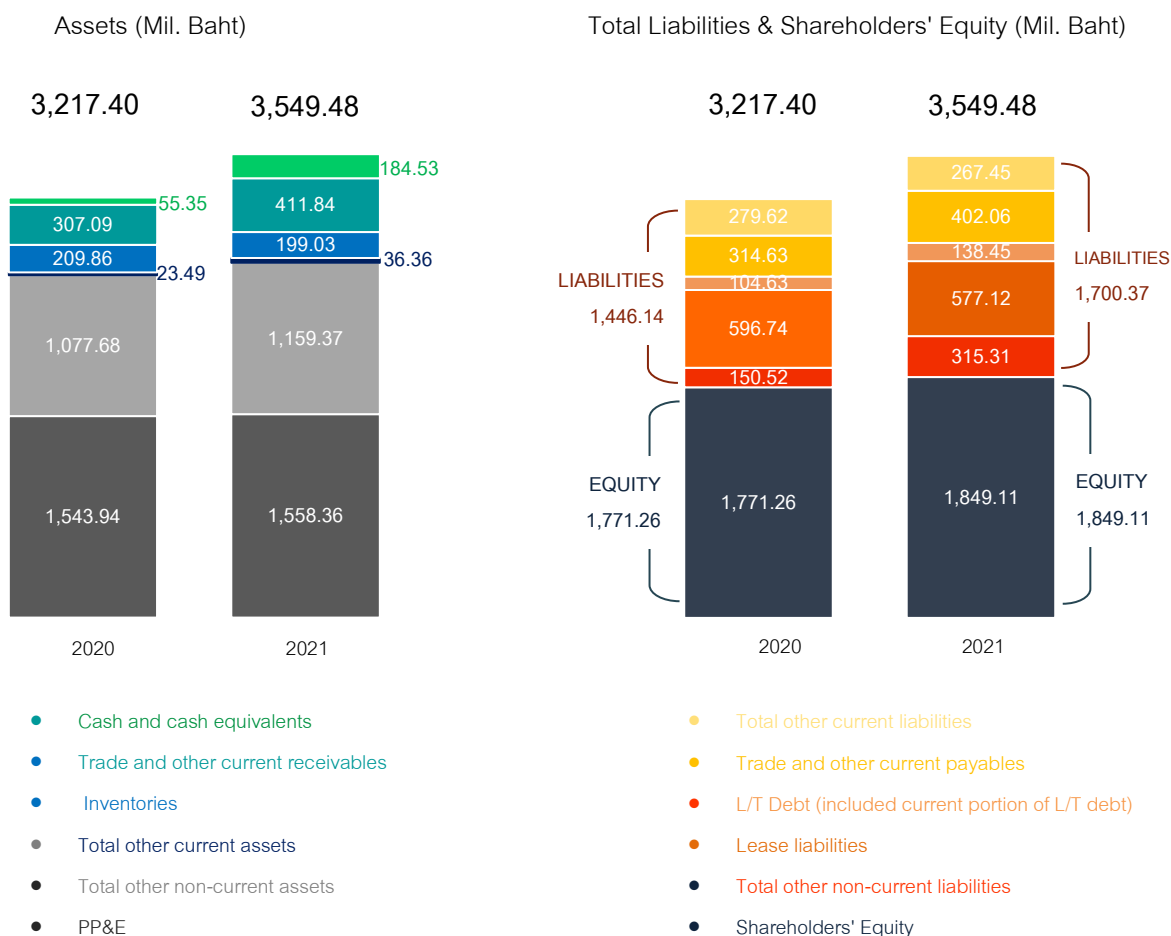
The operating results of the consolidated financial statement for the year period ended December 31, 2021

The Consolidated Financial Statement (Unit: Million Baht)	Q1/2022 (A)	Q1/2021 (B)	Q4/2021	(YoY)	
				Mil. Baht	Mil. Baht
Sales and Services	510.10	334.86	335.49	175.24	52.33%
Gross Profit	57.68	63.77	35.38	(6.09)	(9.55%)
Other Income	81.15	71.48	102.73	9.67	13.53%
Selling & Administrative Expenses	57.84	45.39	68.48	12.44	27.41%
Finance Cost	10.98	12.34	11.55	(1.36)	(11.04%)
EBT	70.02	77.52	58.08	(7.50)	(9.68%)
Tax	(2.65)	(2.95)	3.82	(0.29)	(9.99%)
Net Profit	67.37	74.58	61.89	(7.21)	(9.66%)
Comprehensive Income	71.88	77.08	62.33	(5.20)	(6.75%)
EBITDA	110.68	119.81	99.49	(9.13)	(7.62%)

The operating results of the consolidated financial statement for the first quarter period ended March 31, 2022, resulted in the decrease in Comprehensive Income of Baht 7.21 million or 9.66% from the corresponding period of the previous year as the following details below:

1. Revenue from sales and services increased Baht 175.24 million or 52.33% from the corresponding period of the previous year, mostly from the increase of revenue from Trading at the amount of Baht 132.57 million, the increase of revenue from Manufacturing - Energy at the amount of Baht 14.99 million, and the increase of revenue from Manufacturing - Chemicals at the amount of Baht 27.68 million.
2. Gross profit was Baht 57.68 million which decreased Baht 6.09 million or 9.55% from the corresponding period of the previous year, in compliance with the increase in cost of goods sold from Manufacturing - Chemicals. Gross profit margin was 11.31% of revenue from sales and services decreased from the corresponding period of the previous year (Q1/2021 = 19.04%)
3. Other income increased Baht 9.67 million or 13.53% from the corresponding period of the previous year, mostly from mostly from the excise tax compensation, gain on exchange rate and profit sharing from investment in BBF of Baht 2.09 million.
4. Selling and Administrative expenses increased Baht 12.44 million or 27.41% from the corresponding period of the previous year, mostly from the selling expenses, transportation expenses and expenses related to petroleum business of Subsidiary at the amount of Baht 7 million.
5. Finance cost decreased Baht 1.36 million or 11.04% from the corresponding period of the previous year due to the decrease in liabilities.
6. Comprehensive Income decreased Baht 5.20 million or 6.75% from the corresponding period of the previous year.

The Statements of Financial Position as of March 31, 2022 has changed from December 31, 2021 as follows;



Total Assets was Baht 3,549.48 million, increased Baht 332.08 million or 2.78%, mostly from the increase in current assets of Baht 235.96 million and the decrease in non-current assets of Baht 96.12 million. consisted of;

- Trade and other receivables increased Baht 129.18 million, mostly from decommissioning cost of L10/43 and L11/43 of Subsidiary.
- Trade receivable and Other receivable increased Baht 104.75 million which were consistent with the increase in sales and mostly were receivables not yet due.
- Restricted bank deposit increased Baht 19.10 million as a collateral of loan of Subsidiary.
- Investment in Subsidiary increased Baht 68.14 million from profit sharing from associated company.

Total Liabilities was Baht 1,700.37 million, increased Baht 254.23 million or 17.58%, mainly from the increase in current liabilities of Baht 55.50 million and the increase in non-current liabilities of Baht 198.73 million. consisted of;

- Trade and other payables increased Baht 87.82 million.
- Accrued dividend payment decreased Baht 53.41 million by 2020 interim dividend payment on January 17, 2022.
- Estimated decommissioning cost increased Baht 165.56 million from decommissioning cost of oil exploration concession on L10/43 and L11/43 of Subsidiary which will be due in 2033.

Total Shareholders' Equity was Baht 1,849.11 million, increased Baht 77.84 million or 4.39%, resulting from income of business performance and dividend payment.

The Cash flow statement as of March 31, 2022 has changed from March 31, 2021 as follows;

Unit: Million Baht)	March 31,2022	March 31,2021
Profit before tax	70.02	77.52
Profit from operating activities before changes in operating assets and liabilities	43.55	53.42
Net cash flows from operating activities	23.22	8.84
Net cash flows from (used in) investing activities	138.32	(24.85)
Net cash flows used in financing activities	(32.84)	(3.26)
Net activities	128.70	(19.27)
Decrease in translation adjustments	0.39	0.49
Effects of exchange rates on cash and cash equivalents	0.09	(0.11)
Net increase (decrease) in cash and cash equivalents	129.18	(18.88)
Cash and cash equivalents at beginning of period	55.35	76.55
Cash and cash equivalents at end of period	184.53	57.67

Cash flow statement for the first quarter ended March 31, 2022, the company has net cash flow acquired in operating activities of Baht 23.22 million, mainly from the increase in profit before income tax of Baht 43.55 million, trade payables and other payables of Baht 101.49 million.. The decrease in cash resulted from increase in trade receivables, other receivables and lease agreement of Baht 110.08 million.

Net cash flow acquired in investing activities of Baht 138.32 million, mostly from restricted bank deposit of Baht 19.10 million, payment of fixed assets and intangible assets of Subsidiaries of Baht 8.16 million, and decommissioning cost of Baht 165.58 million.

Net cash flow used in financing activities of Baht 32.84 million, mostly from the short-term loans repayment of Baht 41.50 million, net long-term loans repayment of Baht 25.31 million and dividend payment of Baht 53.41 million.

From the above activities, the Company had a net increase in cash and cash equivalents of Baht 129.18 million, with cash brought forward as of January 1, 2022 in the amount of Baht 55.35 million, and cash ended as of March 31, 2022 was Baht 184.53 million.

Financial Ratio

Consolidated financial statement	Q1/2022	Q1/2021
NET PROFIT (%)	13.21	22.27
COMPREHENSIVE INCOME (%)	14.09	23.02
EBIT (%)	15.88	26.83
EBITDA (%)	21.70	35.78
EPS (Baht/Share)	0.11	0.12

Consolidated financial statement	Q1/2022	Q1/2021
ROA (%)	8.50	9.60
ROE (%)	17.16	19.58
D/E RATIO (Times)	0.99	0.98
Net Debt/EBITDA (Times)	3.42	3.18

Please be informed accordingly

Yours sincerely,

-Signature-

(Miss Nilrat Jarumanopas)

Chief Financial Officer

Authorized to sign on behalf of the Company