



Bor. Hor. 013/2022

9th November 2022

Subject: Report of the Company's 3rd Quarter 2022 financial performances

**Attention: The President
The Stock Exchange of Thailand**

The Tipco Asphalt Public Company Limited (“the Company”) would like to report the 3rd Quarter 2022 unaudited but reviewed consolidated financial performance of the Group.

Reference to the unaudited but reviewed financial statements ended 30th September 2022, the Company's net profit after tax for the 3rd quarter 2022 stood at Baht 509 million as compared to the net profit after tax of Baht 378 million in the corresponding period of 2021. Details of the Company's performance can be summarized as follows:

1. Sales and services stood at Baht 7,449 million, reflecting an increase of 20.4% from the same period of last year due to increases in selling price of asphalt products which resulted from global oil price hike. On the other hand, there were decreases in sales volume in the Thailand market and several countries in the international market resulted from the continuation of the Company's “selective market sales” strategy.

Cost of sales and services stood at Baht 6,652 million or 89.3% (83.7% in the corresponding quarter in 2021) of sales and services before allowance for



diminution in value of inventory and hedging loss. The decrease in gross profit was mainly due to the higher average inventory cost attributable to increases in asphalt purchased price from regional refineries. In addition, the Company recorded loss from price hedging contracts of Baht 22 million because of the fluctuation in global market price for crude oil, asphalt, and petroleum products during the quarter.

Revenue from construction contracts stood at Baht 828 million, reflecting an increase of 22% from the same period of last year. This was resulted from continuing increase in construction and road maintenance income, in particular the 3rd runway construction project at the Suvarnabhumi International Airport.

Cost of construction stood at Baht 794 million or 95.9% (93.7% in corresponding quarter in 2021) of revenue from construction contracts. The decrease on gross profit was mainly resulted from increases in material and energy cost as compared to the same period of last year.

2. Selling and administrative expenses stood at Baht 41 million and Baht 255 million, representing 0.5% and 3.1% of sales and services income and revenue from construction contracts. Comparatively, these expenses in the same period of 2021 stood at Baht 43 million and Baht 294 million or 0.6% and 4.3% of sales and services income and revenue from construction. The Company is committed to control overhead expenses while improving the operating gross profit margin.



3. The gain on exchange of Baht 159 million was due to the fluctuation of the Baht against US Dollar in this quarter.
4. The Group's cashflow generated from operations stood at Baht 545 million as compared to Baht 883 million in the corresponding period of 2021 attributable to the lower gross profit in this quarter.
5. The Group's consolidated debt to equity ratio (D/E ratio) slightly improved to 0.65 comparing to 0.69 in the corresponding period a year ago.
6. The net profit after tax of Baht 509 million for the 3rd quarter 2022 represented earnings per share of Baht 0.32 (par value of Baht 1 each) as compared to Baht 0.24 per share in the corresponding quarter of 2021.

Please be informed and disseminate to investors accordingly.

Sincerely yours,

A handwritten signature in black ink, appearing to read "ช.ฉว.", is written above a horizontal line.

Mr. Chaiwat Srivalwat
Chief Executive Officer