



Asia Biomass Public Company Limited

Asia Biomass Public Company Limited

No. 273/2 Rama II Road, Samae Dam Sub-district, Bang Khun Thian District, Bangkok 10150
Tel: 0-2415-0054, 0-2416-3911 Fax: 0-2415 -1102 www.asiabiomass.com
Registration No. 0107560000061

May 11, 2022

Subject: Explanation of operating results for the three-month period ended March 31, 2022

To: The President
The Stock Exchange of Thailand

The explanation to the consolidated financial performance for three-month period ended March 31, 2022 as follows:

Summary of Quarterly Operation

Operating Performance

Volume Sales	Quarter 1/2022		Quarter 1/2021		Quarter 4/2021		YoY	QoQ
	thousand ton	%	thousand ton	%	thousand ton	%	%	
Domestics	137.80	80.75	86.23	62.84	111.26	83.00	59.81	23.83
Overseas	32.84	19.25	50.99	37.16	22.80	17.00	(35.60)	44.04
Total	170.64	100.00	137.22	100.00	134.08	100.00	24.36	27.27

Biomass total sales volume in Q1/2022 was 170.64 thousand tons increased 24.36% from Q1/2021 and 27.27% from Q4/2021 from major increase in domestic sales volume.

Domestic sales volume

Domestic sales volume in Q1/2022 was 137.80 thousand tons in which increased 29.57% from Q1/2021 from the increase in sales volume of palm kernel shell, wood chips and wood pellets. And increased by 23.83% compared to the previous quarter, due to many companies switch to biomass due to rising prices of other kind of fuels

Overseas sales volume

Overseas sales volume was 32.84 thousand tons in Q1/2022 decreased by 35.60% from Q1/2021 especially wood chips since last year the company was the main exporter while this year there are more competitors enter into the market. However, the company remains the main exporter of the products. When



Asia Biomass Public Company Limited

Asia Biomass Public Company Limited

No. 273/2 Rama II Road, Samae Dam Sub-district, Bang Khun Thian District, Bangkok 10150

Tel: 0-2415-0054, 0-2416-3911 Fax: 0-2415 -1102 www.asiabiomass.com

Registration No. 0107560000061

compared with the previous quarter, sales volume increased due to adding partners to supply products and suggest other agricultural products to client.

Financial Performance

Operating Results

Income Statement	Quarter 1/2022		Quarter 1/2021		Quarter 4/2021		YoY	QoQ
	MB	%	MB	%	MB	%	%	%
Revenues								
Revenue from sales and services	610.07	99.54	471.72	99.03	466.60	97.67	29.33%	30.75%
Other incomes	2.82	0.46	4.63	0.97	11.13	2.33	-39.09%	-74.66%
Total Revenues	612.89	100.00	476.35	100.00	477.73	100.00	28.66%	28.29%
Expenses								
Cost of sales and services	(531.74)	(86.76)	(386.54)	(81.15)	(401.96)	(84.14)	37.56%	32.29%
Distribution costs	(49.93)	(8.15)	(57.23)	(12.01)	(46.60)	(9.75)	-12.76%	7.15%
Administrative expenses	(18.98)	(3.09)	(17.57)	(3.69)	(23.36)	(4.89)	8.03%	-18.75%
Total Expenses	(600.65)	(98.00)	(461.34)	(96.85)	(471.92)	(98.78)	30.20%	27.28%
Profit (Loss) before interest and tax	12.24	2.00	15.01	3.15	5.81	1.22	-18.45%	110.74%
Financial costs	(3.64)	(0.60)	(3.20)	(0.67)	(3.61)	(0.76)	13.75%	0.83%
Profit (Loss) before income tax	8.60	1.40	11.81	2.48	2.20	0.46	-27.18%	291.26%
Income tax expenses (revenues)	(2.23)	(0.36)	(2.51)	(0.53)	(2.30)	(0.48)	-11.16%	-3.04%
Net Profit (Loss)	6.37	1.04	9.30	1.95	(0.10)	(0.02)	-31.51%	-6,470%
Net Profit (Loss) attributable to equity holders	6.75	1.10	9.68	2.03	3.40	0.71	-30.27%	98.53%

The operating results are presented as follow;

Revenue from sales and services

Revenue from sales and services in Q1/2022 was 610.07 million baht increased by 29.33% from Q1/2021 and increase by 30.75% from Q4/2021 in line with sales volume. In addition, the selling price has increased, especially for palm shell products.



Asia Biomass Public Company Limited

Asia Biomass Public Company Limited

No. 273/2 Rama II Road, Samae Dam Sub-district, Bang Khun Thian District, Bangkok 10150
Tel: 0-2415-0054, 0-2416-3911 Fax: 0-2415 -1102 www.asiabiomass.com
Registration No. 0107560000061

Other incomes

Other incomes in Q1/2022 were 2.82 million baht decreased by 39.09% from Q1/2021 and decrease from Q4/2021 due to in Q1/2021 company received compensation from supplier and bad debt recovery.

Cost of sales and services

Cost of sales and services in Q1/2022 was 531.74 increased by 37.56% from Q1/2021 and increase from Q4/2021. Cost of sales and services increased in line with revenue from sales and services.

Gross profit margin of the company was 12.84% in Q1/2022 decreased when compared with Q1/2021 which had gross profit margin 18.06% as a result of the reduction in the proportion of sales of high-margin products. In addition, the cost of goods is quite fluctuate. And shortages, causing the cost of sales to increase.

Distribution costs

Distribution costs were 49.93 million baht decreased by 12.76% from Q1/2021, The main distribution costs are transportation costs for export sale. Therefore, decreased in relation to the decrease in export sales.

Administrative expenses

The company's administrative expenses in Q1/2022 were 18.98 million baht declined by 8.03% from Q1/2021 from increasing manpower in response to the company's strategic plans while decreased from Q4/21 due to the expenses related to clearance overseas warehouse.

As a result, in Q1/2022, the net profit attributable to equity holders of the company was 6.75 million baht while from Q1/2021 had net profit was 9.68 million baht.



Asia Biomass Public Company Limited

Asia Biomass Public Company Limited

No. 273/2 Rama II Road, Samae Dam Sub-district, Bang Khun Thian District, Bangkok 10150

Tel: 0-2415-0054, 0-2416-3911 Fax: 0-2415 -1102 www.asiabiomass.com

Registration No. 0107560000061

Financial Position

Assets

Financial Position	Mar 31, 2022		Dec 31, 2021		% change	
	MB	%	MB	%	MB	%
Cash	25.60	2.69%	25.43	2.46%	0.17	0.67%
Account Receivable and others	289.77	30.46%	259.38	25.13%	30.39	11.72%
Inventory	124.28	13.06%	238.63	23.12%	(114.35)	-47.92%
Other current asset	0.49	0.05%	0.09	0.01%	0.40	444.44%
Total current asset	440.14	46.27%	523.53	50.71%	(83.39)	-15.93%
Bank deposit pledged as collateral	40.10	4.22%	40.10	3.88%	0.00	0.00%
Property plants and equipments	470.28	49.44%	467.97	45.33%	2.31	0.49%
Other non-current asset	0.73	0.08%	0.75	0.07%	(0.02)	-2.67%
Non-current asset	511.11	53.73%	508.82	49.29%	2.29	0.45%
Total asset	951.25	100.00%	1,032.35	100.00%	(81.10)	-7.86%

As of March 31, 2022, the company's total assets on decreased by 7.86%. This was a result of a 47.92% drop in inventories due to a significantly increase in sales. Also, the products are shortage, resulting in less inventory in stock.



Asia Biomass Public Company Limited

Asia Biomass Public Company Limited

No. 273/2 Rama II Road, Samae Dam Sub-district, Bang Khun Thian District, Bangkok 10150

Tel: 0-2415-0054, 0-2416-3911 Fax: 0-2415 -1102 www.asiabiomass.com

Registration No. 0107560000061

Liabilities and Equities

Financial Position	Mar 31, 2022		Dec 31, 2021		% change	
	MB	%	MB	%	MB	%
Assets						
Short-term loans	441.52	46.41%	522.96	50.66%	(81.44)	-15.57%
Account payable and others	48.43	5.09%	48.94	4.74%	(0.51)	-1.04%
Other current liabilities	5.48	0.58%	4.83	0.47%	0.65	13.46%
Current liabilities	495.43	52.08%	576.73	55.87%	(81.30)	-14.10%
Long term loans and financial leases	77.55	8.15%	84.48	8.18%	(6.93)	-8.20%
Other non current liabilities	12.91	1.36%	13.50	1.31%	(0.59)	-4.37%
Non current liabilities	90.46	9.51%	97.98	9.49%	(7.52)	-7.68%
Liabilities	585.89	61.59%	674.71	65.36%	(88.82)	-13.16%
Equities	365.36	38.41%	357.64	34.64%	7.72	2.16%
Liabilities and Equities	951.25	100.00%	1,032.35	100.00%	(81.10)	-7.86%

Total liabilities and equities on March 31, 2022 decreased by 7.86% from the end of last year mainly from arising from short-term loans and payment for creditors.



Asia Biomass Public Company Limited

Asia Biomass Public Company Limited

No. 273/2 Rama II Road, Samae Dam Sub-district, Bang Khun Thian District, Bangkok 10150

Tel: 0-2415-0054, 0-2416-3911 Fax: 0-2415 -1102 www.asiabiomass.com

Registration No. 0107560000061

The statement of cash flow

Cash flow	Jan-Mar/2022	Jan-Mar/2021
	Million baht	
Net cash from (used in) operating activities	96.82	(11.50)
Net cash used in investing activities	(8.25)	(1.85)
Net cash used in financing activities	(88.37)	(4.41)
Other effects	(0.03)	0.47
Net increase (decrease) in cash	0.17	(17.29)

The statement of cash flows for the three-month period ended March 31, 2022

Net cash from operating activities: the cash flow received from operating activities consisted of profit after adjustment of items affecting the profit of 15.73 million baht, Inventories decreased by 115.71 million baht in line with increased sales. Trade accounts receivable and advance payments increased by 30.33 million baht, resulting in net cash received from operating activities of 96.82 million baht.

Net cash used in investing activities: the company had net cash used in investing activities of 8.25 million baht from investing at Rayong warehouse.

Net cash from financing activities: the company had cash used in financing activities of 88.37 million baht from interest payments and repaying credit for goods purchases

Upcoming Projects

The company plans to invest in the quality of productions on the international standard.

1. The company start operation in wood pellets plant at Bang Nam Chuet, Samut Sakhon with capacity 2,000 tons/month in Q2/2022.
2. The company has investment plan to continually increase logistics efficiency include increasing transportation vehicles and increasing the warehouse.

2.1 In 2022, the company have plan to improve the land and started warehouse operations at Taphong Subdistrict, Mueang District, Rayong Province, the main objective is to be a palm shell warehouse and support future investment plans.



Asia Biomass Public Company Limited

Asia Biomass Public Company Limited

No. 273/2 Rama II Road, Samae Dam Sub-district, Bang Khun Thian District, Bangkok 10150

Tel: 0-2415-0054, 0-2416-3911 Fax: 0-2415 -1102 www.asiabiomass.com

Registration No. 0107560000061

The company has entered into the purchase of Acacia species agreement in order to guarantee continuity of goods on the company supply chain and also to prevent the products shortage risk in the future by agreeing to purchase woods from the forest member of the Forest Industry Organization Southern region with approximately 3,000 rai expected 30,000 tons of woods and expected to get the output in 2022.

This is submitted for your information.

Sincerely yours,

(Pongtham Danwungderm)

Deputy Managing Director

And Chief of Financial Officer (CFO)