



11 May 2023

Subject Report on the operating performance for three months ended 31 March 2023
 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, 2023, details are as follows:

As for the Company’s performance for 3 months ended 31 March 2023 (3M’22), the Company generated total revenue of THB1,499.2 million, declined THB41.5 million or -2.7% from the same period of last year (YoY) and recorded the Company’s total loss at the amount of THB26.2 million, declined THB141.8 million or -122.6% YoY mainly due to a lower sales volume of ethanol and starch. Thus, 3M’23 earnings per share was THB -0.007, decreased THB0.04 due to the following reasons:

Income Statement	Q1'23		Q1'22		%YoY
	THBmn	(%)	THBmn	(%)	
Ethanol business sales revenue	844.1	56.3%	913.3	59.3%	-7.6%
Starch and flour business sales revenue	567.0	37.8%	586.3	38.1%	-3.3%
Other business sales revenue ⁽¹⁾	88.1	5.9%	40.9	2.7%	115.3%
Total revenue from sales and services	1,499.2	100.0%	1,540.7	100.0%	-2.7%
Cost of sales and services	(1,400.2)	-93.4%	(1,301.3)	-84.5%	7.6%
Gross profit	99.0	6.6%	239.4	15.5%	-58.7%
Other income/other cost	5.3	0.4%	4.1	0.3%	28.9%
Net gain (loss) on exchange	(5.6)	-0.4%	5.0	0.3%	-211.0%
Selling and distribution expenses	(48.8)	-3.3%	(58.2)	-3.8%	-16.2%
Administrative expenses	(60.8)	-4.1%	(59.7)	-3.9%	1.9%
Operating profit	(10.9)	-0.7%	130.6	8.5%	-108.3%
Finance cost	(15.3)	-1.0%	(15.0)	-1.0%	2.0%
Profit before income tax expenses	(26.2)	-1.7%	115.6	7.5%	-122.6%
Income tax revenue	-	-	-	-	-
Profit for the period	(26.2)	-1.7%	115.6	7.5%	-122.6%

Remark:

(1) Include revenue from sales of biogas-based electricity, sales of new organic agricultural products such as coffee beans, rice, organic fertilizers, and napiers.



Sales revenue

In the first three months of 2023, the Company recorded total sales revenue of THB1,499.2 million, declined THB41.5 million or -2.7% (YoY), mainly attributable from a decreasing volume of ethanol and starch.

Sales revenue from ethanol business declined (-7.6% YoY) to THB844.1 million as a result of lower volume of fuel-grade ethanol due to the government's cancellation of the E85 and the decreasing of ethanol industrial-grade sales volume due to the relaxing of COVID-19 policy. While, sales from starch business declined 3.3% YoY to THB567.0 million due to global recession and the majority of the cassava plantation areas have been affected by flooding. Sales of other segment rose significantly by 115.3% to THB88.1 million, mainly attributable to the outstanding sales of coffee products.

Cost of sales

In 3M'23, the Company's cost of sales was THB1,400.2 million, or 93.4% of total sale revenue, increased THB98.9 million (+7.6% YoY) due to higher raw material costs, especially cassava. Thus, overall gross profit margin in 3M'23 dropped to 6.6% from 15.5% in 3M'22.

Expenditures on sales and administration

In 3M'23, the Company's expenditures on sales and administration were THB 109.6 million (of which THB40.8 million is expenditures on sales and THB60.8 million is administration expense), or 7.3% of total sale revenue. The company is prudent on spending and %SG&A to sales is well-controlled or declined from 7.7% in 3M'22. This is as a result of a reduction in export charge from a decline in starch sales volume, and a reduction in rental expense from leasing warehouse from external parties by constructing its own warehouse to store starch products.

Financial cost

In 3M'23, the financial cost of the Company was THB15.3 million, increased THB0.3 million or +2.0%YoY

Net profit

In 3M'23, the Company generated the net loss of THB26.2 million, decreased by THB141.8 million (-122.6% YoY). Net profit margin was recorded at -1.7% from 7.5% in 3M'22, mainly from a volume drop of high margin products and higher raw material cost due to the flooding.

Assets

As at 31 March 2023, the Company's total assets amounted to THB 8,509.2 million, an increase of THB1,289.8 million or +17.8% from 31 December 2022, mainly from an increase in inventory from the purchase of cassava during the season.



Liabilities

As at 31 March 2023, the Company's total liabilities amounted to THB2,541.6 million, an increase of THB1,315.9 million or +107.4% from 31 December 2022, mainly from a short-term loan to be used as a working capital to buy raw materials during harvesting season.

Shareholders' Equity

As at 31 March 2023, the Company's shareholders' equity amounted to THB5,967.6 million, a decrease of THB26.2 million or -0.4% from 31 December 2022 due to the net loss in 3M'66.