



บริษัท น้ำตาลขอนแก่น จำกัด (มหาชน)  
坤敬糖廠有限公司 (大眾)  
KHON KAEN SUGAR INDUSTRY PUBLIC COMPANY LIMITED

No. AC 072/2023

22 December 2023

SUBJECT MANAGEMENT DISCUSSION AND ANALYSIS OF THE FINANCIAL PERFORMANCE  
FOR THE YEAR 2023

ATTENTION PRESIDENT, THE STOCK EXCHANGE OF THAILAND

Khon Kaen Sugar Industry Public Company Limited and its subsidiaries ("KSL") would like to report our financial performance for the fiscal year 2023 (from November 1, 2022 to October 31, 2023). The company had a net profit attributed to owners of the parent of THB 904 million which decreased in the amount of THB 418 million in comparison with the net profit for the fiscal year 2022 of THB 1,321 million.

The operating performance and major changes are summarized as follows:

Revenues from Sales and Rendering of Services

(Unit : Million THB)

Structure of Revenues	Year 2023	Year 2022	Increase (decrease)
Revenues from sales	18,301	16,178	2,123
Sugar and molasses	15,860	14,188	1,672
Electricity	1,638	1,277	361
Fertilizer, fuels and others	803	713	90
Revenues from services	148	151	(3)
Total revenues from sales and services	18,449	16,329	2,120

- (i) Revenues from sales of sugar and molasses for FY 2023 in the amount of THB 15,860 million that increased by THB 1,672 million or 12% compared with FY2022, was mainly due to significant increase in volume of sugar sale and inclining of export sale price. The total sugar sales volume for FY2023 was increases 89,174 tons that increased by 12%, and the average sugar sale price of all distribution channels was increased by 8% comparison with the previous year's due to inclining of world sugar price. The proportion of export sale per total sale in FY2023 was 77% which slightly lower than last year.

- (ii) Revenue from sale of electricity was increased from THB 1,277 million to THB 1,638 million, 28% increase, due to increase in electricity volume and the average electric sale price from FT price.
- (iii) Increase in revenues from other sugar-related businesses of THB 90 million or 13% increased was mainly due to enhancing farmer activities to support sugar cane output improvement in the upcoming crop harvests.

#### Gross Profit

Gross profit decreased from THB 2,788 million in FY2022 to THB 2,618 million in FY2023, 6% decreased. Gross profit margin decreased from 17% in FY2022 to 14% in FY2023 was mainly due to inclining price cost of raw material (sugar cane) increased than last year and there were also losses from derivatives contracts caused by fluctuations in global sugar prices.

#### Distribution costs

Distribution costs increased from THB 434 million to THB 511 million, 18% increase, was mainly from transportation and exportation expenses that derived from increase in sale volume of sugar.

#### Loss on impairment of investments in associates

Loss on impairment of investments in associates amounted to THB 196 million. Due to the recoverable amount of an investment is lower than the book value.

For the year 2023 financial status overview, the company had total assets of THB 39,798 million, total liabilities of THB 18,221 million and total shareholders' equity of THB 21,577 million. Interest bearing debt to equity ratio (IBD/E ratio) as at October 31, 2023 represented at 0.67.

Yours faithfully,

Mr. Chalush Chinthammit  
Chief Executive Officer and President  
Khon Kaen Sugar Industry Public Company Limited