

(Translation)

UAC.CS/016/2018

August 14, 2018

Subject: Explanation of the operating results for the second quarter period ended June 30, 2018

To: President
The Stock Exchange of Thailand

Attachment: Auditor's Report and Financial Statement for the second quarter period ended June 30, 2018

UAC GLOBAL Public Company Limited ("UAC") would like to report the operating result of UAC according to the financial statement for the 3-month and 6-month period ended June 30, 2018, details are as follows:

The operating results of the consolidated financial statement for the 3-month and 6-month period ended June 30, 2018

The Consolidated Financial Statement	For the year period of (unit: million baht)						
	Q2, 2018	Q2, 2017	YoY		H1, 2018	H1, 2017	YoY
Sales and Services	374.04	406.24	(32.20)	(7.93%)	1653.83	761.95	891.88 117.05%
Gross Profit	62.67	133.21	(70.54)	(52.95%)	211.17	202.24	8.93 4.42%
Other Income	27.41	(8.43)	35.84	425.13%	61.59	13.65	47.94 351.29%
Selling & Administrative Expenses	53.37	53.61	(0.24)	(0.44%)	104.32	102.57	1.76 1.71%
Finance Cost	22.31	16.81	5.50	32.74%	40.98	34.38	6.60 19.21%
EBT	14.40	54.36	(39.96)	(73.51%)	127.46	78.94	48.51 61.45%
Tax	1.10	(15.84)	(16.94)	(106.97%)	(21.06)	(20.18)	0.88 4.37%
Total Comprehensive Income	15.51	38.52	(23.02)	(59.75%)	106.40	58.76	47.63 81.06%

The operating results of the consolidated financial statement for the second quarter period ended June 30, 2018 resulted in decrease in net profit of Baht 23.02 million or 59.75% from the corresponding period of the previous year as the following details below:

1. Revenue from sales and services decreased Baht 32.20 million or 7.93% from the corresponding period of the previous year, which resulted from competitive and business conditions. Gross profit decreased at the amount of Baht 70.54 million. Gross profit margin was 16.76% which was lower than the corresponding period of the previous year (Q2/2017 = 32.79%).
2. Comprehensive Income decreased Baht 23.02 million or 59.75% from the corresponding period of the previous year. Though gross profit decreased Baht 70.54 million, other income increased Baht 35.84 million derived from profit sharing from investment in BBF.

The operating results of the consolidated financial statement for the 6-month period ended June 30, 2018. Net profit increase of Baht 47.63 million or 81.06% from the corresponding period of the previous year as the following details below:

1. Revenue from sales and services increased Baht 891.88 million or 117.05% from the corresponding period of the previous year, which resulted in the increase in revenue from UAC at the amount of Baht 897.48 million. Gross profit increased Baht 8.93 million and gross profit margin for 6-month period was 12.77% which was lower than the corresponding period of the previous year (H1/2017 = 26.54%).
2. Comprehensive Income increased Baht 47.63 million or 81.06% from the corresponding period of the previous year, mostly from profit sharing from investment in BBF increased at the amount of Baht 49.95 million.

The operating results of **the separated financial statement** for the 3-month and 6-month period ended June 30, 2018

The Separated Financial Statement	For the year period of (unit: million baht)							
	Q2, 2018	Q2, 2017	YoY		H1, 2018	H1, 2017	YoY	
Sales and Services	280.23	305.32	(25.08)	(8.22%)	1459.63	562.15	897.48	159.65%
Gross Profit	49.25	110.15	(60.90)	(55.29%)	176.27	152.75	23.52	15.40%
Other Income	11.74	9.48	2.26	23.86%	20.38	66.37	(45.99)	(69.29%)
Selling & Administrative Expenses	38.25	37.79	0.46	1.20%	74.13	72.18	1.95	2.70%
Finance Cost	15.58	10.08	5.50	54.55%	26.33	20.59	5.74	27.85%
EBT	7.16	71.76	(64.59)	(90.02%)	96.19	126.34	(30.15)	(23.87%)
Tax	0.08	(14.37)	(14.45)	(100.55%)	(22.04)	(16.38)	5.66	34.52%
Total Comprehensive Income	7.24	57.39	(50.14)	(87.38%)	74.15	109.96	(35.81)	(32.57%)

The operating results of the separated financial statement for the second quarter period ended June 30, 2018 resulted in decrease in net profit of Baht 50.14 million or 87.38% from the corresponding period of the previous year as the following details below:

1. Revenue from sales and services decreased Baht 25.08 million or 8.22% from the corresponding period of the previous year, which resulted from competitive and business conditions. Gross profit decreased Baht 60.90 million and gross profit margin was 17.57% which was lower than the corresponding period of the previous year (Q2/2017 = 36.08%)
2. Comprehensive Income decreased Baht 50.14 million or 87.38% from the corresponding period of the previous year, which resulted from decrease in gross profit of Baht 60.90 million and decrease in corporate income tax of Baht 14.45 million.

The operating results of the separated financial statement for the 6-month period ended June 30, 2018 resulted in decrease in net profit of Baht 35.81 million or 32.57% from the corresponding period of the previous year as the following details below:

1. Revenue from sales and services increased Baht 897.4 million or 159.65% from the corresponding period of the previous year, which resulted in the increase in revenue from UAC - Trading at the amount of Baht 910.16 million. Gross profit increased Baht 23.52 million and gross profit margin for 6-month period was 12.08% which was lower than the corresponding period of the previous year (H1/2017 = 27.17%).
2. Comprehensive Income decreased Baht 35.81 million or 32.57% from the corresponding period of the previous year due to dividend income decreased at the amount of Baht 45.01 million.

Please be informed accordingly

Yours sincerely,

-Signature-

(Miss Nilrat Jarumanopas)

Chief Financial Officer

Authorized to sign on behalf of the Company