

(Translation)

SGP/SET\_445

February 20, 2024

Subject The Explanation and analysis of the operating results for the year ended December 31, 2023

To President  
The Stock Exchange of Thailand

Siamgas and Petrochemicals Public Company Limited would like to explain the operating results for the year ended December 31, 2023 as follows:

The Company and its subsidiaries reported the operating results for the year ended December 31, 2023 with the net profit attributable to Owners of the parent company of Baht 1,017.59 million which decreased by Baht 52.62 million or 4.92%, compared with the year 2022 which was the net profit attributable to Owners of the parent company of Baht 1,070.21 million with the major changes during the year 2023 as follows:

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

The Company and its subsidiaries reported revenue from sales, revenue from transportation and revenue from services for the year 2023 of Baht 90,598.94 million which decreased by Baht 11,518.31 million or 11.28%, compared with the year 2022 amounting to Baht 102,117.25 million which resulted from decreased in revenue of LPG trading business in overseas. These mainly resulted from the LPG world price (CP Saudi Aramco) which was lower than the previous year. The average LPG world price (CP Saudi Aramco) at USD 576 per metric tons and USD 736 per metric tons for the year 2023 and 2022 respectively.

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

The Company and its subsidiaries had cost of sales, services and transportations for the year 2023 of Baht 87,127.43 million which decreased by Baht 12,492.62 million or 12.54%, compared with the year 2022 of Baht 99,620.05 million which was resulted from the revenue decrease as above mention.

The Company and its subsidiaries had generated overall gross profit for the year 2023 of Baht 3,471.51 million or equal to gross margin of 3.83% compared with the year 2022 amounting to Baht 2,497.20 million or equal to gross margin of 2.45%. The gross profit increased by Baht 974.31 million or 39.02% by compared with the previous year. Main resulted from the LPG price increased continuously from August 2023 then the gross margin was increased, compared with same period of the previous year.

<b>Unit: Million Baht</b>			
<b>Gross profit</b>	<b>Y 2023</b>	<b>Y 2022</b>	<b>(Decreased)Increased</b>
Q1	805.36	1,550.49	(745.13)
Q2	(1,011.41)	455.61	(1,467.02)
Q3	2,142.35	(98.64)	2,240.99
Q4	1,535.21	589.74	945.47
Total	3,471.51	2,497.20	974.31

### **3. Other income**

During the year 2023, the Group of companies had the other income amounting to Baht 505.85 million, compared with the year 2022 amounting to Baht 1,076.93 million which decreased by Baht 571.08 million or 53.03%. Main resulted from the Groups has decreased in gain on disposal of assets amount Baht 634.69 million.

### **4. Selling and administrative expenses**

During the year 2023, the Group of companies had selling and administrative expenses amounting to Baht 1,672.19 million, compared with the year 2022 amounting to Baht 1,504.39 million which increased by Baht 167.80 million or 11.15%. Main resulted from the Groups has increased in loss on foreign exchange rate amount Baht 141.34 million.

### **5. Financial Costs**

During the year 2023, the Group of companies had financial costs of Baht 1,111.80 million compared with the same period of previous year which was amount to Baht 718.22 million, increased by Baht 393.58 million or 54.80%. Main reasons were increased from the loans from financial institutions for working capital of business group during the year.

Please be informed accordingly,

Sincerely yours,

(Mrs. Jintana Kingkaew)

Deputy Managing Director