



Ref. MO 015/2022

August 11, 2022

Subject: Management Discussion and Analysis for the second quarter of year 2022

Dear: President,

The Stock Exchange of Thailand

Chumporn Palm Oil Industry Public Company Limited would like to report the performance of the Company and its subsidiaries for the second quarter of year 2022. The consolidated financial statement had a net profit of Baht 83.09 million, whereas in the same period of previous year had a net profit of Baht 118.81 million. The Company and its subsidiaries had earnings before interest, tax and depreciation and amortization expenses for the second quarter of year 2022 amounting Baht 137.76 million, which were decreased by Baht 35 million when compared with the same period of previous year. The main factor was the volume of fresh palm fruit in the second quarter of 2022 was lower than that of the same period of previous year.

Financial Performance Analysis

- 1) The turnover was Baht 2,100 million during the second quarter of year 2022, increased Baht 594 million or 39% from the same period of previous year. The main reason was average selling price increased 57%, while the sale volume was decreased 11%.
- 2) The cost of sales were Baht 1,898 million during the second quarter of year 2022, increased Baht 625 million or 53% from the same period of previous year, due to increase in the average cost of direct materials. However, the increase rate was higher than the increase of selling price which a result in the percentage of gross profit was decreased from 17% to 10%.
- 3) The selling expenses were Baht 33 million, increased Baht 5 million or 20%. The main reason was freight out increased due to increase in the fuel price.
- 4) The administrative expenses were Baht 79 million, decreased Baht 12 million or 14%. The main reason was decreased in hedging expenses.

Please be informed accordingly.

Yours sincerely,

(Ratsamee Pongjindanon)

Chief Financial Officer