

(Translation)

SGP/SET_135

February 22, 2017

Subject The operating results for the year ended December 31, 2016

To President
The Stock Exchange of Thailand

Siamgas and Petrochemicals Public Company Limited would like to summarize the operating results for the year ended December 31, 2016 compared with the same period of the previous year as follows:

The Company and its subsidiaries reported the operating results for the year ended December 31, 2016 with the net profit attributable to Owners of the parent company of Baht 1,118.72 Million which increased by Baht 2.80 Million or 0.25%, compared with the year 2015 which was the net profit attributable to Owners of the parent company of Baht 1,115.92 Million with the major changes during the year 2016 as follows:

1. Revenue from sales, Revenue from transportation, Revenue from services and other income

The Company and its subsidiaries reported revenue from sales, revenue from transportation and revenue from services for the year 2016 of Baht 48,161.41 Million which decreased by Baht 9,920.60 Million or 17.08%, compared with the year 2015 amounting to Baht 58,082.01 Million. The main reason was from the LPG world prices (CP Saudi Aramco) declined since year 2014. The average LPG world price for year 2016 and 2015 was USD 340 per metric ton and USD 426 per metric ton respectively. So, these were significant impact to revenue of overseas LPG trading business.

Also, the Company and its subsidiaries reported the other income for the year 2016 of Baht 209.89 Million which decreased by Baht 42.16 Million or 16.73%, compared with the year 2015 amounting to Baht 252.05 Million which mainly resulted from gain on sales of fixed assets of Group companies has decreased amounting Baht 38.25 Million compare with the year 2015.

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

In year 2016, the LPG world prices (CP Saudi Aramco) declined due to significant impact to cost of goods sold of overseas LPG trading business. Therefore, these mainly resulted in the Group of companies overall gross profit of Baht 2,890.93 Million or 6.00% in year 2016. The gross profit decreased by Baht 145.63 Million or 4.80% compared with the previous year. The Group of companies had overall gross profit of Baht 3,036.56 Million or 5.23% in year 2015.

3. Selling and administrative expenses

During the year 2016, the Group of Companies had selling and administrative expenses amounting Baht 1,431.54 Million, compared with the year 2015 of Baht 1,503.17 Million which decreased by Baht 71.63 Million or 4.77% by compare with the previous year. These were the main result from decreasing loss on exchange rate of the Group of companies amounting Baht 113.20 million. In addition, the administrative expenses increased from an oversea business by Baht 44.16 million.

4. Financial Costs

During the year 2016, the Group of Companies had financial costs of Baht 411.40 Million, compared with the year 2015, amounting to Baht 410.47 Million which increased by Baht 0.93 Million or 0.23%.

Please be informed accordingly,

Sincerely yours,

(Mrs. Jintana Kingkaew)

Deputy Managing Director