

23rd February 2024**Subject: Management Discussion and Analysis of the year ending 31 December 2023****To: The President**
Stock Exchange of Thailand

Univanich Palm Oil Public Co., Ltd (UVAN) hereby submits the management discussion and analysis of the financial statements of the company and its subsidiaries for the year ended 31st December 2023.

For the 2023 financial year, UVAN's consolidated profit after tax of **Baht 936.0 million** was 34.5% lower than Baht 1,429.76 million in the previous year.

The main factors contributing to this lower result were:

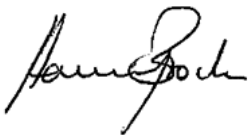
1. The average selling price of Crude Palm Oil (CPO) and Palm Kernel Oil (PKO) were respectively 29.9% and 44.7% lower than the previous year. The palm oil price remained at a lower level throughout the year, when compared to 2022. However, there was volatility with the price, driven upwards by speculation of the El Nino arriving in second half of 2023. This was followed by improved production levels out of Indonesia and Malaysia, and increased supply of alternative vegetable oils. These factors limited any increase in price. Thailand FFB supply remained steady, despite concerns of FFB shortage in Q3 and Q4, caused by the high moisture deficit in the first half of the year. The concerns of crop shortage added to the potential El Nino impact, pushed fruit prices higher, in anticipation of demand intensifying, and higher oil prices. However, the Thailand CPO inventory was stable throughout the year with supply keeping up with the demand. 2023 Export volumes were lower, with the domestic price remaining higher than international prices for the majority of the year, this meant the inventory levels were maintained higher than in recent years.
2. A 25.9% decrease in fruit price, leading to a decrease in profit contribution from our oil palm plantations.
3. The volume of fruit processed by our five factories in Thailand was 15.2% higher than in the previous year. The additional processed volume is a direct consequence of our expansion projects over the past 2 years and this has enabled us to improve our efficiencies and lower our production costs.
4. Our palm oil sales volume increased by 8.0% in 2023 due to the above production increase. This is offset with a decrease in trading of third-party oil for export. Export sales volumes were much lower in 2023, after encouraging export sales in first quarter of 2023, the opportunity in second half was limited to only 2 months. As a result, third-party purchases were lower during this period.
5. The previous year's higher prices have encouraged new oil palm plantings and replanting of old palms. This momentum continued into 2023 and has led to a significant increase in demand for Univanich hybrid oil palm seeds, both from domestic and export customers. Seed sales volume increased by 40% year on year. Our oil palm seedlings continue to be in high demand, sales were slightly lower than previous year due to delays in planting because of the very dry period in the first half of the year. However, this has allowed orders to carry over into 2024.

6. Our Philippines joint venture subsidiary, Univanich Carmen Palm Oil Corporation, contributed a profit of Baht 59.85 million, compared to Baht 78.81 million of last year, mainly due to the falling palm oil price. Despite the lower price of palm oil, the performance is encouraging.

Overall, the gross profit margin for the year was 12.2%, similar to the gross profit margin of the previous year which was 12.7%.

Earnings per share from the 2023 consolidated net profit were **Baht 1.00 per share**, compared to Baht 1.52 per share in the previous year.

Yours faithfully,
Univanich Palm Oil Public Company Limited



Harry Brock
Chief Executive Officer

CC : The Secretary General
Securities and Exchange Commission