



บริษัท เอไอ เอนเนอร์จี้ จำกัด (มหาชน)

AI Energy Public Company Limited

ทะเบียนเลขที่ 0107556000311

AIE 054/2024

May 14, 2024

**Subject:** Management's Discussion and Analysis for 1<sup>st</sup> quarter of 2024 ended as of March 31, 2024

**Attention:** President

The Stock Exchange of Thailand

AI Energy Public Company Limited ("the Company") would like to report the financial statement of the 1<sup>st</sup> quarter of 2024 ended as of March 31, 2024, which details are as following;

Operating results (Consolidated)	1 <sup>st</sup> quarter		1 <sup>st</sup> quarter		Unit: Million Baht	
	2024	%	2023	%	Increase (Decrease)	%
Revenue from sales and services	1,574.97	100.00%	2,020.62	100.00%	(445.65)	(22.06%)
Cost of sales and services	(1,518.79)	(96.43%)	(2,002.51)	(99.10%)	(483.72)	(24.16%)
Gross profit	56.18	3.57%	18.11	0.90%	38.07	210.22%
Other income	2.62	0.17%	1.90	0.09%	0.72	37.64%
Selling and administrative expenses	(28.19)	(1.79%)	(29.72)	(1.47%)	(1.53)	(5.15%)
Profit from operations	30.60	1.94%	(9.71)	(0.48%)	40.31	415.11%
EBITDA	64.27	4.08%	7.98	0.39%	56.29	705.30%
Finance cost and tax income	1.02	0.06%	(0.004)	(0.00%)	1.02	-
Net profit	31.63	2.01%	(9.72)	6.59%	41.35	425.31%
Basic earnings per share (Baht per share)	0.023		(0.007)		0.030	

### Net Profit

For 1<sup>st</sup> quarter of 2024 ended as of March 31, 2024, the Company and subsidiaries (Consolidated) realized net profit of Baht 31.63 million, increased by Baht 41.35 million as compared to the same period of last year which incurred the realized net loss of Baht 9.72 million. However, the Company reported EBITDA in amounting of Baht 64.27 million, increased by Baht 56.29 million as compared to the same period of last year which incurred at Baht 7.98 million. Due to the fluctuation of CPO price in 1<sup>st</sup> quarter of 2024 within a short period of time, and CPO price was slightly fluctuation with low spread gap as compare to the same period of last year. However, the Company determined the policy that focused on the management of raw material (CPO) by trying to maintain inventories turnover rate between 15 - 25 days for alleviates the impact of the fluctuation of CPO on the Company's performance.



## Revenue

### **1. Revenue from Sales and Services**

For 1<sup>st</sup> quarter of 2024, the Company and subsidiaries realized the revenue of Baht 1,574.97 million, decrease by Baht 445.65 million or 22.06%, where the reasons are summarized as follows;

#### **1.1 Sales of Biodiesel, Edible oil, Refined Glycerine, Raw material and By-product**

For 1<sup>st</sup> quarter of 2024, the Company's revenue from sales of biodiesel, edible oil and by-products was Baht 1,567.62 million, decreased by Baht 441.60 million or 21.98% from the same period of last year, as summarized below;

- For 1<sup>st</sup> quarter of 2024, the revenue from Biodiesel business decrease by Baht 280.32 million, or 21.05%, the main factors are the existing customers have decreased demand by 28.00%, For the selling price in 1<sup>st</sup> quarter of 2024, the average selling price of biodiesel was increase by 9.65% in accordance to the price of CPO as the main raw material.
- For 1<sup>st</sup> quarter of 2024, the revenue from Edible Oil business increase by Baht 53.24 million, or 169.03 from the quantity sold to industrial, hotels and restaurants, and the wholesaler customers that has been increased. However, the Company emphasize on industrial customer sector. The Company entered into short-term contract with specific quantities and delivery term (Made to Order). This helps the Company to efficiently control inventories aging and procurement that prevent risk from CPO's prices fluctuation.
- For 1<sup>st</sup> quarter of 2024, the revenue from Refined Glycerine business decreased by Baht 44.76 million or 55.54% from the decreased sales volume by 47.74%, and the price are decreased by 14.93% as compared to the same period of last year, the decline in selling price of Refined Glycerine was due to the lower demand for the product both domestically and internationally. In addition, there are oversupply of refined glycerine on the global market from Indonesia and Malaysia producers, therefore, the selling price of refined glycerine continued to decrease.
- For 1<sup>st</sup> quarter of 2024, the revenue from raw material and By-product decreased by Baht 169.77 million or 30.02%, from sales volume has decreased by 34.60% as compared to the same period of last year, from sales of raw materials to the customer in oleochemical industry and exporting during



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profitable periods. However, the Company will only sell by-products that excess the need of its biodiesel and refined glycerine productions.

## 1.2 Revenue from Production Services

For 1<sup>st</sup> quarter of 2024, The Company has revenue from the edible oil refining service of Baht 7.35 million, decreased by Baht 4.05 million or 35.54% as compared to the same period of last year which incurred at Baht 11.40 million. Presently, the Company has its available capacity to services. However, the Company is considering to provide service that are suitable situation of the Company.

## 2. Other Income

Other Income consist of sales of scrap materials, interest income, gain on changes in fair value of short-term investment, Oil Storage Service etc. In 1<sup>st</sup> quarter of 2024, the Company and its subsidiaries had revenue from other income of Baht 2.62 million, increased by Baht 0.72 million, or 37.64% as compared to the same period of last year which incurred at Baht 1.90 million, caused by the gain on foreign currency exchange of Baht 0.83 million.

## Cost of Sales and Services

For 1<sup>st</sup> quarter of 2024, the Company and subsidiaries' cost of sales and services was Baht 1,518.79 million, decreased by Baht 483.72 million, or 24.16%, where the reasons are summarized as follows;

### 1. Cost of Sales- Biodiesel, Edible Oil, Refined Glycerine, Raw material and By-product

For 1st quarter of 2024, the Company's cost of sales to total revenue from sales ratio was decreased by 2.65% or 2.67% as compared to the same period of last year, according to the price of CPO fluctuating in the short period of time. While, the Company still maintains a policy to manage the inventories' optimization efficiently which can be classified by product groups as follows;

- For 1<sup>st</sup> quarter of 2024, the Biodiesel's ratio of cost of sales to revenue was decreased by 5.18% or 5.15% as compared to the same period of last year, due to the increased the price of raw material and the price fluctuating in the short period of time. However, the Company has emphasised on managing raw materials and inventory to have a faster turnover rate and keep the inventories between 15-20 days in order to avoid the risk from the fluctuation of palm oil prices, which is an important factor of the Company's profitability.



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- For 1<sup>st</sup> quarter of 2024, the edible oil's ratio of cost of sales to revenue was decreased by 3.04% or 3.34% as compared to the same period of last year. However, the Company was possible to generate profit from this business unit since it was Made to Order. But the storage of crude palm oil cannot be stored separately. As a result, the production cost fluctuates according to the raw material price during the changing period.
- For 1<sup>st</sup> quarter of 2024, refined glycerine's ratio of cost of sales to revenue was increased by 15.00% or 21.53% as compared to the same period of last year, due to the decreased sales price of refined glycerine.
- For 1<sup>st</sup> quarter of 2024, the raw material and by-product's ratio of cost of sales to revenue was increased by 0.63% or 0.62% as compared to the same period of last year. The Company still determines the cost of sales of by-products according to the market price of the products expected to be sold.

## 2. Cost of Production Services

For 1<sup>st</sup> quarter of 2024, the Company has cost of production service ratio decreased by 12.05% or 16.22%.

Presently, the Company has available capacity for production services.

### Selling Expenses

For 1<sup>st</sup> quarter of 2024, the Company and its subsidiaries' selling expenses were Baht 6.42 million, decreased by Baht 3.93 million or 37.98% as compared to the same period of last year, which incurred at Baht 10.35 million, due to the transportation expenses were decreased by lower quantities sold and the terms of delivery agreed.

### Administration Expenses

For 1<sup>st</sup> quarter of 2024, the Company and subsidiaries' administration expenses were Baht 21.77 million, increased by Baht 2.40 million or 12.38% as compared to the same period which incurred Baht 19.37 million. Due to fees expenses increased by Baht 1.04 million and losses from amortization of assets Baht 0.86 million.

### Financial Cost and Expenses (income) income tax

For 1<sup>st</sup> quarter of 2024, the Company and subsidiaries had financial cost of Baht 0.001 million, decreased by 75.00% as compared to the same period which incurred of Baht 0.004 million.

For 1<sup>st</sup> quarter of 2024, the Company and subsidiaries had income tax (income) increased by Baht 1.02 million or 100.00% as compared to the same period, due to changes in the estimated value of employee benefit liabilities.



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## Statement of Financial Position

Unit: Million Baht

Consolidated Financial Statements	March 31 <sup>st</sup> , 2024	December 31 <sup>st</sup> , 2023	Increase / (Decrease)	%
Cash and cash equivalents	229.61	168.38	61.23	36.36%
Short-term investments	6.18	6.16	0.02	0.28%
Trade and other receivables	532.85	672.55	(139.70)	-20.77%
Inventories	398.91	381.06	17.85	4.68%
Other current assets	5.98	6.35	(0.37)	-5.81%
<b>Total current assets</b>	<b>1,173.52</b>	<b>1,234.50</b>	<b>(60.98)</b>	<b>-4.94%</b>
Restricted bank deposits	60.55	60.55	0.00	0.00%
Property, plant and equipment	1,223.67	1,254.06	(30.39)	-2.42%
Other non-current assets	3.30	3.63	(0.33)	-9.10%
<b>Total assets</b>	<b>2,461.04</b>	<b>2,552.73</b>	<b>(91.70)</b>	<b>-3.59%</b>
Trade and other payables	277.05	386.75	(109.70)	-28.36%
Other current liabilities	37.56	50.58	(13.02)	-25.74%
Other non-current liabilities	8.09	13.05	(4.96)	-38.02%
<b>Total liabilities</b>	<b>322.69</b>	<b>450.38</b>	<b>(127.68)</b>	<b>-28.35%</b>
Shareholder's equity	2,138.34	2,102.36	35.98	1.71%
<b>Total liabilities and shareholder's equity</b>	<b>2,461.04</b>	<b>2,552.73</b>	<b>(91.70)</b>	<b>-3.59%</b>

### Assets

As of March 31<sup>st</sup>, 2024, the Company and subsidiaries had total assets of Baht 2,461.04 million, decreased by Baht 91.70 million or 3.59% from December 31<sup>st</sup>, 2023 due to the decreased in accounts receivable as a result of the lower sales, cash and cash equivalents increased by Baht 61.23 million from operating profits before depreciation and amortization.

### Liabilities

As of March 31<sup>st</sup>, 2024, the Company and subsidiaries had total liabilities of Baht 322.69 million, decreased by Baht 127.68 million or 28.35%, due to the decrease in sales volume resulting in a decrease in trade payables.



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### Shareholders' equity

As of March 31<sup>st</sup>, 2024, the Company and subsidiaries had total shareholders' equity of Baht 2,138.34 million, increased by Baht 35.98 million or 1.71%, from the profit from operation in the 1<sup>st</sup> quarter of 2024 of Baht 31.63 million and profit from the employee benefit estimates based on actuarial technique of Baht 4.35 million.

Please be informed according

Yours Sincerely,

AI Energy Public Company Limited

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