



บริษัท น้ำมันพืชไทย จำกัด (มหาชน)
THAI VEGETABLE OIL PUBLIC COMPANY LIMITED

TVO/CP/24/010

May 10, 2024

Subject : Report of the Financial Statement, ended of March 31, 2024

Attention : The President of the Stock Exchange of Thailand

Thai Vegetable Oil Public Company Limited (“Company”) would like to submit the financial statements as ended of March 31, 2024, which have been reviewed by the auditor together with the management discussion and analysis as an information for investors and those who are interested.

Operating Results

Operating results of the Company and its subsidiary for three-month period ended March 31, 2024 and 2023 were as follows;

Unit: Million Baht	2024	2023	Increase / (Decrease)	
			Amount	%
Sales	7,619	9,355	(1,736)	(18.56)
Sale of packing materials	94	106	(12)	(11.13)
Total sales	7,713	9,461	(1,748)	(18.48)
Cost of sales	7,188	9,314	(2,125)	(22.82)
Gross profit	525	147	377	255.94
Profit (loss) on exchange rate / derivatives	36	194	(158)	(81.35)
Other income	32	21	11	50.80
Selling expenses	127	138	(11)	(7.81)
Administrative expenses	64	69	(5)	(7.85)
Reversal of allowance for expected credit losses	(1)	(5)	4	84.34
Reduction of inventory to net realizable value (reversal)	9	(6)	15	263.02
Financial cost	2	6	(4)	(69.66)
Profit before income tax expenses	391	160	231	144.8
Income tax expenses	72	31	41	131.19
Net profit attributable to equity holders of the Company	308	128	180	140.63
Non-controlling interests of the subsidiaries	11	1	10	1,756.49

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In the first quarter of the year 2024, the Company and its subsidiary had a net profit Baht 308 million, increased by Baht 180 million or 140.63% from Baht 128 million when compared to the same quarter in 2023. The main reasons were;

1. Sales Revenues

The Company and its subsidiary had total sales revenue of Baht 7,713 million, decreased by Baht 1,748 million or 18.48% from Baht 9,461 million when compared to the first quarter of the year 2023. The revenue from sales of products was Baht 7,619 million, decreased by Baht 1,736 million or 18.56% from Baht 9,355 million when compared to the first quarter of the year 2023, and the revenue from sales of packaging materials was Baht 94 million, decreased by Baht 12 million or 11.13% from Baht 106 million when compared to the first quarter of the year 2023. The details were as follows;

- **Revenue from sales of soybean meal and other animal feed ingredients** decreased compared to the first quarter of the year 2023 as a result of the decline of the selling price which was consistent with the price of soybean meal in global market and high domestic market competition. The sales volumes also decreased compared to the same period of the previous year due to the livestock situation, particularly among swine producers who are still facing stagnant farm-gate pork prices. This has led to a reduction in the number of pigs raised, which in turn has lowered the demand for feed ingredients and further contributed to the decline in selling prices.
- **Revenue from sales of refined soybean oil products** decreased compared to the first quarter of the year 2023 as a result of the decline in selling prices which in line with global market trends, high competition in the domestic vegetable oil market, and stagnant sales volumes due to the downward trend in soybean oil prices driven by increased production in South America. As a result, both domestic and international customers in the consumer and industrial oil sectors adopted a strategy of purchasing only the necessary inventory to control costs and reduce stockpiles.
- **Revenue from sales of packaging materials:** decreased as compared to the first quarter of the year 2023 due to weak consumer purchasing power in line with the economic situation.

2. Cost of Sales and Gross Profits

The Company and its subsidiary's cost of sales was Baht 7,188 million, decreased by Baht 2,125 million or 22.82% from Baht 9,314 million. The gross profits of the Company and its subsidiary was Baht 525 million, increased by Baht 377 million or 255.94% from Baht 147 million when compared to the first quarter of the year 2023. The main reasons were;

- **Cost of Sales and Gross Profits of the Company:** The cost of sales decreased compared to the first quarter of the year 2023 due to lower sales volumes and a decline in soybean prices, the company's

main raw material. The decline in soybean prices is in line with global trends, as soybean production in South America for the 2023/2024 growing season is expected to increase by nearly 20 million tons compared to the previous year. This will lead to a second consecutive year of increasing global soybean stocks. In contrast, during the same period last year, soybean production in parts of South America, particularly Argentina, was impacted by drought conditions caused by the La Niña phenomenon. In this quarter, the average selling prices of all products also declined, in line with the decline in raw material costs. However, the decline in selling prices was at a lesser rate than the decline in raw material costs. As a result, the company's gross profit increased.

- **Cost of Sales and Gross Profits of the Company's subsidiary:** The cost of sales of the Company's subsidiary decreased when compared to the first quarter of the year 2023 due to the lower cost of production especially the electricity cost. As a result, the Company's subsidiary gross profit increased comparing to the same period of last year.

3. Gain on exchange rate / derivatives

The Company has managed to hedge foreign exchange risk and commodity price risk with a forward contract. Therefore, the Company had gain on the foreign exchange rate and derivative amounted to Baht 36 million, decreased by Baht 158 million or 81.35% from Baht 194.

million when compared to the first quarter of the year 2023

4. Other Income

The Company and its subsidiary generated other incomes of Baht 32 million, increased by Baht 11 million or 50.80% from Baht 21 million when compared to the first quarter of the year 2023 according to the realized gain from investing in debt mutual funds and improving the burden-free promotional expenses as a result of successful negotiation with business partners.

5. Selling and Administrative Expenses

The Company and its subsidiary's selling expenses was Baht 127 million, decreased by Baht 11 million or 7.81% from Baht 138 million when compared to the first quarter of the year 2023 due to the decrease of exporting expense and public relations expense.

Administrative expenses were Baht 64 million, decreased by Baht 5 million or 7.85% from Baht 69 million compared to the first quarter of the year 2023, due to salaries, wages, other employee's benefit, and expenses ceased operations on certain goods.

6. Reversal of allowance for expected credit losses

In the first quarter of the year 2024, the Company and its subsidiaries reversed the recognition of allowance for expected credit losses value of Baht 1 million.

7. Reduction of inventory to net realizable value

In the first quarter of the year 2024, the Company and its subsidiaries recorded the reduction of inventory cost of Baht 9 million in some products.

Sustainability Performance

- The company has disclosed a Sustainable Development Report for the year 2023 in accordance with the Global Reporting Initiatives (GRI) Sustainability Reporting Standards framework to communicate the sustainable operations related to sustainability, covering Environmental, Social, and Corporate Governance (ESG) dimensions. The report also includes the disclosure of climate-related risks information according to the Task Force on Climate-Related Financial Disclosures (TCFD) standards for stakeholders and interested parties. Both reports can be downloaded at www.tvothai.com/th/sustainability/report.
- The company has installed an additional 1.5 MW of solar rooftop power generation systems, bringing the total solar power generation capacity to 3.5 MW. From January to April, the company was able to produce more than 1,200,000 kWh of electricity from solar energy, reducing greenhouse gas emissions by 623,000 kilograms of carbon dioxide equivalent, aligning with the company's greenhouse gas reduction goals, in line with the company's goal to reduce greenhouse gas emissions by 20% from the base year of 2021 within the year 2035.

Conclusion of the operational performance for the three-month period ended March 31, 2024

For the operational performance for the three-month period ended March 31, 2024, the Company and its subsidiary had total sales revenue of Baht 7,713 million, decreased by Baht 1,748 million or 18.48%. Total cost of sales was Baht 7,188 million, decreased by Baht 2,125 million or 22.82%. Total gross profit was Baht 525 million, increased by Baht 377 million or 255.94%. While the total selling expense was Baht 127 million, decreased by Baht 11 million or 7.81%. The total administrative expense was Baht 64 million, decreased by Baht 5 million or 7.85%. Overall, the Company and its subsidiary had a net profit of Baht 308 million, increased by Baht 180 million or 140.63% compared to the same period last year.

Yours sincerely,

Miss Kanutsorn Bunditnate

Company Secretary

Authorized Signatory