

November 11, 2022

Subject: Management Discussion and Analysis of the third quarter and for the nine-month period ending 30 September 2022

**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 third quarter of 2022 and for the nine months ending 30th September 2022.

A consolidated profit after tax of Baht 273.43 million was made in the third quarter, this was 141.5% higher than Baht 113.21 million in the same quarter of last year. The main driving factors were the higher sales from the increased volume of fruit processing, and the strong seed and seedling sales.

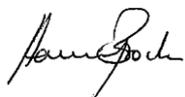
For the nine months ending 30th September, the consolidated net profit of **Baht 1,069.67 million** was 49.4% higher than Baht 715.77 million in the same period of last year. The main factors contributing to this higher result were:

1. The average selling price of Crude Palm Oil (CPO) and Palm Kernel Oil (PKO) were respectively 38.8% and 41.0% higher than in the first nine months of last year. The high international palm oil price was a result of the global supply concerns of vegetable oil, and the low inventory levels, in the first half of 2022. Supply concern were further fueled by the Ukraine/ Russia conflict, and the ban of palm oil exports from Indonesia in 2nd quarter. This resulted in significantly improved profit contributions from our factories. The palm oil prices in the third quarter began to fall away because global vegetable oil supply improved, and inventories steadily increased, notably in Indonesia and Malaysia, due to better climatic conditions and higher production. However, supply of softer oils such as soy and sunflower still remain a concern due to Ukraine/Russia and La Nina forecasts, causing drier conditions in South America. This has meant a significant gap in the price of Soybean oil and Palm Oil. Hence the price of palm oil is staying high, despite the growing inventories.
2. A 39% increase in fruit price, leading to an increase in profit contribution from our oil palm plantations.
3. Our palm oil sales volume was 25.2% higher than in the first nine months of the previous year, due to the production increase, coupled with an increase in trading of third-party oil for export.
4. The much higher palm oil price has encouraged new oil palm plantings and replanting of old palms. This has led to increased demand for Univanich hybrid oil palm seeds, both from domestic and export customers. Our oil palm seedlings have also been in high demand.
5. Thai Accounting Standard, Agriculture (TAS #41) relating to the valuation of current biological assets, resulted in a net gain of Baht 17.69 million in the first nine months of 2022; compared to a net gain of Baht 11.38 million in the same period of last year, due to the higher fruit price of fruit on the tree.
6. Our Philippines joint venture subsidiary, Univanich Carmen Palm Oil Corporation, contributed a profit of Baht 85.28 million, compared to Baht 40.53 million in the same period of last year, due to the improved production volume and higher palm oil prices.

Overall, the gross profit margin for the first nine months decreased from 14.5% to 12.9%. The lower margin is due to the increased volume of third-party trading, and the higher kernel prices.

Consolidated earnings per share for the first nine months were **Baht 1.14 per share** compared to Baht 0.76 per share in the same period of last year.

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

A handwritten signature in black ink, appearing to read "Harry Brock".

Harry Brock
Chief Executive Officer

cc: The Secretary-General
The Securities and Exchange Commission