

(Translation)

SGP/SET-238

November 7, 2023

Subject Explanation of the change in operating results for the 3<sup>rd</sup> quarter and nine-month period ended September 30, 2023 over 20% compare with the same period of the previous year

To The President  
The Stock Exchange of Thailand

Siamgas and Petrochemicals Public Company Limited would like to explain the change in operating results for the 3<sup>rd</sup> quarter and nine-month period ended September 30, 2023 compared with the same period of the previous year as follows:

**For the three-month in Q3/2023 compared with the same period of the previous year**

Siamgas and Petrochemicals Public Company Limited and its subsidiaries had the operating results in Q3/2023 with the net Profit attributable to owners of the parent company of Baht 1,230.49 million compared with the same period in Q3/2022, the net Loss attributable to owners of the parent company of Baht 54.15 million which increased by Baht 1,284.64 million or 2,372.37% with main reasons as follows:

**1. Revenue from sales, transportation, services**

In Q3/2023, the Company and its subsidiaries had revenue from sales, transportation and services of Baht 22,884.38 million compared with the same period in Q3/2022 of Baht 24,487.14 million which decreased by Baht 1,602.76 million or 6.55%. Mainly resulted from the LPG world price (CP Saudi Aramco) was lower than the same period of the previous year. The average LPG world price for 3 months as at Q3/2023 and Q3/2022 was USD 469 per metric ton and USD 677 per metric ton respectively.

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

During the period of Q3/2023, the Company and its subsidiaries had cost of sales, services and transportations of Baht 20,742.03 million compared with Q3/2022 of Baht 24,585.78 million, decreased by Baht 3,843.75 million or 15.63%. Mainly resulted from the LPG world price (CP Saudi Aramco) was lower than the same period of the previous year, as above mention in Revenue part.

The Company and its subsidiaries had generated overall gross profit for Q3/2023 of Baht 2,142.35 million or equal to gross margin of 9.36% compared with Q3/2022, gross loss amounting to Baht 98.64 million or equal to gross loss of 0.40%. The gross profit increased by Baht 2,240.99 million or 2,271.89%. This mainly resulted from the LPG world price (CP Saudi Aramco) gradually increasing from August 2023 which made the cost of inventory for sales lower than selling price. In addition, the sales volume in overseas business was increased more than the same period of the previous year.

### **3. Other income**

In Q3/2023, the Group of companies had the other income amounting to Baht 87.25 million, compared to Q3/2022 amounting to Baht 726.49 million which decreased by Baht 639.24 million or 87.99%. Mainly resulted from the gain on disposals of assets was decreased amount Baht 642.41 million.

### **4. Financial Costs**

In Q3/2023, the Group of companies had financial costs of Baht 313.88 million compared to Q3/2022 which was amount Baht 187.87 million, increased by Baht 126.01 million or 67.07%. Main reason was from increased in the short-term borrowing from financial institutions for working capital of the overseas business.

### **For the nine-month in Q3/2023 compared with the same period of the previous year**

The Company and its subsidiaries had the operating results for the nine-month period in Q3/2023 with the net Profit attributable to owners of the parent company of Baht 259.67 million compared with the same period in Q3/2022, the net Profit attributable to owners of the parent company of Baht 1,111.43 million which decreased by Baht 851.76 million or 76.64% with the major reasons as follows:

#### **1. Revenue from sales, transportation, services**

The Company and its subsidiaries had revenue from sales, transportation and services for the nine-month period in Q3/2023 of Baht 68,037.73 million compared with same period in Q3/2022 of Baht 75,902.58 million which decreased by Baht 7,864.85 million or 10.36%. Mainly resulted from the LPG world price (CP Saudi Aramco) lower than the same period of the previous year. The average LPG world price for the nine-month as at Q3/2023 and Q3/2022 were of USD 564 per metric ton and USD 777 per metric ton respectively.

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

During the period of Q3/2023 for the nine-month, the Company and its subsidiaries had cost of sales, services and transportations of Baht 66,101.43 million compared with Q3/2022 of Baht 73,995.12 million, decreased by Baht 7,893.69 million or 10.67%. Mainly resulted from the LPG world price (CP Saudi Aramco) was lower than the same period as the previous year, as above mention in Revenue part.

The Group of companies had generated overall gross profit for the nine-month in Q3/2023 of Baht 1,936.30 million or equal to gross margin of 2.85% compared with Q3/2022 nine-month amounting to Baht 1,907.46 million or equal to gross margin of 2.51%. The gross profit increased by Baht 28.84 million or 1.51%. This mainly resulted from the LPG world price (CP Saudi Aramco) gradually increasing during the period of Q3/2023 which made the cost of inventory for sales lower than selling price. Thus, the gross profit increased when compared with the same period as the previous year.

### **3. Other income**

During the period of Q3/2023 for the nine-month, the Group of companies had the other income amounting to Baht 330.44 million, compared to Q3/2022 amounting to Baht 1,049.53 million which decreased by Baht 719.09 million or 68.52%. Main resulted from the gain on disposal of assets was decreased amount Baht 639.48 million.

### **4. Financial Costs**

During the period of Q3/2023 for the nine-month, the Group of companies had financial costs of Baht 810.22 million compared with the same period of previous year which was amount Baht 521.56 million, increased by Baht 288.66 million or 55.35%. Main reason was from increased in the short-term borrowing from financial institutions for working capital of the overseas business.

Please be informed accordingly,

Sincerely yours,

(Mrs. Jintana Kingkaew)

Deputy Managing Director