



บริษัท สหอุตสาหกรรมน้ำมันปาล์ม จำกัด (มหาชน)
United Palm Oil Industry Public Company Limited

CORPORATE HEADQUARTERS

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August 9, 2021

**Subject: To submit the Interim Management Discussion and Analysis
For the three-month period ended June 30, 2021**

To: Directors and Managers of the Stock Exchange of Thailand

United Palm Oil Industry Public Company Limited (UPOIC), its subsidiaries and its jointly controlled entity would like to inform the operating result for the three-month period ended June 30, 2021 which had net profit for the period Baht 95.1 million, compared to the same period of 2020 with net profit at Baht 15.9 million, profit increased Baht 79.2 million or 498.1%.

The Company would like to submit the interim management discussion and analysis for the three-month period ended June 30, 2021.

Please be kindly informed.

Sincerely yours,

(Miss Anchalee Suebchantasiri)
Managing Director



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RSPO - 1106151



A Subsidiary of Lam Soon (Thailand) Public Company Limited

MANAGEMENT DISCUSSION AND ANALYSIS

For the three-month period ended June 30, 2021

Financial Performance and Analysis Explanation

1. Revenue

Total sales of the Group in Q2/2021 increased by Baht 265.3 million or 120.6% from the same period of 2020. This was mainly due to average selling prices of CPO and CPKO increasing by 64.6% and 87.3%, respectively. Moreover, sales volume of CPO and CPKO increasing by 22.3% and 224.0%, respectively. Hence, total revenue from sales increased.

2. Cost of Sales and Expenses

- Cost of sales in Q2/2021 was Baht 334.6 million higher than the same period of prior year Baht 169.5 million or 102.7% caused by average FFB cost raised by 66.6% and average sales volume increased by 40.3%.
- Selling and administrative expenses increased by Baht 10.2 million from increase in goods transportation which is in line with sales volume and allowance for impairment of land and net book value of oil palm plantation development Baht 5 million.
- Loss from change in fair value of biological assets Baht 44.0 million (Q2/2020: Loss Baht 21.5 million)

3. Consolidated Profit

According to reasons above, in Q2/2021, the Group therefore recorded higher gross profit by Baht 95.8 million or 174.3%. Furthermore, the Company realized higher loss from change in fair value of biological assets from adopted TAS 41 Agriculture and Accounting Treatment Guidance for Recognition and Measurement of Bearer Plant. Moreover, selling and administrative expenses increased as mentioned. As a consequence, the Group recorded an increase in net profit after tax of Baht 79.2 million (Q2/2020: net profit after tax of Baht 15.9 million).

