

May 12, 2021

Subject: Management Discussion and Analysis for the first quarter ending 31 March 2021

**To: The President
Stock Exchange of Thailand**

Univanich Palm Oil PCL hereby submits a discussion and analysis of the financial statements of the company and its subsidiaries for the first quarter ending 31st March 2021.

The first quarter consolidated net profit after tax of **Baht 102.06 million** was 84.3% higher than Baht 55.37 million in the same period of the previous year. The main factors leading to this higher result were:

1. Fruit production from our own plantations was **25.5% higher** and fruit volume purchased from outside growers was **25.7% higher** than in the previous year. The higher fruit production marked a recovery from the unusually low crop yields in 2020.
2. The average domestic selling price of Crude Palm Oil (CPO) was 14.1 % higher than in the first quarter of last year. The higher palm oil prices are a result of the low production during 2020 which resulted in a large drawdown of palm oil stocks around the region. The average selling price of Palm Kernel Oil (PKO) was 54.5% higher than in the first quarter of last year, for similar reasons.
3. Our seed and seedling sales are higher than last year due to the onset of good rainfall in March and the higher fruit prices which are encouraging increased oil palm plantings.
4. As a result of new Thai Accounting Standard (TAS# 41) a profit of Baht 30.00 million was recorded in this first quarter, compared to a profit of Baht 4.29 million in the same quarter of last year. This change was mainly due to the higher number of seeds and seedlings in our nurseries, and the higher valuation of fruit bunches on palms at the end of the first quarter of this year. This high volume of fruit will be harvested in Q2.

Overall gross margin in the first quarter increased from 10.8% to 11.2% mainly due to the higher volumes of higher margin seed and seedling sales.

Earnings per share from the consolidated net profit of Baht 102.06 million were Baht 0.11 per share.

Yours faithfully,
Univanich Palm Oil Public Co., Ltd.



John Clendon
Group CEO

cc: The Secretary-General
The Securities and Exchange Commission