



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

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May 9, 2024

**Subject: To submit the Interim Management Discussion and Analysis
For the three-month period ended March 31, 2024**

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, 2024 which had total revenue for the period of Baht 467.4 million, compared to the same period of 2023, revenue decreased by Baht 119 million or 20.3% , and net profit for the period of Baht 53.7 million, compared to the same period of 2023, profit decreased by Baht 10.1 million or 15.8%.

The Company would like to submit the interim management discussion and analysis for the three-month period ended March 31, 2024.

Please be kindly informed.

Sincerely yours,

(Miss Anchalee Suebchantasiri)

Managing Director

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A Subsidiary of Lam Soon (Thailand) Public Company Limited

MANAGEMENT DISCUSSION AND ANALYSIS

For the three-month period ended March 31, 2024

Financial Performance and Analysis Explanation

1. Sales revenue

Total sales of the group of companies in Q1/2024 decreased by Baht 141.2 million or 24.9% from the same period of 2023. Mainly due to the sales volume of CPO decreased by 32.3% while the sales volume of CPKO increased by 31.2% and other income from by-product decreased by Baht 7.8 million or 37.4% from the same period of 2023. Moreover, the total revenues decreased due to FFB production throughout the country decreased by 30.5% compared to the same period of 2023.

2. Cost of Sales and Expenses

- Cost of sales compared to revenue in Q1/2024 was 88 %, increased from the same period of 2023 at 83.2% due to the amount of CPO extraction decreased by 7.4% because of low rainfall compared to the same period of 2023. In addition, cost of production per unit increased by 44.9% and the average cost of FFB increased by 15% as FFB production in Q1/2024 decreased compared to the same period of 2023.
- Selling expenses increased by Baht 3.5 million from a decrease in transportation expenses which was in line with a decrease in overall sales volume.
- Gain arising from change in fair value of biological assets Baht 29.9 million (Q1/2023: Loss Baht 28.1 million).

3. Consolidated Profits

From the reasons mentioned above, in Q1/2024 the group of companies, therefore, had decreased gross profit of Baht 44 million or 46.4%. Furthermore, the Company recorded profit 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 realized a decrease in profit sharing from a joint venture of Baht 10.2 million and a decrease in income tax expenses as the operation results. Consequently, the net profit after tax of the group of companies decreased by 10.1 million or decreased by 15.8%. (Q1/2023: net profit after tax of Baht 63.8 million).