

August 13, 2021

Subject: Management Discussion and Analysis for the second quarter and for half year ending 30 June 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 second quarter and half year ending 30th June 2021.

For the second quarter, consolidated profit after tax of Baht 500.51 million, was 144.1% higher than Baht 205.05 million in the same quarter of last year. This was due to much higher palm oil prices, improved crushing margins, and an increased sales volume which included third-party palm oil purchased for export.

For the first half year, the consolidated net profit after tax of **Baht 602.56 million** was 131.4% higher than Baht 260.42 million in the first half of last year. The main factors leading to this higher result were:

1. The volume of fruit from our oil palm plantations increased by 5.4% and this benefitted from a 51% increase in palm fruit prices, compared to the same period of last year.
2. The average selling price of Crude Palm Oil (CPO) and Palm Kernel Oil (PKO) was respectively 43.3% and 98.9% higher than in the first half of last year. These higher palm oil prices are as a result of lower regional production during the pandemic, reduced global palm oil stocks, and strong global demand.
3. Our palm oil sales volume was 21% higher than in the first half of last year mainly due to increased third-party purchases for export. Our export sales volume increased from 11.4% of sales last year to 56.6% of sales in the first half of this year.
4. Increased palm oil prices have led to increased export demand for Univanich hybrid oil palm seeds and increased domestic demand for seedlings from Univanich nurseries.
5. Our Philippine joint venture contributed a net profit of Baht 21.4 million in the first half year compared to Baht 7.01 million in the same period of the previous year.

Overall, the gross profit margin for the first half of 2021 increased from 16.6% to 18.2% mainly due to the higher fruit price, improved crushing margins and higher margins in our seed and seedling business.

Earnings per share were **Baht 0.64 per share**, compared to Baht 0.28 per share in the first half of the previous year.

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



John Clendon
Group CEO

cc: The Secretary-General
The Securities and Exchange Commission