



บริษัท สหอุตสาหกรรมน้ำมันปาล์ม จำกัด (มหาชน)

United Palm Oil Industry Public Company Limited

CORPORATE HEADQUARTERS

64 Soi Bangna-Trad 25, Khwaeng Bangna Nuea,
Khet Bangna, Bangkok 10260, Thailand

Tel +66-(0)2-744-1046

Fax +66-(0)2-361-8988-89

www.upoic.co.th

May 11, 2023

**Subject: To submit the Interim Management Discussion and Analysis
For the three-month period ended March 31, 2023**

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 March 31, 2023 which had net profit for the period of Baht 63.8 million, compared to the same period of 2022 with net profit at Baht 135.5 million, profit decreased Baht 71.7 million or 52.9%.

The Company would like to submit the interim management discussion and analysis for the three-month period ended March 31, 2023.

Please be kindly informed.

Sincerely yours,

(Miss Anchalee Suebchantasiri)
Managing Director

ESTATE OFFICE / MILL

98 Moo 6, Nuaklong-Khao Phanom Road,
Huayoong Sub-district, Nuaklong District,
Krabi 81130 Thailand

Tel +66-(0)75-666 075

Fax +66-(0)75-666 072



A Subsidiary of Lam Soon (Thailand) Public Company Limited

MANAGEMENT DISCUSSION AND ANALYSIS

For the three-month period ended March 31, 2023

Financial Performance and Analysis Explanation

1. Sales revenue

Total sales of the group of the Company in Q1/2023 decreased by Baht 221.2 Million or 28.1% from the same period of 2022. This was because of a decrease in the average selling price per unit of CPKO and CPO by 58.6% and 40.0%, respectively due to the situations that affect the prices were relieved.

2. Cost of Sales and Expenses

- Cost of sales in Q1/2023 was Baht 471.0 Million lower than the same period of the prior year Baht 189.5 Million or 28.7% caused by average FFB cost decreased by 44.7%.
- Selling expenses increased by Baht 2.0 Million from an increase in transportation expenses which is in line with an increase in overall sales volume.
- Loss from change in fair value of biological assets Baht 28.1 Million due to decline in fresh fruit bunch price (Q1/2022: Profit Baht 38.6 Million).

3. Consolidated Profits

From the reasons mentioned above, in Q1/2023 the group of companies, therefore, had decreased gross profit of Baht 31.8 Million or 25.1%. Furthermore, the Company recorded 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. However, the Company recorded higher profit sharing from investment in a Joint Venture including income tax expense decreased as the operation result. As a consequence, the Group recorded a decrease in net profit after tax of Baht 71.7 Million or decreased by 52.9%. (Q1/2022: net profit after tax of Baht 135.5 million).