

13 May 2022

Subject Report on the operating result for the first quarter of 2022

To President
The Stock Exchange of Thailand

Ubon Bio Ethanol Public Company Limited and its subsidiaries (hereinafter referred to as “Company”) would like to clarify the operating results of the Company for the period ending on March 31, 2022, details are as follows:

For the first quarter of FY2022, the Company generated total revenue of THB1,538.0 million, increased THB406.1 million or 35.9% from the same period of last year (YoY) and recorded the Company's total profit at the amount of THB115.6 million, increased THB77.7 million or 204.8% YoY. Thus, Q1'22 earning per share was THB 0.03, increased THB0.02 due to the following reasons:

Income Statement	Q1'22		Q1'21		% YoY	Q4'21		% QoQ
	THB mn	(%)	THB mn	(%)		THB mn	(%)	
Ethanol business sale revenue	913.3	59.4%	597.0	52.7%	53.0%	1,113.6	57.6%	-18.0%
Starch and flour business sale revenue	586.6	38.1%	517.1	45.7%	13.4%	805.9	41.7%	-27.2%
Other business sale revenue ⁽¹⁾	38.2	2.5%	17.9	1.6%	112.9%	13.7	0.7%	177.7%
Total sale revenue	1,538.0	100.0%	1,132.0	100.0%	35.9%	1,933.2	100.0%	-20.4%
COGS ⁽²⁾	(1,303.2)	-84.7%	(937.1)	-82.8%	39.1%	(1,603.5)	-82.9%	-18.7%
Gross profit ⁽²⁾	234.9	15.3%	194.9	17.2%	20.5%	329.7	17.1%	-28.8%
Other income	8.7	0.6%	11.4	1.0%	-23.9%	14.5	0.8%	-40.5%
Gain (loss) from exchange rate	5.0	0.3%	(24.9)	-2.2%	-120.1%	11.3	0.6%	-55.5%
SG&A	(118.0)	-7.7%	(107.3)	-9.5%	9.9%	(222.2)	-11.5%	-46.9%
Interest expenses	(14.9)	-1.0%	(36.1)	-3.2%	-58.7%	(16.5)	-0.9%	-9.9%
Net Profit	115.6	7.5%	37.9	3.4%	204.8%	116.8	6.0%	-1.0%
Basic earnings per share (THB)	0.03		0.01			0.03		

Remark: (1) Include revenue from sales of biogas-based electricity, sales of excess cassava chips from ethanol production, sales of new organic agricultural products such as coffee beans, rice, and organic fertilizers

(2) Cost of goods sold in Q4'21 have been reclassified to conform to the financial statements in Q1'22 and Q1'21

Sale revenue

In the first quarter of FY2022 (Q1'22), the Company recorded total sales revenue at THB1,538.0 million, increased THB406.1 million or +35.9% (YoY), mainly attributable to a recovery in ethanol business from the ease of lockdown, but decreased THB395.2 million or -20.4% from Q4'21 (QoQ) with a decline in fuel-grade ethanol sales volume and native starch sales volume, both due to seasonality effect (Q4'21 is the peak of the seasons).

Cost of sales

In Q1'22, the Company's cost of sales was THB1,303.2 million, or 84.7% of total sale revenue, increased THB366.1 million (+39.1% YoY) due to a rise in cassava chips price driven by high demand in China. Thus, the Company recorded gross profit margin in Q1'22 at 15.3%, declined from 17.2% in Q1'21.

Expenditures on sales and administration

In Q1'22, the Company's expenditures on sales and administration was THB118.0 million (of which THB58.2 million is expenditures on sales and THB59.8 million is administration expense), or 7.7% of total sale revenue. The increase of THB10.7 million or +9.9% YoY was mainly from the significant increase in sales volume of cassava starch and ethanol products.

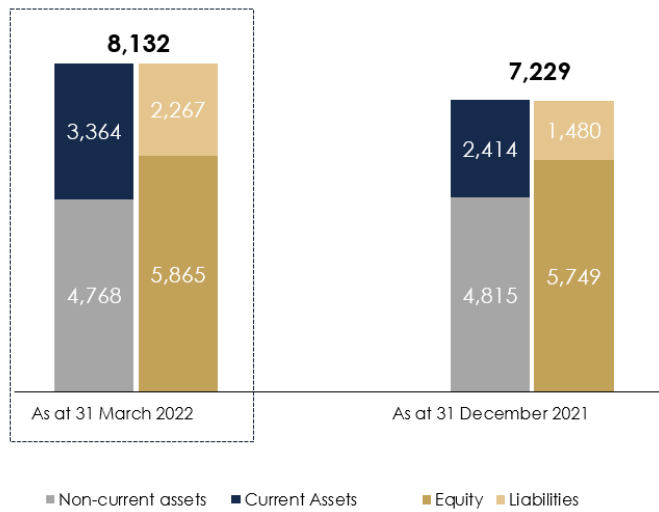
Financial cost

In Q1'22, the financial cost of the Company was THB14.9 million, decreased THB21.2 million or -58.7% YoY due to lower short-term debt from financial institutions.

Net profit

In Q1'22, the Company generated the net profit of THB115.6 million, increased by THB77.7 million YoY. Net profit margin was recorded at 7.5%, mainly driven by higher proportion of organic starch, which is high-value product, and a reduction in financial cost.

Financial Position



Balance Sheet (THB million)	31-Mar-21	31-Dec-21
Asset		
Cash and cash equivalent	203.9	475.6
Account Receivable	679.0	790.6
Inventory	2,364.4	917.6
Other Current Asset	116.2	230.7
PPE	4,728.3	4,777.1
Other Non Current Asset	40.2	37.6
Total Asset	8,131.9	7,229.3
Liability and Equity		
Account Payable	329.5	267.6
Short Term Loan	845.4	-
Financial Leasing	53.7	61.1
Long Term Loan	982.9	1,086.0
Other Liabilities	55.6	65.3
Total Liabilities	2,267.1	1,480.1
Issued and paid-up share capital	3,914.3	3,914.3
Share premium	1,568.4	1,568.4
Retained earnings	382.1	266.5
Total Equity	5,864.8	5,749.2
Total Liability and Equity	8,131.9	7,229.3

Assets

As at 31 March 2022, the Company's total assets amounted to THB8,131.9 million, an increase of THB902.7 million or +12.5% from 31 December 2021, mainly contributed by the increase in inventories i.e. cassava chips to prepare for the full year ethanol production and tapioca starch and cassava flour products, which were mainly produced during seasonal-period.

Liabilities

As at 31 March 2022, the Company's total liabilities amounted to THB2,267.1 million, an increase of THB787.0 million or +53.2% from 31 December 2021 from the increase in short-term loans from financial institutions as a working capital during harvesting season.

Shareholders' Equity

As at 31 March 2022, the Company's shareholders' equity amounted to THB5,864.8 million, an increase of THB115.6 million or +2.0% from 31 December 2021 in line with the higher profit for the period.