



บริษัท วิจิตรภัณฑ์ปาล์มออยล์ จำกัด (มหาชน)

VICHITBHAN PALMOIL PUBLIC COMPANY LIMITED

2044 ถนนเพชรบุรีตัดใหม่ แขวงบางกะปิ เขตห้วยขวาง กรุงเทพฯ 10310
2044 PHETBURI EXTENSION ROAD, BANGKAPI HUAYKWANG BANGKOK 10310

No 067/2024

May 09, 2024

Subject: Management's Discussion and Analysis of Financial Condition and Results of Operations regarding consolidated for the 1st quarter on March 31, 2024

To: The President of Stock Exchange of Thailand

Vichitbhan Palmoil Public Company Limited and its subsidiaries would like to submit the Management's Discussion and Analysis of Financial Condition and Results of Operations regarding Consolidated for the 1st quarter on March 31, 2024. The net loss of the company and its subsidiaries was THB 61.77 million, the loss increasing from the 1st quarter on March 31, 2023, which had a net loss of THB 25.40 million, the increasing proportion was considered 143.16 percent. There were important factors affecting the performance for the 1st quarter on March 31, 2024, as follows.

Performance Analysis

Revenue

The total revenues of the 1st quarter on March 31, 2024, was THB 258.88 million which increased from THB 218.16 million or 18.67 percent from the same period last year, according to the sales volume of crude palm oil increasing by 32.28 percent. Although, the sales volume of kernel decreased by 40.14 percent. However, the average selling price of crude palm oil and kernel increased by 6.62 and 11.80 percent respectively, resulting in the Company has increased revenue in this quarter.

Cost of sales and Gross(Loss)Profit

The cost of sales of the 1st quarter was THB 289.98 million increasing from THB 202.86 million in the same period last year or increasing 42.94 percent, according to increasing in sales volume and the average price of fresh palm fruit increased by 19.43 percent.

Selling Expense and Administrative Expense

The Company's selling expense for the 1st quarter of 2024 was THB 4.41 million decrease from THB 8.18 million in the same period last year or a decrease of 46.07 percent in line with the diesel price fall by 14.96.

Administrative expenses decreased to THB 26.99 million from THB 32.78 million in the same period last year, which decreased by 17.66 percent, because the company controls expenses

Net Profit (loss)

The Company's net loss in the 1st quarter of 2024 was THB 61.77 million while in the same period of the year 2023 had a net loss of THB 25.40 million because of the reasons mentioned above.

Assets

The total assets of the Company at the end of March 2024 was THB 681.51 million decrease from THB 698.95 million at the end of the year 2023, the decreased amount was THB 17.44 million or 2.49 percent due to the decrease of inventories by THB 39.93 million or the decreased ratio consider to 50.11 percent according to the turnover of inventories and a decrease in Property, plant, and equipment of 10.83 million baht or 2.02 percent from depreciation.

Liabilities

At the end of March 2024, the Company had total liabilities of THB 259.64 million increased from THB 215.31 million at the end of 2023 or increased by THB 44.33 million or 20.59 percent. This was due to a decrease in short-term loans from financial institutions to pay for the purchase of goods and raw materials.

Equity

The Company had THB 421.87 million of equity in the 1st quarter of 2024 decreasing from THB 483.64 million at the end of 2023, decreased by 61.77 million or 12.77 percent, according to the performance of the Company.

Factors affecting the operation and financial statement of the Company's in the future.

In the first quarter of 2024, overseas palm oil situations, crude palm oil stocks in Malaysia and Indonesia were found to be low due to reduced palm oil production as an effect from the El Nino phenomenon. Therefore, Indonesia is expected to raise crude palm oil export prices. This has triggered a rush of crude palm oil exports from Indonesia in the first quarter, causing declining trends in crude palm oil stocks in Indonesia and causing global crude palm oil prices to rise. Concerning the domestic market situation, crude palm oil stocks are low. Domestic crude palm oil stocks moved in the same direction as the global

market. However, domestic crude palm oil prices are higher than the global market, causing a slowdown in crude palm oil exports.

Overseas palm oil industry trends for the remainder of 2024 remain in flux. However, crude palm oil prices are expected to decline due to expected reductions in soybean oil prices from increased soybean production. The factors that need to be monitored are: (1) effects on production due to weather changes; (2) crude palm oil stocks in Malaysia and Indonesia during the palm season, including the palm oil export policies of these countries; (3) effects of policies for promoting palm oil cultivation in India, which is a major global palm oil importer; (4) biodiesel consumption policies in each country; and (5) the global economy. All these factors affect crude palm oil prices. Regarding the domestic market in the second quarter, the palm season will begin with opportunities to export more crude palm oil. In 2024, monthly palm fruit quantity distribution is expected to normalize, and production is expected to increase slightly due to expansion of palm cultivation land and expectations that the La Nina phenomenon will occur in the second half of the year.

The situation in domestic and overseas palm oil industries remains uncertain. The Company will continually monitor the factors involved to take further action in line with the situation.

Please be informed accordingly,

Yours truly,

(Mr. Krisada Chavananand)

Managing Director