



22 February 2023

Subject Report on the operating performance for the year ended 31 December 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 year ended 31 December 2022, details are as follows:

As for the Company’s performance for the year ended 31 December 2022, the Company generated total revenue of THB7,199.3 million, increased THB226.8 million or +3.3% from last year (YoY) and recorded the Company’s total profit at the amount of THB329.2 million, increased THB8.3 million or +2.6% YoY mainly due to income tax revenue from deferred tax assets recognized from the utilization of unused tax losses from expected future taxable profits.

Income Statement	YE'22		YE'21		%YoY
	THBmn	(%)	THBmn	(%)	
Ethanol business sales revenue	3,810.4	52.9%	3,655.3	52.4%	4.2%
Starch and flour business sales revenue	3,116.6	43.3%	3,163.3	45.4%	-1.5%
Other business sales revenue <sup>(1)</sup>	272.3	3.8%	153.9	2.2%	76.9%
<b>Total revenue from sales and services</b>	<b>7,199.3</b>	<b>100.0%</b>	<b>6,972.5</b>	<b>100.0%</b>	3.3%
Cost of sales and services <sup>(2)</sup>	(6,356.3)	-88.3%	(5,931.0)	-85.1%	7.2%
<b>Gross profit</b>	<b>843.1</b>	<b>11.7%</b>	<b>1,041.5</b>	<b>14.9%</b>	-19.0%
Other income/other cost	20.8	0.3%	25.6	0.4%	-18.6%
Net gain (loss) on exchange	(52.5)	-0.7%	(52.8)	-0.8%	-0.5%
Selling and distribution expenses	(256.5)	-3.6%	(280.9)	-4.0%	-8.7%
Administrative expenses	(246.5)	-3.4%	(280.0)	-4.0%	-12.0%
<b>Operating profit</b>	<b>308.4</b>	<b>4.3%</b>	<b>453.3</b>	<b>6.5%</b>	-32.0%
Finance cost	(52.3)	-0.7%	(132.5)	-1.9%	-60.5%
<b>Profit before income tax expenses</b>	<b>256.1</b>	<b>3.6%</b>	<b>320.9</b>	<b>4.6%</b>	-20.2%
Income tax revenue	73.1	1.0%		0.0%	N/A
<b>Profit for the period</b>	<b>329.2</b>	<b>4.6%</b>	<b>320.9</b>	<b>4.6%</b>	2.6%

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, organic fertilizers, and napiers.
- (2) Cost of goods sold in Q3'21 have been reclassified to conform to the financial statements in Q3'22, Q2'22 and Q1'22



### **Sales revenue**

In 2022, the Company recorded total sales revenue of THB7,199.3 million, increased THB226.8 million or +3.3% (YoY), mainly attributable from an increasing volume of fuel-grade ethanol and stronger ethanol selling price.

Sales revenue from ethanol business improved (+4.2% YoY) to THB3,810.4 million as a result of higher volume of fuel-grade ethanol due to promising signs of travel restriction. However, sales from starch business declined 1.5% YoY to THB3,116.6 million as most of the organic starch orders in Q4'22 were postponed to 2023. Sales of other segment rose significantly by 76.9% to THB272.3 million, mainly attributable to the outstanding sales of coffee products.

### **Cost of sales**

In 2022, the Company's cost of sales was THB6,356.3 million, or 88.3% of total sale revenue, increased THB425.2 million (+7.2% YoY), mainly due to higher raw material costs, especially cassava. Thus, overall gross profit margin in 2022 dropped to 11.7% from 14.9% in 2021.

### **Expenditures on sales and administration**

In 2022, the Company's expenditures on sales and administration was THB 503.0 million (of which THB256.5 million is expenditures on sales and THB246.5 million is administration expense), or 7.0% of total sale revenue. The company is prudent on spending and %SG&A to sales is well-controlled or declined from 8.0% in 2021. This is as a result of a reduction in export charge from a decline in conventional starch volume, a change in transportation method from container ship to bulk carriers, which has a lower operating cost, and a reduction in rental expense from leasing warehouse from external parties by constructing its own warehouse to store starch products.

### **Financial cost**

In 2022, the financial cost of the Company was THB52.3 million, decreased THB80.1 million or -60.5% YoY due to lower long-term debt from financial institutions.



### **Net profit**

In 2022, the Company generated the net profit of THB329.2 million, increased by THB8.3 million (+2.6% YoY). Net profit margin was recorded at 4.6% as last year.

### **Assets**

As at 31 December 2022, the Company's total assets amounted to THB7,219.4 million, a decrease of THB9.9 million or -0.1% from 31 December 2021, mainly from a decrease in cash and cash equivalent to be used as a working capital to buy raw materials during harvesting season.

### **Liabilities**

As at 31 December 2022, the Company's total liabilities amounted to THB1,225.6 million, a decrease of THB254.4 million or -17.2% from 31 December 2021, mainly from a repayment in long-term loans.

### **Shareholders' Equity**

As at 31 December 2022, the Company's shareholders' equity amounted to THB5,993.7 million, an increase of THB244.5 million or +4.3% from 31 December 2021, mainly from higher retained earnings from profit for the period.