

(Translation)
SGP/SET-234

May 10, 2023

Subject Explanation of the change in operating results for the first quarter ended March 31, 2023
over 20% compared with the same period of the previous year

To The President
The Stock Exchange of Thailand

Siamgas and Petrochemicals Public Company Limited (the Company) would like to explain the change in operating results for the first quarter ended March 31, 2023 compared with the same period of the previous year as follows:

The Company and its subsidiaries (the Group) had the operating results for Q1/2023 with the net Profit attributable to Owners of the parent company of Baht 283.76 million compared with Q1/2022 which had the net Profit attributable to Owners of the parent company of Baht 989.29 million, decreased by Baht 705.53 million or 71.32% with the main reasons as follows:

1. Revenue from sales, transportation, services

The Group had revenue from sales, transportation and services for Q1/2023 of Baht 24,657.67 million compared with Q1/2022 amounting to Baht 26,783.15 million, decreased by Baht 2,125.48 million or 7.94%. Main result from the average LPG world price was lower than the same period as the previous year. The average LPG world price for 3 months as at Q1/2023 and Q1/2022 was USD 706 per metric ton and USD 803 per metric ton respectively.

2. Cost of Sales & Services, Transportation and Gross Profit

During the period of Q1/2023, the Group had cost of sales, services and transportations of Baht 23,852.31 million compared with Q1/2022 of Baht 25,232.66 million, decreased by Baht 1,380.35 million or 5.47%. Main result was from the average LPG world price which was lower than the same period as the previous year as above mentioned in the revenue part.

The Group had generated overall gross profit for Q1/2023 of Baht 805.36 million or equal to gross margin of 3.27% compared with Q1/2022 amounting to Baht 1,550.49 million or equal to gross margin of 5.79%. The gross profit decreased by Baht 745.13 million or 48.06%. Main reason from the LPG world price decreased.

3. Other income

In Q1/2023, the Group had other income amounting to Baht 102.41 million compared with Q1/2022 amounting to Baht 123.72 million, decreased by Baht 21.31 million or 17.22%. Main reason from the gain on exchange rate decreased by Baht 30.96 million.

4. Financial Costs

In Q1/2023, the Group had the financial costs of Baht 227.85 million, compared with Q1/2022 amounting to Baht 164.46 million which increased by Baht 63.39 million or 38.54%. Main reason was increased of short-term borrowings from financial institutions for working capital of business group during the year.

Please be informed accordingly,

Yours sincerely,

(Mrs. Jintana Kingkaew)

Deputy Managing Director