



บริษัท น้ำมันพืชไทย จำกัด (มหาชน)

THAI VEGETABLE OIL PUBLIC COMPANY LIMITED

TVO/CP/24/014

November 13, 2024

Subject : Report of the Financial Statement, ended of September 30, 2024

Attention : The President of the Stock Exchange of Thailand

Thai Vegetable Oil Public Company Limited (“Company”) would like to submit the financial statements as ended of September 30, 2024, which have been reviewed by the auditor together with the management discussion and analysis as an information for investors and those who are interested.

Operating Results

Operating results of the Company and its subsidiary for three-month and nine-month period ended September 30, 2024 and 2023 were as follows

Unit: Million Baht	For three-month period, ended September 30				For nine-month period, ended September 30			
	2024	2023	Increase / (Decrease)		2024	2023	Increase / (Decrease)	
			Amount	%			Amount	%
Sales	7,619	7,412	208	2.8	22,371	25,735	(3,364)	(13.1)
Sales of packing materials	105	103	2	1.7	304	325	(21)	(6.4)
Total sales	7,724	7,515	210	2.8	22,676	26,060	(3,384)	(13)
Cost of sales	6,912	7,121	(209)	(2.9)	20,554	25,404	(4,849)	(19.1)
Gross Profit	812	394	419	106.5	2,121	656	1,465	223.3
Profit (loss) on exchange rate / derivatives	(89)	72	(161)	(224.4)	21	128	(107)	(83.7)
Other income	62	33	29	86.8	138	97	42	42.9
Selling expenses	158	126	31	24.9	432	412	19	4.7
Administrative expenses	77	54	23	41.5	206	199	6.6	3.3
Allowance for expected credit loss (Reversal)	(0)	(2)	(2)	(93.9)	(4)	(8)	(4)	(46.8)
Reduction cost of inventories to net realizable value (Reversal)	4	0	4	2,786.1	10	(253)	(263)	(103.9)
Financial cost	4	6	1	22.5	10	17	(7)	(39.0)
Profit before income tax expenses	542	314	228	72.7	1,627	514	1,114	216.8
Income tax expenses	96	58	38	65.1	299	92	207	226.4
Net profit attributable to equity holders of the Company	437	250	186	74.4	1,295	414	882	213.0
Non-controlling interests of the subsidiaries	9	5	4	75.0	33	8	24	298.0

In the third quarter of 2024, the Company and its subsidiary had a net profit Baht 437 million, increased by Baht 186 million or 74.4% from Baht 250 million when compared to the same quarter in 2023. The main reasons were;

1. Sales Revenues

The Company and its subsidiary had total sales revenue of Baht 7,724 million, increased by Baht 210 million or 2.8% from Baht 7,515 million when compared to the third quarter of 2023. The revenue from sales of products was Baht 7,619 million, increased by Baht 208 million or 2.8% from Baht 7,412 million when compared to the third quarter of 2023, and the revenue from sales of packaging materials was Baht 105 million, increased by Baht 2 million or 1.7% from Baht 103 million when compared to the third quarter of 2023. The details were as follows;

- **Revenue from sales of soybean meal and other animal feed ingredients** decreased compared to the third quarter of 2023 mainly due to a decline in unit price, which aligned with the global market price for soybean meal. On the other hand, sales volume increased when compared to the same period in the previous year, driven by higher domestic demand for soybean meal, especially among poultry producers, due to rising demand for both domestic consumption and exports.
- **Revenue from sales of refined soybean oil products** increased compared to the third quarter of 2023, despite a decrease in the unit price compared to the same period last year, which aligned with global market prices. However, sales volume increased significantly due to higher demand for soybean oil in export markets, especially in Hong Kong and South Korea, which saw strong growth. Additionally, domestic demand for soybean oil among consumer oil customers grew, driven by a key factor—the narrowing price gap between refined soybean oil and palm oil—leading consumers to shift back to using more soybean oil. Furthermore, customers in the industrial segment, particularly in the seafood sector, also saw increased exports compared to the same period last year, driven by higher consumer demand in key markets, resulting in higher soybean oil consumption.
- **Revenue from sales of packaging materials** increased compared to the third quarter of 2023, with sales revenue rising across nearly all product categories.

2. Cost of Sales and Gross Profits

The Company and its subsidiary's cost of sales was Baht 6,912 million, decreased by Baht 209 million or 2.9% from Baht 7,121 million. The gross profits of the Company and its subsidiary was Baht 812 million, increased by Baht 419 million or 106.5% from Baht 394 million when compared to the third quarter of 2023. The main reasons were;

- **Cost of Sales and Gross Profits of the Company:** The company's cost of sales decreased compared to the third quarter of 2023, despite higher sales volume. This was primarily due to a reduction in soybean prices, the Company's main raw material, compared to the previous year, which aligned with a decline in global soybean price. This price drop was driven by an increase in global soybean production for the 2023/2024 season, alongside projections for the 2024/2025 season, which are also expected to see higher output, especially in major producing countries such as United States which began harvesting toward the end of the third quarter. Brazil and Argentina's projections for production are also trending higher. This has led to a record-high global soybean stock forecast for the 2024/2025 season, further pressuring soybean price downward year-over-year. Consequently, the Company saw an increase in gross profit due to higher sales volume and an improved gross profit margin as the reduction in average selling prices was proportionally smaller than the decrease in raw material costs.
- **Cost of Sales and Gross Profits of the Company's subsidiary:** The cost of sales decreased due to lower raw material costs driven by effective management, as well as a reduction in electricity expenses compared to the same period last year. As a result, the subsidiary achieved higher gross profit compared to the same quarter of the previous year.

3. Loss on exchange rate / derivatives

The Company managed to hedge foreign exchange risk and commodity price risks with a forward contract. This resulted in a foreign exchange and derivatives loss of 89 million baht for the Company and its subsidiaries, a decrease of 161 million baht, or 224.4%, from a profit of 72 million baht in the same quarter of 2023. The primary cause was the appreciation of the Thai baht at the end of the quarter, leading to a loss from the mark-to-market valuation of forward foreign exchange contracts intended for raw material payments in early Q4. In contrast, the previous year saw a gain from mark-to-market valuation due to the depreciation of the Thai baht at the end of the quarter.

4. Other Income

The Company and its subsidiary generated other incomes of Baht 62 million, increased by Baht 29 million or 86.8% from Baht 33 million when compared to the third quarter of 2023 according to the dividend income.

5. Selling and Administrative Expenses

The Company and its subsidiary's selling expenses was Baht 158 million, increased by 31 million baht or 24.9% from Baht 126 million compared to the same quarter in 2023, mainly due to shipping and export expenses.

Administrative expenses was Baht 77 million, an increase of 23 million baht or 41.5% from Baht 54 million compared to the same quarter in 2023, driven by higher costs related to salaries, wages, and employee benefits.

6. Reduction of inventory to net realizable value

In the third quarter of 2024, the Company and its subsidiaries had the recognition of loss from reduction of inventories to net realizable value of Baht 4 million in some products.

Sustainability Performance

- The company has consistently secured a 5-star 'Excellent' Corporate Governance (CG) Scoring for six consecutive years, ranking first in the Top Quartile within the Agriculture and Food Industry. This prestigious rating, awarded by the Thai Institute of Directors Association (IOD) with support from the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC), underscores our commitment to transparent and ethical business practices. This robust governance reinforces our reliability and trustworthiness, creating a foundation for sustainable growth and risk mitigation that aligns with investor expectations for responsible corporate behavior.
- Building on our commitment to environmental sustainability, the company collaborated with Bangkok Industrial Gas Co., Ltd. (BIG) to adopt BIG's Carbon Management Platform for calculating our greenhouse gas emissions, making TVO the first to integrate this platform into its verification processes. This initiative led to our successful certification for the organization's Carbon Footprint (CFO) from the Thailand Greenhouse Gas Management Organization in 2024. This milestone reflects our dedication to reducing environmental impact and aligns with our long-term strategy to achieve a 20% reduction in greenhouse gas emissions by 2035, carbon neutrality by 2045, and net-zero emissions by 2060. Our proactive carbon management approach strengthens our leadership in environmental responsibility, meeting both regulatory expectations and the increasing demand for sustainable practices from the investment community.
- Furthering our commitment to sustainable operations, the company was awarded the Level 4 Green Industry Award (Green Culture) by the Department of Industrial Works, Ministry of Industry, on September 23, 2024. This recognition reflects our adherence to the highest international standards in environmental management and safety, as well as our success in instilling an organization-wide green culture. By promoting environmental consciousness as a core value, we empower every employee to contribute to a sustainable future, making environmental stewardship a defining feature of our company's identity. These achievements solidify our reputation as a leader in sustainability, demonstrating our commitment to continuous improvement, resilience, and long-term value creation that aligns with ESG-focused investor priorities."

Conclusion of the operational performance for the three-month period ended September 30, 2024

For the operational performance for the three-month period ended September 30, 2024, the Company and its subsidiary had total sales revenue of Baht 7,724 million, increased by Baht 210 million or 2.8%. Total cost of sales was Baht 6,912 million, decreased by Baht 209 million or 2.9%. Total gross profit was Baht 812 million, increased by Baht 419 million or 106.5%. The total selling expense was Baht 158 million, increased by Baht 31 million or 24.9%. The total administrative expense was Baht 77 million, increased by Baht 23 million or 41.5%. Overall, the Company and its subsidiary had a net profit of Baht 437 million, increased by Baht 186 million or 74.4% compared to the same period last year.

Yours sincerely,

Miss Kanutsorn Bunditnate

Company Secretary

Authorized Signatory