



WP
ENERGY

บริษัท ดับบลิวพี เอ็นเนอร์ยี่ จำกัด (มหาชน) WP ENERGY PUBLIC COMPANY LIMITED

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10 November 2022

Subject: Management Discussion and Analysis (MD&A) of the Company for the third quarter of the year 2022

To: President
The Stock Exchange of Thailand

WP Energy Public Company Limited (hereinafter refer to as “the Company”) and its subsidiaries (hereinafter refer to as “the Group”) would like to report change in operating result of the company for the third quarter of the year 2022 as follows;

For the third quarter of the year 2022, net profit of the Group was Baht 45.11 million, increasing Baht 33.42 million or 285.83% from Baht 11.69 million in the third quarter of the year 2021.

Please see further details in the “Management Discussion and Analysis of the Operating Performance for the third quarter of the year 2022” as attached herewith.

Please be informed accordingly

Yours sincerely,

- Noppavong Omathikul -

Deputy Chief Executive Officer in Finance and Corporate Support



Management Discussion and Analysis (MD&A) of the Operating Performance for the third quarter of the year 2022

The Group reported the performance for the third quarter of the year 2022 ended 30 September 2022, the Group's net profit was at Baht 45.11 million, increasing Baht 33.42 million or 285.83% compared with the third quarter of the year 2021. The total revenue was at Baht 4,091.92 million, increasing Baht 1,253.80 million or 44.18% compared with the same period last year. In addition, The Group reported EBITDA of Baht 177.57 million, increasing Bath 54.96 million or 44.82%.

The key summaries are as follows;

Table of key financial results

(Unit: Million Baht)	Quarter 3	Quarter 3	Increase (Decrease)	
	2022	2021	Amount	%
Total Revenue	4,091.92	2,838.11	1,253.80 ↑	44.18% ↑
Revenue from Sales and Services	4,043.48	2,799.84	1,243.64 ↑	44.42% ↑
Net Profit	45.11	11.69	33.42 ↑	285.83% ↑
Net Profit Margin (%)	1.10%	0.41%	0.69% pp	
EBITDA	177.57	122.61	54.96 ↑	44.82% ↑

1) Revenue from Sales and Services

In the third quarter of the year 2022, the Group's revenue from Sales and Services was Baht 4,043.48 million, increasing Baht 1,243.64 million or 44.42% from Baht 2,799.84 million when compared to the same period last year. The increasing in revenue from Sales and Service was due to LPG Sale Volume was increased from 166,158 tons to 193,882 tons, increasing 27,724 tons or 16.69% .The volume of export sales climbed by 7.57%, from 6,397 tons to 6,881 tons compared to the same period last year.



When compared to the same period last year, domestic sales of auto gas increased by 49%. This was because the rising oil costs had made LPG once again more in demand, followed by the commercial and industrial sectors, which had growth of 34% and 18% respectively. Moreover, since the government's price rise was announced in April, the selling price has gone up of average 0.9346 baht per kilogram every month from April to September 2022. "World Gas" Brand was ranked No. 2 in industry or market share of 19.02%.

2) Selling expenses

The Group's selling expenses were Bath 90.54 million in the third quarter of 2022, accounting for 2.24% of revenue from sales and services. This represented an increase of Baht 16.25 million or 21.88% from the same period last year as a result of an increase in sales volume which affected selling expenses to increase accordingly as well as the shipping cost from the increase in oil prices since the second quarter. However, the Group maintains a tight control over expenses.

(Unit: Million Baht)	Quarter 3 2022	Quarter 3 2021	Increase (Decrease) Amount	Increase (Decrease) %
Selling Expense	90.54	74.28	16.25 ↑	21.88% ↑

3) Administrative Expenses

In the third quarter of year 2022, the Group's administrative expenses was Baht 98.68 million, accounting for 2.44% of Revenue from Sales and Services which increased Baht 22.31 million or 29.21%. The administrative expenses went raised due to the Group invested 100% in Thai Gas Cylinder in the last quarter of 2021.

(Unit: Million Baht)	Quarter 3 2022	Quarter 3 2021	Increase (Decrease) Amount	Increase (Decrease) %
Administrative Expense	98.68	76.37	22.31 ↑	29.21% ↑



4) Profits

In the third quarter of year 2022, the Group reported gross profit of Baht 205.65 million or gross profit margin 5.09% and net profit of Baht 45.11 million or net profit margin 1.10%. The Group's gross profit and net profit increased by Baht 70.00 million or 51.60% and Baht 33.42 million or 285.83% from the third quarter of year 2021 respectively. In addition, the Group's EBITDA was Baht 177.57 million, increasing by 44.82%.

The company's profitability is rising as a result of rising LPG sales volume including domestic and export including the rising in average selling price.

(Unit: Million Baht)	Quarter 3	Quarter 3	Increase (Decrease)	Increase (Decrease)
	2022	2021	Amount	%
Gross Profit (Exclude Other Income)	205.65	135.65	70.00 ↑	51.60% ↑
Gross Profit Margin (Exclude Other Income) (%)	5.09%	4.85%	0.24%	
Net Profit	45.11	11.69	33.42 ↑	285.83% ↑
Net Profit Margin(%)	1.10%	0.41%	0.69%	

5) Financial Status

As of 30 September 2022, The Group's total assets increased by 7.63% from Baht 6,427.00 million at the end of year 2021 to Baht 6,917.14 million at the end of the third quarter of year 2022. The Group's total liabilities increased by 9.01% from Baht 5,099.71 million at the end of last year to Baht 5,559.40 million at the end of the third quarter of year 2022 and the Group's total equity lightly increased by 2.29% from Baht 1,327.29 million at the end of last year to Baht 1,357.74 million at the end of the third quarter of year 2022.



For The group's financial status in the third quarter of year 2022, the Group's Debt to Equity ratio (D/E) was at 4.09 times increasing from 3.84 times at the end of last year and Interest Bearing Debt to Equity ratio (IBD/E) was at 0.42 times increasing from 0.37 times at the end of last year, due to drawdown L/T for CAPEX investment according to the company's strategy.

(Unit: Million Baht)	30-Sep-22	31-Dec-21	Increase (Decrease)	
			Amount	%
Total Assets	6,917.14	6,427.00	490.13 ↑	7.63% ↑
Total Liabilities	5,559.40	5,099.71	459.69 ↑	9.01% ↑
Interest Bearing Debt	566.26	491.27	74.99 ↑	15.26% ↑
Shareholder's Equity	1,357.74	1,327.29	30.45 ↑	2.29% ↑
D/E ratio (x)	4.09	3.84	0.25 ↑	
IBD/E ratio (x)	0.42	0.37	0.05 ↑	

6) Cash Flow

As of 30 September 2022, the Group had cash and cash equivalents of Baht 889.39 million and short-term investments in money market and bond market of Baht 90.96 million which mainly from operating activities. Each year, the Group had an average EBITDA of approximately Baht 500-600 million which was sufficient for operations and expanding in the future.