



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

เลขที่ 1 อาคารอีสท์ วอเตอร์ ชั้น 15 ซอยวิภาวดีรังสิต 5 ถนนวิภาวดีรังสิต แขวงจตุจักร เขตจตุจักร กรุงเทพฯ 10900
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November 11, 2019

Subject : The explanation for Company's operation change from the same period for more than 20%

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 the change in operating result for the third quarter of 2019 ended 30 September 2019 for more than of 20% from the same period of last year which was followed to the rules and regulation of The Stock Exchange of Thailand.

For the third quarter of 2019, net profit of the Group was THB 136.37 million, increasing by 52.85% or THB 47.15 million from THB 89.22 million in the third quarter of 2018.

Please see further details in the "Management Discussion and Analysis of the Operating Performance of the third quarter of 2019" as attached herewith.

Please be informed accordingly

Yours sincerely,

- Noppavong Omathikul –

Deputy Chief Executive Office of Finance and Support

Management Discussion and Analysis of the Operating Performance of the third quarter of 2019

For Q3/2019, the Group reported total revenue of THB 3,816.71 million, increasing by 0.47% or THB 17.76 million from THB 3,798.95 million in Q3/2018. Also, the Group reported net profit of THB 136.37 million, increasing by 52.85% from THB 89.22 million in Q3/2018 as followed:

Table of key financial results

| (Unit: Million THB) | Q3 2019 | Q3 2018 | Inc./Dec. Amount | Inc./Dec. % |
|--|------------|------------|---------------------|----------------|
| Total Revenue | 3,816.71 | 3,798.95 | 17.76 ↑ | 0.47% ↑ |
| Revenue from sales and services | 3,665.16 | 3,742.39 | (77.22) ↓ | (2.06%) ↓ |
| Net profit for the period | 136.37 | 89.22 | 47.15 ↑ | 52.85% ↑ |
| Net profit margin (%) | 3.57% | 2.35% | 1.22 pp ↑ | |
| EBITDA | 236.52 | 180.65 | 55.87 ↑ | 30.93% ↑ |

1) Revenue from Sales and Services

For Q3/2019, Revenue from sales and services was THB 3,665.16 million, decreasing by 2.06% or THB 77.22 million from THB 3,742.39 million in Q3/2018 primarily due to a minor decrease in sales volume from 201,192 tons to 197,888 tons. A decline in sales volume was largely from LPG service station as a result of the downward LPG auto gas trend. However, the Company is able to maintain the growth in other sectors.

2) Other incomes

For Q3/2019, other incomes was THB 151.54 million, increasing by 167.92% or THB 94.98 million when compared with that in Q3/2018 primarily due to during the 3rd quarter, the company sold a land which was an investment property. Therefore, the Company recognized the gain from a selling of land as other income in the 3rd quarter.

3) Selling expenses

For Q3/2019, selling expenses of the Group was THB 76.69 million, accounting for 2.09% of the total revenue (excluding other income), slidely increasing by 13.10% or THB 8.89 million when compared with that in Q3/2018. This is mainly due to marketing activities to create an image and brand awareness to customers. The Company introduced food competition under the campaign “Celeb Chef Thailand” on potential online channel, which received an overwhelming feedback. Also, the Group continues to control other costs effectively.



4) Administrative Expenses

For Q3/2019, administrative expenses of the Group was THB 103.22 million, accounting for 2.82% of the total revenue (excluding other income), slidely increasing by 11.30% or THB 10.48 million from THB 92.75 million in Q3/2018. This is mainly due to the fact that the Group recorded expenses related to the sale of a land which was an investment property.

5) Profit

Net profit in Q3/2019 increased from THB 89.22 million to THB 136.37 million, increasing THB 47.15 million or 52.85% compared to the Q3/2018 and the Net profit margin (Net profit to total revenue) increased from 2.35% to 3.57% mainly due to the gain from the sale of land described above.

6) Financial position

At the end of Q3/2019, the Group upheld its healthy financial position, with total assets amounting to THB 5,866.96 million, while total liabilities were reported at THB 4,613.58 million and total equity ended at THB 1,253.38 million. Moreover, the Company has allocated a legal reserve worth the amount of THB 13.49 million and recorded a higher retained earnings to THB 184.47 million respectively.

7) Cash Flow

At the end of Q3/2019, the Group had cash and cash equivalents of THB 754.01 million, increasing by 8.21% or THB 57.20 million from the year ended 2018, primarily due to net cash received from operating activities as a result of the positive net profit for the period.